

**JW Group Insurance and Risk Managers Limited**

**Directors' report and financial statements  
for the period ended 31 December 2007  
Registered number SC206834**

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## **Directors' report and financial statements**

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### **Secretary and registered office**

J Reddi  
2 County Gate  
Staceys Street  
Maidstone  
Kent  
ME14 1ST

## **Directors' report**

The directors present their report and the financial statements for the period ended 31 December 2007

### **Principal activity**

The company was dormant (within the meaning of section 249AA of the Companies Act 1985) throughout the period ended 31 December 2007. There are no plans for the company to commence trading in the foreseeable future.

On 4 October 2007 the company changed its period end from 30 June to 31 December.

### **Directors and directors' interests**

The directors who held office during the period were as follows:

P Cullum  
A Homer  
A Blanc  
I Patrick  
T Philip  
A Adam  
K Davie  
D Davison  
J Grady  
R Marshall  
A Whitehill  
K Whittle

### **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.


In preparing these financial statements, the directors are required to

- ☐ select suitable accounting policies and then apply them consistently,
- ☐ make judgments and estimates that are reasonable and prudent,
- ☐ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- ☐ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Under applicable law the directors are also responsible for preparing a directors' report that complies with that law.

By order of the board

  
T Philip  
Director

01 July 2008

**Profit and loss account  
 for the period ended 31 December 2007**

	<i>Note</i>	<b>Period ended 31 December 2007 £</b>	<b>Period ended 30 June 2007 £</b>
<b>Turnover – discontinued operations</b>	2		4,157,884
Administrative expenses – discontinued operations			(3,926,372)
<b>Operating result / profit – discontinued operations</b>	3		231,512
Other interest receivable and similar income			69,843
Interest payable and similar charges	6		(18,132)
Profit on disposal of discontinued operations			5,010,637
<b>Result / profit on ordinary activities before taxation</b>			5,293,860
Tax on result / profit on ordinary activities	7		(192,936)
<b>Retained result / profit for the financial period</b>			5,100,924

**Balance sheet  
at 31 December 2007**

	<i>Note</i>	<b>At 31 December 2007 £</b>	<b>At 30 June 2007 £</b>
<b>Current assets</b>			
Debtors	9	972,206	972,206
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	10	759,917	759,917
Share premium account		212,289	212,289
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>		<b>972,206</b>	<b>972,206</b>
		<hr/>	<hr/>

The company has not traded throughout the period and therefore qualifies as a dormant company

The company was entitled to exemption under section 249AA of the Companies Act 1985

Members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 249B (2) of the Companies Act 1985

The directors acknowledge their responsibilities for

- ☐ ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985,
- ☐ preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company

These financial statements were approved by the board of directors on 01 July 2008 and were signed on its behalf by



**T Philip**  
*Director*

## **Reconciliation of movements in shareholders' funds for the period ended 31 December 2007**

	<i>Note</i>	<b>Period ended 31 December 2007 £</b>	<b>Period ended 30 June 2007 £</b>
<b>Retained result / profit for the financial period</b>			5,100,924
Dividends paid	8		(5,172,277)
Increase in share capital			84,838
<b>Net movement in shareholders' funds</b>			13,485
<b>Opening equity shareholders' funds</b>		<b>972,206</b>	958,721
<b>Closing equity shareholders' funds</b>		<b>972,206</b>	972,206

## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, and under historical cost accounting rules

#### **Basis of reporting**

The company is exempt by virtue of section 228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Towergate Partnership Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

#### **Goodwill**

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on acquisition is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life. This was previously taken as twenty years.

#### **Tangible fixed assets and depreciation**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Leasehold improvements	Life of the lease
Fixtures, fittings and equipment	15% 20% per annum on a straight line basis
Computer equipment	25% per annum on a straight line basis
Motor vehicles	25% per annum on a straight line basis

#### **Leases**

Assets obtained under finance leases are capitalised in the balance sheet and depreciated over their estimated useful lives. The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

#### **Pensions**

Towergate Partnership Limited and JW Group Insurance and Risk Managers Limited operate defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The amount charged against profits represents the contributions payable to the schemes in respect of the accounting period.

#### **Taxation**

Deferred tax is recognised, without discounting, in respect of all material timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies (continued)**

#### **Turnover**

Turnover represents brokerage and fees for services provided. Brokerage is recognised on the inception or renewal of a risk, with an element of brokerage deferred to match any significant post placement obligations. Profit or volume based commission, which is received periodically, is recognised when the amount can be measured with reasonable certainty, which is typically the earlier of confirmation of the amount with the relevant provider or receipt of cash.

### **2 Turnover**

Turnover consists entirely of sales made in the United Kingdom.

