Ed Broking (UK) Limited

Annual Report and Financial Statements

Year ended 31 December 2017

Registered number: 00142067

THURSDAY
L7FC7D37
LD5 27/09/2018 #361
COMPANIES HOUSE

Ed.

Company Information

Directors	S P Hearn A D Wallin
Registered office	52 Leadenhall Street, London, EC3A 2EB
Company number	00142067
Statutory Auditor	Deloitte LLP, London

Contents

3	Report of the Directors
6	Independent auditor's report
9	Income Statement
10	Balance sheet
11	Statement of changes in equity
12	Principal accounting policies
15	Notes to the financial statements

Report of the Directors for the year ended 31 December 2017

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2017.

Principal activities

The principal activity of the Company is that of an intermediary holding company providing head office services to the Ed Broking Group subsidiaries. The Company will continue to operate in this capacity for the foreseeable future.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Results and dividends

A loss before tax of £10,263,000 was incurred by the Company during the year (2016: loss of £11,385,000).

The Directors do not recommend the payment of a final dividend in respect of the year ended 31 December 2017 (2016: Nil).

Directors and their interests

The Directors of the Company who held office during the year and up to the date of signing of the financial statements were:

S P Hearn
A D Wallin

No Director has any beneficial interest in the shares of any Group companies other than the parent company, Ed Broking Group Limited.

Principal risks and uncertainties

A discussion on the management of financial risk is set out below.

Management of financial risk

The Company has limited exposure to price risk, credit risk, liquidity risk and cash flow risk as its only exposures are to Group companies and the Directors expect the debts to be settled in full as they fall due or on demand as applicable. The Company is not party to any arrangements for which hedge accounting is used.

Going concern

The Directors expect to receive financial support from the parent company and therefore believe the Company will continue to operate as a going concern in the foreseeable future.

Employees

The Directors recognise that the continuing success of the Company depends on its employees and continues to adopt policies designed to attract, train and retain skilled and talented individuals.

Consultation with employees has continued at all levels with the aim of ensuring that views are considered when reaching decisions that may impact the employees. Communication with employees has continued through various means including newsletters, journals and regular briefing and update sessions.

The Company is an equal opportunities employer and bases decisions on individual ability regardless of race, religion, gender, age or disability.

Applications for employment from disabled persons are given full consideration where the requirements of the job can be adequately fulfilled by a disabled person. In the event of an existing employee becoming disabled, the Company's policy is to provide, wherever practicable, continuing employment under normal terms and conditions and to provide training and career development and promotion identical to that of a person who does not suffer from a disability where appropriate.

Key performance indicators

In the view of the Directors, key performance indicators are not appropriate and therefore are not maintained.

Independent auditor

So far as each Director is aware, there is no relevant audit information (as defined in Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each Director has taken all steps that he or she ought to have taken as a Director in order to make himself or herself aware of, and to establish that the auditor is aware of, any relevant audit information.

The company has passed elective resolutions dispensing with the requirement to hold Annual General Meetings and to re-appoint the auditor annually.

Report of the Directors for the year ended 31 December 2017 (continued)

Directors' responsibilities

The Directors are responsible for preparing Annual 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 United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102 and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they 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 judgements and accounting 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;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

S P Hearn
Director
13 August 2018

Independent auditor's report to the members of Ed Broking (UK) Limited

Report on the audit of the financial statements

Opinion
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Ed Broking (UK) Limited (the 'company') which comprise:

- the Income Statement;
- the Balance Sheet;
- the Statement of Changes in Equity;
- the principal accounting policies; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

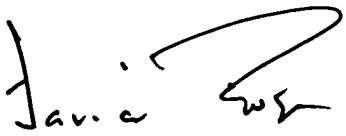
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report

We have nothing to report in respect of these matters.



