

Folgate London Market Limited
Directors' report and financial statements
for the year ended 31 December 2008

Registered number 180403



Directors' report and financial statements

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Officers and professional advisers

Directors

P Cullum
A Homer
T Philip
J Crisford (*resigned 07 July 2008*)
K Maciver (*resigned 29 June 2008*)
M Hughes (*resigned 21 July 2008*)
K Martin (*resigned 01 July 2008*)

Secretary

T Craton

Registered office

Towergate House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN

Auditors

KPMG Audit Plc
8 Salisbury Square
London
EC4Y 8BB

Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2008.

Business review and principal activity

The profit and loss account for the year is set out on page 6.

The results for the year and the company's financial position at end of the year are shown in the attached financial statements.

The profit on ordinary activities before taxation for the year amounted to £nil (2007: £402,346). The company has net assets of £5,631,651 (2007: £5,631,651).

Future outlook

It is anticipated that the company will not trade in the future and, in the directors' opinion, the company is not exposed to financial or other risks as it no longer has monetary assets, other than amounts due from group undertakings, or liabilities.

Dividend

A final dividend of £nil was paid during the year (2007: £nil).

Political and charitable contributions

The company made no political or charitable contributions during the current year or prior year.

Directors' report *(continued)*

Directors and directors' interests

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

P Cullum	
A Homer	
T Philip	
K Maciver	<i>(resigned 29 June 2008)</i>
K Martin	<i>(resigned 01 July 2008)</i>
J Crisford	<i>(resigned 07 July 2008)</i>
M Hughes	<i>(resigned 21 July 2008)</i>

Disclosure of information to auditors

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

By order of the board



T Philip
Director

18 September 2009

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 year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 year.

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.

Independent auditors' report to the members of Folgate London Market Limited

We have audited the financial statements of Folgate London Market Limited for the year ended 31 December 2008 which comprise the Profit and loss account, the Balance sheet, the Reconciliation of movements in shareholders' funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
8 Salisbury Square
London
EC4Y 8BB

1.8/9/09

Profit and loss account
for the year ended 31 December 2008

	<i>Note</i>	2008 £	2007 £
Administrative expenses – discontinued operations		-	-
Operating profit – discontinued operations		-	-
Other income	2	-	402,346
Profit on ordinary activities before taxation	2	-	402,346
Tax on profit on ordinary activities	4	-	(120,703)
Retained profit for the financial year	8	-	281,643

The company has no recognised gains and losses other than the profits and losses shown above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 9 to 12 form part of these financial statements.

Balance sheet
at 31 December 2008

	<i>Note</i>	2008 £	2007 £
Current assets			
Debtors	5	6,647,302	6,647,302
Creditors: amounts falling due within one year	6	(1,015,651)	(1,015,651)
Net current assets		5,631,651	5,631,651
Net assets		5,631,651	5,631,651
Capital and reserves			
Called up share capital	7	700,000	700,000
Share premium account	8	28,000	28,000
Profit and loss account	8	4,903,651	4,903,651
Equity shareholders' funds		5,631,651	5,631,651

The notes on pages 9 to 12 form part of these financial statements.

These financial statements were approved by the board of directors on 18 September 2009 and were signed on its behalf by:



T Philip
Director

**Reconciliation of movements in shareholders' funds
for the year ended 31 December 2008**

	2008 £	2007 £
Retained profit for the financial year	-	281,643
Opening shareholders' funds	<u>5,631,651</u>	<u>5,350,008</u>
Closing shareholders' funds	<u><u>5,631,651</u></u>	<u><u>5,631,651</u></u>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

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.

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). The consolidated financial statements of Towergate Partnership Limited within which the company is included, can be obtained from the address given in note 9.

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.

2 Profit on ordinary activities before taxation

	2008	2007
	£	£
Profit on ordinary activities before taxation is stated after charging/ (crediting):		
Auditors' remuneration for audit	-	7,500
Write back of creditor balances	-	(402,345)
	<u> </u>	<u> </u>

The auditors' remuneration for the company is borne by Towergate Underwriting Group Limited (a fellow group company).

Notes (continued)

3 Remuneration of directors

The directors received no emoluments from the company in the current or prior year.

The emoluments of Messrs Cullum, Homer, Maciver and Philip are paid by Towergate Partnership Limited, which makes no recharge to the company. All four directors are 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 the subsidiaries. Their total emoluments are included in the financial statements of the ultimate parent company.

Messrs Crisford, Martin, and Hughes receive no emoluments in respect of their positions as directors of this company. They are each employees of a fellow subsidiary company and their respective aggregate payroll costs are disclosed in the financial statements of the relevant subsidiary company. Where one is also a director of that fellow subsidiary company then their emoluments will be disclosed within the note on remuneration of directors for that company.

4 Taxation

	2008 £	2007 £
UK corporation tax		
Current tax charge on profit for the year		120,703
UK corporation tax charge on profit on ordinary activities for the year	-	120,703
Deferred taxation	-	-
Tax on profit on ordinary activities	-	120,703

The current tax charge for the year is lower (2007: lower) than the standard rate of corporation tax in the UK of 28.5% (2007: 30%). The differences are explained below.

	2008 £	2007 £
Current tax reconciliation		
Profit on ordinary activities before taxation	-	402,346
Current tax at 28.5% (2007: 30%)	-	120,703
Effects of:		
Income not subject to tax	-	-
Group relief	-	-
UK corporation tax charge on profit on ordinary activities for the year	-	120,703

There are no known factors that may affect future tax charges (2007: none).

Notes (continued)

5 Debtors

	2008 £	2007 £
Amounts due from group undertakings	<u>6,647,302</u>	<u>6,647,302</u>

6 Creditors: amounts falling due within one year

	2008 £	2007 £
Amounts owed to group undertakings	1,015,651	894,948
Corporation tax	-	120,703
	<u>1,015,651</u>	<u>1,015,651</u>

7 Called up share capital

	2008 £	2007 £
Authorised		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
700,000 Ordinary shares of £1 each	<u>700,000</u>	<u>700,000</u>

8 Reserves

	Share premium account £	Profit and loss account £
At 1 January 2008	28,000	4,903,651
Retained profit for the financial year	-	-
At 31 December 2008	<u>28,000</u>	<u>4,903,651</u>

Notes (continued)

9 Parent undertaking

The company's immediate parent undertaking is The Folgate Broker Partnership Limited, and ultimate parent undertaking is Towergate Partnership Limited, a company incorporated in England and Wales.

The consolidated accounts of the ultimate parent company are available to the public and may be obtained from:

Towergate House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN

10 Controlling party

P Cullum, the Chairman, is the controlling party by virtue of his controlling interest in the ultimate parent company's equity capital.