### **3 Operating result / profit**

	Period ended 31 December 2007 £	Period ended 30 June 2007 £
<b>Operating result / profit is stated after charging:</b>		
Auditors' remuneration for audit		17,780
Amortisation of goodwill		124,170
Depreciation on owned assets		18,953
Depreciation on assets held under finance lease		54,195
Loss on disposal of fixed assets		20,878
Operating lease rentals other		387
	<u>                    </u>	<u>                    </u>

### **4 Remuneration of directors**

	Period ended 31 December 2007 £	Period ended 30 June 2007 £
<b>Total remuneration of all directors</b>		
Directors' emoluments		427,228
Company contributions to money purchase pension schemes		20,549
	<u>                    </u>	<u>                    </u>
		447,777
	<u>                    </u>	<u>                    </u>
	Period ended 31 December 2007 £	Period ended 30 June 2007 £
<b>Total remuneration highest paid director</b>		
Directors' emoluments		72,579
Company contributions to money purchase pension schemes		4,469
	<u>                    </u>	<u>                    </u>
		77,048
	<u>                    </u>	<u>                    </u>



## **Notes**

*(forming part of the financial statements)*

### **4 Remuneration of directors (continued)**

The emoluments of Messrs Cullum, Homer, Blanc, Philip and Patrick are or were paid by Towergate Partnership Limited, which makes no recharge to the company. All the directors are or were directors of the ultimate parent company and / or a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of these companies. Their total emoluments are included in the financial statements of the ultimate parent company. Accordingly, the above details include no emoluments in respect of the above named directors.

None (prior period 7) of the directors accrued retirement benefits in money purchase schemes during the current period.

### **5 Staff numbers and costs**

The average number of persons employed by the company during the period, analysed by category, was as follows:

	<b>Number of employees</b>	<b>Number of employees</b>
	<b>Period ended 31 December 2007</b>	<b>Period ended 30 June 2007</b>
Administration		96

The aggregate payroll costs of these persons were as follows:

	<b>Period ended 31 December 2007 £</b>	<b>Period ended 30 June 2007 £</b>
Wages and salaries		2,351,149
Social security costs		207,520
Other pension costs		175,813
		<b>2,734,482</b>

### **6 Interest payable and similar charges**

	<b>Period ended 31 December 2007 £</b>	<b>Period ended 30 June 2007 £</b>
Interest on bank loans and overdrafts		1,532
Finance charges on finance leases and hire purchase contracts		16,600
		<b>18,132</b>

## Notes

*(forming part of the financial statements)*

### 7 Tax on result / profit on ordinary activities

	Period ended 31 December 2007 £	Period ended 30 June 2007 £
<b>UK corporation tax</b>		
Current tax		161,879
<b>UK corporation tax on result / profit on ordinary activities for the period</b>		161,879
Deferred taxation		31,057
<b>Tax on result / profit on ordinary activities</b>		192,936

The actual tax charge for the prior period is lower than the standard rate of corporation tax of 30%. The differences are explained below

	Period ended 31 December 2007 £	Period ended 30 June 2007 £
<b>Result / profit on ordinary activities before taxation</b>		5,293,860
<b>Current tax at 30%</b>		1,588,158
Effects of		
Profit on disposal of discontinued operations		(1,503,191)
Expenses not deductible for tax purposes		46,085
Depreciation in excess of capital allowances		30,827
<b>UK corporation tax on result / profit on ordinary activities for the period</b>		161,879

There are no known factors that may affect future tax charges (prior period: none)

### 8 Dividends

	Period ended 31 December 2007 £	Period ended 30 June 2007 £
Dividends on equity shares		5,172,277

## **Notes**

*(forming part of the financial statements)*

### **9 Debtors**

	<b>31 December 2007 £</b>	<b>30 June 2007 £</b>
Amounts owed by group undertakings	<b>972,206</b>	<b>972,206</b>

### **10 Called up share capital**

	<b>31 December 2007 £</b>	<b>30 June 2007 £</b>
<b>Authorised</b>		
1,000,000 Ordinary shares of £1 each	<b>1,000,000</b>	<b>1,000,000</b>
<b>Allotted, called up and fully paid</b>		
759,917 Ordinary shares of £1 each	<b>759,917</b>	<b>759,917</b>

### **11 Parent company and controlling party**

The company's immediate parent company is JW Group Limited, a company incorporated in Scotland, and ultimate parent company is Towergate Partnership Limited, a company incorporated in England and Wales

The consolidated financial statements of this company are available to the public and may be obtained from

2 County Gate  
Staceys Street  
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P Cullum, the Chairman of the ultimate parent company, is the controlling party by virtue of his controlling interest in the ultimate parent company's equity capital