

REGISTERED NUMBER: 01709711 (England and Wales)

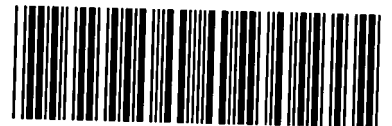
HOOD GROUP ADMINISTRATION LIMITED

Strategic Report, Report of the Directors and

Financial Statements

For The Year Ended 31st December 2018

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HOOD GROUP ADMINISTRATION LIMITED (REGISTERED NUMBER: 01709711)

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For The Year Ended 31st December 2018**

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HOOD GROUP ADMINISTRATION LIMITED

Company Information For The Year Ended 31st December 2018

DIRECTORS:

S A Hood
J M Wallis
S M Milbourne
P R Firkins
M Hunter

SECRETARY:

M Hunter

REGISTERED OFFICE:

Maitland House
Warrior Square
Southend-on-sea
Essex
SS1 2JY

REGISTERED NUMBER:

01709711 (England and Wales)

AUDITORS:

Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

BANKERS:

Lloyds Bank Plc
77 High Street
Southend on Sea
Essex
SS1 1HT

**Strategic Report
For The Year Ended 31st December 2018**

The directors present their strategic report for the year ended 31st December 2018.

FAIR REVIEW OF BUSINESS

The company continues to provide policy administration and related insurance services to insurance intermediaries, insurance underwriters and insured clients.

A reorganisation of the trading activities of the parent company, Hood Group Limited, took place in 2015. Under this reorganisation a significant proportion of the trade, assets and liabilities of the company were transferred to Hood Group Limited. The future trade of the company will be limited to providing policy administration and related insurance services to external clients and other Hood Group companies, where the company will be acting as an authorised representative under the client's FCA registration.

During the year under review, once again due primarily to continued expansion in the Group's travel insurance business, turnover increased substantially to £1,477,543 (2017: £416,636). The business was particularly boosted by a full year's income from a new affinity partnership secured in the previous year.

Meanwhile, the company continued to benefit from significant continued investment from its parent company, Hood Group Limited, particularly in development and continued improvement of sales, administrative and IT platforms.

For the foreseeable future, it is envisaged that future new business opportunities will continue to be secured and conducted through the company's parent or other subsidiaries.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties identified by the directors are outlined below.

As an authorised representative under the client's FCA registration, the company is regulated by the FCA and addresses governance issues with priority, utilising a combination of its parent company Risk & Compliance and Quality Assurance teams along with specialist external consultants as required.

Opportunities to provide policy administration and related insurance services to clients under the authorised representative model are limited. Future new business opportunities are likely to be reflected in other regulated Group companies.

ON BEHALF OF THE BOARD:



M Hunter - Secretary

5th August 2019

HOOD GROUP ADMINISTRATION LIMITED (REGISTERED NUMBER: 01709711)

**Report of the Directors
For The Year Ended 31st December 2018**

The directors present their report with the financial statements of the company for the year ended 31st December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of services to insurance intermediaries, insurance underwriters and insured clients.

DIVIDENDS

During the current and prior year the directors did not pay interim dividends.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2018 to the date of this report.

S A Hood
J M Wallis
S M Milbourne
P R Firkins
M Hunter

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 (United Kingdom Accounting Standards 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

HOOD GROUP ADMINISTRATION LIMITED (REGISTERED NUMBER: 01709711)

**Report of the Directors
For The Year Ended 31st December 2018**

AUDITORS

The auditors, Wilkins Kennedy Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



M Hunter - Secretary

5th August 2019

Report of the Independent Auditors to the Members of Hood Group Administration Limited

Opinion

We have audited the financial statements of Hood Group Administration Limited (the 'company') for the year ended 31st December 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the 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.

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 this regard.

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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Hood Group Administration Limited**

Matters on which we are required to report by exception

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 material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

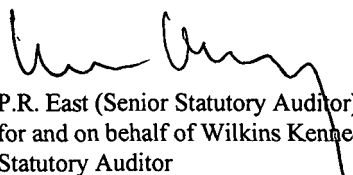
Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors 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 Report of the Auditors.

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.



P.R. East (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

5th August 2019

HOOD GROUP ADMINISTRATION LIMITED (REGISTERED NUMBER: 01709711)

**Income Statement
For The Year Ended 31st December 2018**

	Notes	2018 £	2017 £
TURNOVER	3	1,477,543	416,636
Administrative expenses		<u>733,854</u>	<u>387,018</u>
OPERATING PROFIT		743,689	29,618
Interest receivable and similar income	5	<u>86</u>	<u>22</u>
PROFIT BEFORE TAXATION		743,775	29,640
Tax on profit	6	<u>-</u>	<u>2,264</u>
PROFIT FOR THE FINANCIAL YEAR		<u>743,775</u>	<u>27,376</u>

The notes form part of these financial statements

HOOD GROUP ADMINISTRATION LIMITED (REGISTERED NUMBER: 01709711)

**Other Comprehensive Income
For The Year Ended 31st December 2018**

	Notes	2018 £	2017 £
PROFIT FOR THE YEAR		743,775	27,376
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		743,775	27,376


The notes form part of these financial statements

HOOD GROUP ADMINISTRATION LIMITED (REGISTERED NUMBER: 01709711)

