

DASHWOOD BREWER & PHIPPS LTD
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2016
REGISTERED NUMBER: 02122641



DASHWOOD BREWER & PHIPPS LTD

COMPANY INFORMATION

DIRECTORS

Mr. N.C. Belcourt
Ms. M.T. Hazell
Mr. G.V. Manthry
Mr. D.S. Russell

SECRETARY

Mr G.V. Manthry

COMPANY NUMBER

02122641

REGISTERED OFFICE

DBP House
63 Mark Lane
London
EC3R 7NQ

AUDITORS

Moore Stephens LLP
Chartered Accountants and Registered Auditors
150 Aldersgate Street
London EC1A 4AB

DASHWOOD BREWER & PHIPPS LTD

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DASHWOOD BREWER & PHIPPS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31st MARCH 2016

The Directors present their report and the financial statements for the year ended 31st March 2016.

PRINCIPAL ACTIVITIES

The Company's principal activity is that of insurance and reinsurance broking.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company's turnover amounts to £4,173,084, which is down by £173,643 (4%) on last year. The continued strength of GBP against many currencies including USD and CAD resulted in a reduction in turnover of 10%. The increase in the underlying renewable book coupled with the addition of new products have partially negated the fall in turnover attributable to the adverse currency movements.

The Company continues to expand its insurance broking business in its areas of strength with the introduction of new products to enhance the existing business portfolio. The Company will also continue to grow and enhance its product lines through the acquisition of new teams. The Company has continued investing in individuals to diversify its geographical and product base. The Company is committed to devoting significant resource in researching and developing new products and territories, the benefits of which will be crystallised in the near future.

The Company's operating profit before tax and interest amounted to £314,304 (*2015 - £253,226 as restated*). The increase in Company's operating margins is attributable to prudent management of costs and overheads.

The Company's profit after tax amounted to £220,716 (*2015 - £187,356 as restated*). The Directors recommended and paid a Dividend of £100,000 (*2015 - £50,000*).

The Directors are confident in the future outlook for the Company given the growth and the continued increase in the underlying renewable book of business.

DIRECTORS

The Directors who served during the year were:-

Mr. N.C. Belcourt
Ms. M.T. Hazell
Mr. G.V. Manthry
Mr. D.S. Russell

DIRECTORS AND OFFICERS INSURANCE COVER

The Company's parent undertaking, Dashwood Group Ltd, has a Directors and Officers insurance policy in place for all the companies in the Group.

POLITICAL AND CHARITABLE DONATIONS

During the year the Company made charitable donations amounting to £1,025.

DASHWOOD BREWER & PHIPPS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31st MARCH 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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 judgments and accounting estimates that are reasonable and prudent; 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 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.

AUDITORS

Under section 487 of the Companies Act 2006, Moore Stephens LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

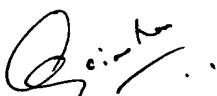
So far as the Directors are aware at the time the report is approved:

There is no relevant audit information of which the Company's auditors are unaware, and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The information given in the Directors' Report is consistent with the financial statements.

In preparing this report, the Directors have taken advantage of the Small Companies Exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Board on 25th May 2016 and signed on its behalf.



Mr G.V. Manthry
Secretary.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DASHWOOD BREWER & PHIPPS LTD

We have audited the financial statements of Dashwood Brewer & Phipps Ltd for the year ended 31st March 2016 which are set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31st March 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

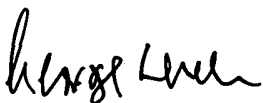
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DASHWOOD BREWER & PHIPPS LTD

Matters on which we are required to report by exception

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; or
- the Directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



George Anton Luck
Senior Statutory Auditor

For and on behalf of Moore Stephens LLP, Statutory Auditor,
150 Aldersgate Street, London, EC1A 4AB

10 June 2016

DASHWOOD BREWER & PHIPPS LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31st MARCH 2016