David Rush, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

18 August 2018

Income Statement for the year ended 31 December 2017

	Note	Year ended 31 December 2017 £'000	Year ended 31 December 2017 £'000	Year ended 31 December 2016 £'000	Year ended 31 December 2016 £'000
Staff costs	3	**(6,324)**		(4,960)	
Other operating charges		**(1,697)**		(4,366)	
Net operating expenses			**(8,021)**		(9,326)
Operating loss	2		**(8,021)**		(9,326)
Interest payable and similar charges			**(2,242)**		(2,059)
Loss on ordinary activities before taxation			**(10,263)**		(11,385)
Tax on loss on ordinary activities	4		**-**		-
Loss for the year			**(10,263)**		(11,385)

There are no differences between the loss on ordinary activities before taxation and the retained loss for the years stated above and their historical cost equivalents.

All recognised gains and losses in the current period and prior period are included in the Income statement and consequently no separate statement of other comprehensive income has been presented.

All amounts relate to continuing operations.

Balance sheet as at 31 December 2017

	Note	31 December 2017 £'000	31 December 2016 £'000
Fixed Assets			
Tangible assets	5	**37**	44
Investments in subsidiary undertakings	6	**1,000**	1,000
		1,037	1,044
Current Assets			
Cash at Bank and in hand		**295**	165
Debtors	7	**7,044**	5,915
		7,339	6,080
Creditors: amounts falling due within one year	8	**(102,918)**	(91,404)
Net current liabilities		**(95,579)**	(85,324)
Total assets less current liabilities		**(94,542)**	(84,280)
Capital and reserves			
Called up share capital	9	**1,000**	1,000
Profit and loss account		**(95,542)**	(85,280)
Total shareholders' deficit		**(94,542)**	(84,280)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements of Ed Broking (UK) Limited were approved by the Board of Directors on 13 August 2017 and were signed on its behalf by:

S P Hearn
13 August 2017

Company Number: 00142067

Statement of changes in equity at 31 December 2017

	Called-up Share capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2017	**1,000**	**(85,280)**	**(84,280)**
Loss for the financial year	**-**	**(10,263)**	**(10,329)**
Total comprehensive income	**1,000**	**(95,542)**	**(94,609)**
Credit to equity for equity settled share-based payments	**-**	**-**	**-**
Balance at 31 December 2017	**1,000**	**(95,542)**	**(94,609)**
At 1 January 2016	1,000	(74,338)	(73,338)
Loss for the financial year	-	(11,385)	(11,385)
Total comprehensive income	1,000	(85,723)	(84,723)
Credit to equity for equity settled share-based payments	-	443	443
Balance at 31 December 2016	1,000	(85,280)	(84,280)

Principal accounting policies

General information and basis of accounting

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

Ed Broking (UK) Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the director's report on pages 3 to 5.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Ed Broking (UK) Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Ed Broking (UK) Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash-flow statement, intra-group transactions and remuneration of key management personnel.

These financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006 and applicable UK accounting standards in the United Kingdom.

A summary of the more important accounting policies is set out below:

Turnover and other operating income

Turnover comprises dividends from subsidiaries. Dividends are recognised when they have been declared.

Other income receivable is recognised in the year to which it relates or, if later, when it can be measured with reasonable certainty. Short-term interest is taken to profit as receivable.

Current tax

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation

Provision is made for deferred tax liabilities, using the liability method, on all material timing differences. Deferred tax is calculated at the rates at which it is expected that the tax will arise. Deferred tax is recognised in the income statement for the year, except to the extent that it is attributable to a gain or loss that is recognised directly in the statement of total recognised gains and losses. Deferred tax balances are not discounted.

Principal accounting policies (continued)

Consolidation

The financial statements contain information about Ed Broking (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its ultimate parent, Ed Broking Group Ltd, a company registered in England and Wales.