**Balance Sheet
31st December 2018**

	Notes	2018 £	2017 £
CURRENT ASSETS			
Debtors	7	1,131,820	388,045
CREDITORS			
Amounts falling due within one year	8	2,264	2,264
NET CURRENT ASSETS		<u>1,129,556</u>	<u>385,781</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,129,556</u>	<u>385,781</u>
CAPITAL AND RESERVES			
Called up share capital	10	10,000	10,000
Share premium	11	99,980	99,980
Retained earnings	11	1,019,576	275,801
SHAREHOLDERS' FUNDS		<u>1,129,556</u>	<u>385,781</u>

The financial statements were approved by the Board of Directors on 5th August 2019 and were signed on its behalf by:


S A Hood - Director


M Hunter - Director

The notes form part of these financial statements

HOOD GROUP ADMINISTRATION LIMITED (REGISTERED NUMBER: 01709711)**Statement of Changes in Equity
For The Year Ended 31st December 2018**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1st January 2017	10,000	248,425	99,980	358,405
Changes in equity				
Total comprehensive income	-	27,376	-	27,376
Balance at 31st December 2017	10,000	275,801	99,980	385,781
Changes in equity				
Total comprehensive income	-	743,775	-	743,775
Balance at 31st December 2018	10,000	1,019,576	99,980	1,129,556

The notes form part of these financial statements

HOOD GROUP ADMINISTRATION LIMITED (REGISTERED NUMBER: 01709711)**Cash Flow Statement
For The Year Ended 31st December 2018**

		2018	2017
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	<u>743,743</u>	<u>29,703</u>
Net cash from operating activities		<u>743,743</u>	<u>29,703</u>
Cash flows from investing activities			
Interest received		<u>86</u>	<u>22</u>
Net cash from investing activities		<u>86</u>	<u>22</u>
Cash flows from financing activities			
Amounts transferred to group companies		<u>(743,829)</u>	<u>(29,725)</u>
Net cash from financing activities		<u>(743,829)</u>	<u>(29,725)</u>
Increase in cash and cash equivalents		<u>-</u>	<u>-</u>
Cash and cash equivalents at beginning of year		<u>-</u>	<u>-</u>
Cash and cash equivalents at end of year		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

HOOD GROUP ADMINISTRATION LIMITED (REGISTERED NUMBER: 01709711)

**Notes to the Cash Flow Statement
For The Year Ended 31st December 2018**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
Profit before taxation	743,775	29,640
Finance income	(86)	(22)
	<hr/>	<hr/>
Decrease in trade and other debtors	743,689	29,618
	54	85
	<hr/>	<hr/>
Cash generated from operations	743,743	29,703
	<hr/>	<hr/>

The notes form part of these financial statements

**Notes to the Financial Statements
For The Year Ended 31st December 2018**

1. STATUTORY INFORMATION

Hood Group Administration Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

In the opinion of the directors, it remains appropriate to continue to adopt the going concern basis of accounting.

Turnover

Credit is taken for administration fees billed to clients in the period in which they are earned. Other income is credited to the profit and loss account as it is received.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates defined contribution pension schemes. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Trade and other receivables

Trade and other receivables are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest. Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

Trade and other payables

Trade and other payables are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements - continued
For The Year Ended 31st December 2018

3. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

4. **EMPLOYEES AND DIRECTORS**

There were no staff costs for the year ended 31st December 2018 nor for the year ended 31st December 2017.

The average number of employees during the year was as follows:

	2018	2017
Directors	5	5

	2018 £	2017 £
Directors' remuneration	-	-

5. **INTEREST RECEIVABLE AND SIMILAR INCOME**

	2018 £	2017 £
Bank deposit interest	86	22

6. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2018 £	2017 £
Current tax:		
UK corporation tax	-	2,264
Tax on profit	-	2,264

**Notes to the Financial Statements - continued
For The Year Ended 31st December 2018**

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2018	2017
	£	£
Profit before tax	<u>743,775</u>	<u>29,640</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19%)	141,317	5,632
Effects of:		
Effect of reduction in rate of corporation tax	-	29
Group relief	(141,317)	-
Utilisation of losses brought forward	<u>-</u>	<u>(3,397)</u>
Total tax charge	<u>-</u>	<u>2,264</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Amounts owed by group undertakings	1,131,820	387,991
Other debtors	<u>-</u>	<u>54</u>
	<u>1,131,820</u>	<u>388,045</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Tax	<u>2,264</u>	<u>2,264</u>

9. SECURED DEBTS

There is an unlimited guarantee and letter of set off in place between The Select & Protect Program Ltd, Hood Direct Limited, Hood Group Administration Limited, Plus One Administration Services Limited, Hood Group Limited and Augmentum Management Limited in relation to any credit balances with the company's bankers.

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017
			£	£
10,000	Ordinary	£1.00	<u>10,000</u>	<u>10,000</u>

**Notes to the Financial Statements - continued
For The Year Ended 31st December 2018**

11. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1st January 2018	275,801	99,980	375,781
Profit for the year	743,775		743,775
At 31st December 2018	<u>1,019,576</u>	<u>99,980</u>	<u>1,119,556</u>

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The directors consider the ultimate holding company to be Hood Group Limited incorporated in England and Wales.

13. RELATED PARTY DISCLOSURES

The company provided insurance services in the normal course of business to Hood Travel Limited, a company owned by Hood Group Limited and with some directors in common. Sales for the year amounted to £1,477,543 (2017: £413,899).

As at the balance sheet date Hood Group Limited owed the company £1,131,820 (2017: £387,991).