		2016	2015
	Note	£	<i>As restated</i> £
TURNOVER	4	4,173,084	4,346,727
ADMINISTRATIVE EXPENSES		(3,872,460)	(4,189,015)
OTHER OPERATING INCOME	5	<u>13,680</u>	<u>95,514</u>
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST	6	314,304	253,226
Interest Payable	9	<u>(20,000)</u>	<u>(22,709)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		294,304	230,517
TAX ON PROFIT ON ORDINARY ACTIVITIES	10	<u>(73,588)</u>	<u>(43,161)</u>
PROFIT AND TOTAL COMPREHENSIVE INCOME	19	<u><u>220,716</u></u>	<u><u>187,356</u></u>

All activities derive from continuing operations.

The notes on pages 7 to 17 form part of these financial statements.


DASHWOOD BREWER & PHIPPS LTD

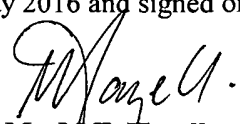
STATEMENT OF FINANCIAL POSITION

AS AT 31st MARCH 2016

		2016		2015	
				<i>As restated</i>	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	12		55,750		64,473
CURRENT ASSETS					
Debtors	13	1,868,071		1,567,485	
Cash at bank and in hand	14	<u>1,316,202</u>		<u>1,245,911</u>	
		3,184,273		2,813,396	
CREDITORS: amounts falling due within one year	15	<u>1,285,028</u>		<u>1,044,276</u>	
NET CURRENT ASSETS			<u>1,899,245</u>		<u>1,769,120</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,954,995		1,833,593
Provision for liabilities	16		-		-
NET ASSETS			<u>1,954,995</u>		<u>1,833,593</u>
CAPITAL AND RESERVES					
Called up share capital	18		1,000,000		1,000,000
Equity reserve	19		686		-
Profit and loss account	19		<u>954,309</u>		<u>833,593</u>
SHAREHOLDERS' FUNDS			<u>1,954,995</u>		<u>1,833,593</u>

The financial statements were approved by the board on 25th May 2016 and signed on its behalf.


Mr. N.C. Belcourt
Director


Ms. M.T. Hazell
Director.

The notes on pages 7 to 17 form part of these financial statements.
Company registered in England and Wales bearing number 02122641.

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

1 COMPANY INFORMATION

Dashwood Brewer & Phipps Ltd is registered in England and Wales under the Company registration number 02122641. The Company is a private limited Company and is not listed.

2 ACCOUNTING POLICIES

2.1 Adoption of FRS 102

A new applicable United Kingdom accounting standard, Financial Reporting Standard 102 ('FRS 102') as Amended in September 2015 and SI 2015/980 becomes mandatory for accounting periods beginning on or after 1st January 2016. The Company has adopted the Amended FRS 102 Section 1A "Small Entities" applicable to smaller entities as issued in September 2015 and SI 2015/980 earlier than the mandatory date and has restated prior year comparatives. A summary of the transition to FRS 102 is set out in note 24 of the financial statements.

2.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and are prepared in accordance with the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements are presented in Pounds Sterling which is the functional currency of the Company.

2.3 Turnover

Turnover represents brokerage, fees earned and commission receivable. Profit commission is credited to the profit and loss account on a receivable basis when the amount due to the Company can be reasonably ascertained. An appropriate proportion of turnover is deferred to recognise post placement contractual obligations.

Brokerage fees for consultancy arrangements are recognised on an accruals basis over the life of the agreement.

2.4 Recognition of income and expenditure

Brokerage income is recognised at inception or later on the issuance of debit notes where the contractual obligations had not been completed at the earlier date. Fees received in respect of insurer services are recognised over the period of the underlying contract. It is not practicable to devise accounting policies which consistently match revenue from brokerage with the related expenses. Accordingly, expenses are recognised as they occur.