Foreign currency translation

Transactions in currencies other than the functional currency are recorded at rates of exchange prevailing at the date of transaction. Monetary assets and liabilities in currencies other than the functional currency are translated at agreed settlement rates or at the rates of exchange prevailing at the balance sheet date and the related gains and losses are reported in the income statement through investment and other income.

Investments in subsidiary undertakings

Investments in subsidiaries are stated at cost less provisions for impairment. A provision for impairment is made to the extent that, in the Directors' view, the carrying amount exceeds the recoverable amount of the fixed asset investment.

Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Depreciation is calculated so as to write off the cost less residual values of tangible fixed assets on a straight line basis over their estimated useful economic lives. The basis of this calculation is:

Leasehold premises	-	over the term of the lease
Fixtures and other assets	-	10% to 20% per annum
Computers	-	33% per annum
Software licences	-	20% per annum

Principal accounting policies (continued)

Share-based payments

The share option programme allows Group employees to acquire shares of the ultimate parent company; these awards are granted by the ultimate parent company Ed Broking Group Limited. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at the grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is due only to share prices not achieving the threshold for vesting.

In accordance with the Articles of Association, employee shareholders of the Group are subject to certain restrictions over the sale of their shares. The existence of these restrictions results in the shares being captured by IFRS 2 "Share based payments". The Group has a choice of whether to acquire such shares from employees who choose to sell them or leave the Group. The Group is under no present obligation to do so either through the relevant rules of the Articles or as a result of stated policy or past practice. Accordingly these shares are accounted for as equity settled. Where these shares are acquired by employees at a value below the unrestricted fair market value, the difference is recognised as an employee expense, with a corresponding increase to equity, and spread over the vesting period.

Going concern

The financial statements are prepared on the going concern basis despite the existence of net current liabilities primarily arising from balances due to fellow group companies within one year. The parent company, Ed Broking Holdings (London) Ltd., has indicated its present intention to support the Company by providing or procuring such finance as is necessary in order that the Company is able to meet its obligations as and when they fall due. Accordingly the Directors believe that the preparation of the financial statements on the going concern basis is appropriate.

Notes to the Financial Statements

1 Cash flow statement and related party transactions

The Company is a wholly owned subsidiary of Ed Broking Holdings (London) Limited and is included in the consolidated financial statements of Ed Broking Group Limited, the ultimate parent company, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Section 7. The Company is also exempt under the terms of Section 33 from disclosing related party transactions with entities that are part of the Ed Broking Group Limited group.

2 Operating loss

	Year ended 31 December 2017 £'000	Year ended 31 December 2016 £'000
Operating loss is stated after charging:		
Staff costs (Note 3)	**6,324**	4,960
Audit fees	**9**	10
Exceptional items (restructuring of Head Office including redundancies)	**84**	1,965

3 Employees and Directors

Staff costs for the Company during the year	**Year ended 31 December 2017 £'000**	Year ended 31 December 2016 £'000
Wages and salaries	**5,799**	4,080
Share based payments	**-**	443
Social security costs	**410**	357
Other pension costs	**115**	80
Staff costs	**6,324**	4,960

The monthly average number of employees of the Company during the year including Directors was 16 (2016: 25).

Share based payment schemes

During 2017, £nil (2016: £443,000) was charged to the profit & loss account in respect of share-based payments.

There were no grants made in 2017.

Notes to the Financial Statements (continued)

3 Employees and Directors (continued)

Group Share Option Plan

The Group Share Option Plan was a long-term incentive plan available to certain employees during 2007. The aim of the plan was to align the interest of those employees assessed as higher performing to the creation of shareholder value. Options were granted at market value and are normally exercisable between four years and 7 months, and five years and 1 month after the date of grant, subject to vesting conditions.