2.5 Insurance broking assets and liabilities

The Company, in the course of carrying on insurance broking activities, handles client money in accordance with the Financial Conduct Authority Client Asset Sourcebook rules. Under these rules, the Company co-mingles monies defined as belonging to clients and monies defined as belonging to insurers (known as risk transfer monies) in segregated bank accounts that are subject to either a non-statutory trust or statutory trust. The Company also handles risk transfer monies solely belonging to insurers in a segregated bank account that is subject to a non-statutory trust.

The Company's terms of business with its clients and insurers state that the Company is entitled to retain the investment income earned on any cash flows arising from insurance broking transactions.

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

2 ACCOUNTING POLICIES (CONTINUED)

In addition to economic benefit derived from the retention of investment income, the Company also has control over the operation of the bank accounts in relation to the settlement of accounts with other intermediaries, clients, insurers and market settlement bureaux.

As a result, the Company has historically shown the debtors, creditors and cash balances relating to insurance broking activities as assets and liabilities of the Company itself.

In conjunction with the adoption of FRS 102 the Directors have considered the nature of the trust arrangements under which monies are held against the control that the Company exerts over the operation of the bank accounts and the appropriateness of disclosing the segregated bank accounts that hold monies belonging to clients and insurers as assets of the Company itself.

The Directors have reconsidered the disclosure of insurance broking assets and liabilities and as a result have concluded that only the net balance should be disclosed as an asset of the Company itself, representing income due and payable to the Company for its own bank account to be transferred from the segregated bank accounts at the appropriate time in accordance with FCA Client Asset Sourcebook rules.

2.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2.7 Tangible fixed assets and depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual installments over their expected useful lives. The rates generally applicable are:

Furniture and equipment	25% of cost per annum
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2.8 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Foreign brokerage and interest receivable are translated at either actual rates of exchange or average rates approximating thereto. Exchange differences are taken into account in arriving at the operating profit.

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

2. ACCOUNTING POLICIES (continued)

2.9 Interest receivable

Interest receivable earned from managing operating cash balances is included within the operating profit.

2.10 Pensions costs

The Company operates defined contribution personal pension schemes and the pension charge represents the amounts payable.

2.11 Share based payments

The Company's ultimate parent undertaking operates an Enterprise Management Incentive share option plan for key employees. The options are measured using a standard methodology. The Company accounts for the costs of the options relating to the current period within its statement of comprehensive income.

The Company's ultimate parent undertaking operates an All Employee Share Incentive Plan, which is open to all permanent employees of the Company. The parent undertaking offers free matching shares on the purchase of Partnership Shares. The Company accounts for the costs of the free matching shares within its statement of comprehensive income, where relevant.

2.12 Derivative financial instruments

The Company uses derivative financial instruments to reduce exposure to foreign exchange risk, including exposures arising from forecast transactions. The Company does not hold or issue derivative financial instruments for speculative purposes. Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently premeasured to their fair value at each reporting date. The resulting gain or loss is recognized in the statement of comprehensive income.

3 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

As referred to under the Statement of Directors' Responsibilities, the Directors are responsible for preparing the financial statements and are required to make judgements and estimates that are reasonable and prudent. In preparing these financial statements, the Directors have considered the assumptions used in making the following significant estimates and judgements in applying the Company's accounting policies:

Determination of the recoverability of the amount of the surplus insurance assets included within debtors, depending on the age of the debt and other factors known to the Directors.

Determination of the amount of deferred income that includes amounts for post placement contractual obligations and included within creditors, amounts due within one year, as a reasonable estimate of the amount that the Company expects to recognise as income in the future.

Determination of the amount of the employee bonus accruals included within creditors, amounts due within one year, as a reasonable estimate of the amount that the Company intends to pay in the future.

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

4 TURNOVER

The whole of the turnover is attributable to the Company's principal activity.