	2017		2016	
	Number	**Weighted average exercise price £**	Number	Weighted average exercise price £
Outstanding at 1 January	-	-	116,666	0.26
Forfeited	-	-	(116,666)	0.26
Outstanding at 31 December	-	-	-	0.26

Joint Ownership Equity Scheme

The Joint Ownership Equity Scheme (JOE) was available to certain employees during 2009. The aim of the plan was to align the interest of those employees assessed as higher performing to the creation of shareholder value. Some shares granted under the JOE scheme are subject to performance and some are not. Shares were granted at market value and are normally exercisable at four years (performance conditions) and five years (no performance conditions), subject to vesting conditions.

	2017 No performance conditions		**2017 Performance conditions**	
	Number	**Weighted average exercise price £**	**Number**	**Weighted average exercise price £**
Outstanding at 1 January	**2,605,441**	**0.46**	**10,869,154**	**0.46**
Outstanding at 31 December	**2,605,441**	**0.46**	**10,869,154**	**0.46**

	2016 No performance conditions		2016 Performance conditions	
	Number	Weighted average exercise price £	Number	Weighted average exercise price £
Outstanding at 1 January	2,605,441	0.46	10,869,154	0.46
Outstanding at 31 December	2,605,441	0.46	10,869,154	0.46

Notes to the Financial Statements (continued)

3 Employees and Directors (continued)

2013 Employee Incentive Scheme

The 2013 Employee Incentive Scheme (EIS) was available to certain employees during 2015 and 2014. The aim of the plan was to align the interest of certain employees to the creation of shareholder value. Some shares granted under the EIS scheme are subject to performance conditions and some are not. Shares were granted at an exercise price of $1.75 and are normally exercisable in equal tranches over four years (no performance conditions) and in four years (market performance conditions), subject to vesting conditions.

Plan 1 - No performance conditions				
	2017		2016	
	Number	**Weighted average exercise price $**	Number	Weighted average exercise price $
Outstanding at 1 January	-	-	2,525,096	1.75
Forfeited	-	-	(2,525,096)	1.75
Outstanding at 31 December	-	-	-	1.75

Plan 2 – Market performance conditions				
	2017		2016	
	Number	**Weighted average exercise price $**	Number	Weighted average exercise price $
Outstanding at 1 January	-	-	2,525,097	1.75
Forfeited	-	-	(2,525,097)	1.75
Outstanding at 31 December	-	-	-	1.75

The fair value of options granted in the year as at the date of grant was £nil (2016: £nil).

Notes to the Financial Statements (continued)

3 Employees and Directors (continued)

Directors	**Year ended 31 December 2017 £'000**	Year ended 31 December 2016 £'000
Aggregate emoluments and termination benefits	**1,703**	4,240
Company contributions to pension schemes	**-**	73

The emoluments of directors are paid by Ed Broking (UK) Limited and Ed Broking Group Limited. The directors were also directors of the ultimate parent company, Ed Broking Group Limited and a number of fellow subsidiaries during the year. It is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, the above details reflect the emoluments in respect of the director's roles for all of the entities they are the Directors of that are charged to Ed Broking (UK) Limited. Their emoluments are also included in the Directors' emoluments disclosed in the financial statements of Ed Broking Group Limited.

Highest paid Director

Aggregate emoluments and termination benefits	**971**	1,461
Company contributions to pension schemes	**-**	-

Retirement benefits schemes

Certain former Directors and employees of the Company were members of a funded defined benefits scheme operated by Ed Broking Holdings (London) Ltd. The scheme is the Coopery Gay (Holdings) Ltd Retirement Benefits Scheme ("the scheme") which is based in the U.K. The scheme was closed to new company employees from 1 October 2001.

The cost of the scheme to the entity for the year was £nil (2016: credit £29,000). The contribution rate has been determined using the Projected Unit Method.

Details of the scheme and the disclosures required by IAS19 appear in the financial statements of Ed Broking Holdings (London) Ltd.

The entity also operates a non-contributory defined contribution pension scheme, based in the United Kingdom, covering all other eligible employees and all new joiners to the entity since October 2001.

Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over the employees working lives with the entity. The cost for the year in relation to these contributions was £115,000e (2016: £109,000).

Notes to the Financial Statements (continued)

4 Tax on loss on ordinary activities

	Year ended 31 December 2017	Year ended 31 December 2016
	£'000	£'000
Current tax:		
United Kingdom		
Corporation tax on loss for the year	-	-
Adjustment in respect of previous years	-	-
Total current tax	-	-
Deferred tax:		
United Kingdom		
Origination and reversal of timing differences	-	-
Adjustment in respect of previous years	-	-
Total deferred tax	-	-
Total tax on loss on ordinary activities	-	-

The tax credit for the year is lower than the standard rate of corporation tax in the UK for the period of 2017 19.25% (2016: 20.00%). A reconciliation of the tax credit is given below:

Loss on ordinary activities before tax	**(10,263)**	(11,385)
Loss on ordinary activities multiplied by standard rate in the UK: 19.25% (2016: 20.00%)	**(1,976)**	(2,277)
Loss relief claimed from fellow company	**(116)**	(220)
Effect of deferred tax (other than losses carried forward)	**(7)**	-
Effect of transfer pricing adjustments	**2,088**	2,391
Effect of tax rate change	**-**	-
Expenditure not deductible for tax purposes	**11**	106
Total tax charge for the period	-	-

Notes to the Financial Statements (continued)

5 Tangible Assets

	Leasehold improvements £'000	Computers & Licences £'000	Fixtures & other assets £'000	Total £'000
Cost				
At 1 January 2017	415	486	111	1,012
Additions	-	7	1	8
At 31 December 2017	**415**	**493**	**112**	**1,020**
Accumulated depreciation				
At 1 January 2017	414	471	83	968
Charge for the year	1	8	6	15
At 31 December 2017	**415**	**479**	**89**	**983**
Net book value at 31 December 2017	**-**	**14**	**23**	**37**
Net book value at 31 December 2016	1	15	28	44

6 Investment in subsidiary undertakings

	31 December 2017 £'000
At 1 January 2017	1,000
Impairment	-
31 December 2017	**1,000**

A list of subsidiary undertakings is given in Note 10.

Notes to the Financial Statements (continued)

7 Debtors

	31 December 2017 £'000	31 December 2016 £'000
Amounts falling due within one year:		
Intercompany debtors	**6,898**	5,777
Other debtors	**9**	43
Prepayments and accrued income	**137**	95
	7,044	5,915

8 Creditors: amounts falling due within one year

	31 December 2017 £'000	31 December 2016 £'000
Amounts owed to group undertakings	**99,450**	89,407
Other creditors	**301**	173
Accruals and deferred income	**3,168**	1,824
	102,918	91,404

Amounts due to group undertakings are unsecured, incur interest rates of 1% above LIBOR and are repayable on demand.

9 Called up share capital

	31 December 2017 £'000	31 December 2016 £'000
Allotted, called up and fully paid		
1,000,000 (2016: 1,000,000) ordinary shares of £1 each	**1,000**	1,000
Total	**1,000**	1,000

Notes to the Financial Statements (continued)

10 Principal subsidiaries

The following were subsidiary undertakings at the end of the year:

Company	Country of Incorporation	Effective Interest	Class of Shares	Nature of business
Ed Broking (London) Limited	England	100%	Ordinary	Insurance and reinsurance Intermediary

11 Ultimate parent company and ultimate controlling party

Ed Broking Holdings (London) Limited is the immediate parent company. The Directors regard Ed Broking Group Limited as the ultimate parent company and EC3 Union Holdings Limited as the ultimate controlling party by virtue of its controlling shareholding in Ed Broking Group Limited.

The largest group in which the results of the Company are consolidated is that of Ed Broking Group Limited. Copies of Ed Broking Group Limited consolidated financial statements can be obtained from the Company's principal office at 52 Leadenhall Street, London, EC3A 2EB.