Geographical analysis of turnover by reference to the Company's ultimate client destination is as follows:

	2016 %	2015 %
United Kingdom	7	6
Rest of Europe	1	1
USA and Canada	75	76
Rest of the world	17	17
	<u>100</u>	<u>100</u>

5 OTHER OPERATING INCOME

	2016 £	2015 £
Interest receivable	13,680	13,488
Exchange gains	-	82,026
	<u>13,680</u>	<u>95,514</u>

6 OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2016 £	2015 £
Depreciation of tangible and intangible fixed assets:		
- owned by the Company	40,484	39,086
Exchange loss/(gains)	59,876	(82,026)
Auditors' remuneration - audit work	21,000	25,250
Auditors' remuneration - non-audit work (client money audit)	4,000	4,000
Operating lease rental - property	140,255	151,508
- motor vehicles	15,086	15,437

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

7 DIRECTORS' REMUNERATION AND EMPLOYEE NUMBERS

	2016	2015
	£	£
Directors Emoluments		
Emoluments	<u>651,135</u>	<u>648,853</u>
Company pension contributions to money purchase pension schemes	<u>64,749</u>	<u>78,385</u>

During the year, retirement benefits were accruing to 4 Directors (2015- 5 Directors) in respect of money purchase pension schemes. The highest paid Director's emoluments before pension contributions amounted to £243,917 (2015: £220,811) and the pension contributions amounted to £Nil (2015: £Nil).

Average employee number by category

The monthly average number of employees by category were as follows:

	2016	2015
	Number	Number
Management	5	5
Broking/Account Handling	27	28
Administration	<u>11</u>	<u>12</u>
	<u>43</u>	<u>45</u>

8 PENSION COMMITMENTS

The Company operates defined contribution personal pension schemes for the benefit of the employees. The assets of these schemes are administered by trustees in funds independent from those of the Group. The total contributions payable amounted to £275,756 (2015- £300,992) and the balance outstanding at the year end amounted to £21,681 (2015 - £25,005).

9 INTEREST PAYABLE

	2016	2015
	£	£
Interest payable	<u>20,000</u>	<u>22,709</u>

10 TAXATION

	2016	2015
	£	£
UK corporation tax on profit for the year	66,400	57,261
Adjustments in respect of prior periods	<u>2,739</u>	<u>(39)</u>
Total current tax	<u>69,139</u>	<u>57,222</u>
Deferred tax		
Reversal and origination of timing differences in respect of capital allowances and short-term timing differences (see note 13)	<u>4,449</u>	<u>(14,061)</u>
Total deferred tax (see note 13)	<u>4,449</u>	<u>(14,061)</u>
Tax on profit on ordinary activities	<u>73,588</u>	<u>43,161</u>

UK corporation tax has been charged on profits at 21% (2015-21%).

There were no other factors that may affect current or future tax charges.

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

11 DIVIDENDS

	2016 £	2015 £
Final dividend on ordinary shares	<u>100,000</u>	<u>50,000</u>

12 TANGIBLE FIXED ASSETS

	Other fixed assets £	Total £
Cost or valuation		
At 1st April 2015	444,614	444,614
Additions	<u>31,761</u>	<u>31,761</u>
At 31 st March 2016	<u>476,375</u>	<u>476,375</u>
Depreciation		
At 1st April 2015	380,141	380,141
Charge for the year	<u>40,484</u>	<u>40,484</u>
At 31st March 2016	<u>420,625</u>	<u>420,625</u>
Net book value		
At 31st March 2016	<u>55,750</u>	<u>55,750</u>
At 31st March 2015	<u>64,473</u>	<u>64,473</u>

13 DEBTORS

	2016 £	2015 £ <i>As restated</i>
Due within one year		
Trade debtors – Surplus insurance assets	1,289,385	1,082,508
Amounts owed by parent undertaking	416,225	319,082
Other debtors	68,366	71,996
Deferred tax debtor	4,996	9,445
Prepayments and accrued income	<u>89,099</u>	<u>84,454</u>
	<u>1,868,071</u>	<u>1,567,485</u>

In conjunction with the adoption of FRS 102 the Directors have reconsidered the disclosure of insurance broking assets and liabilities and as a result have concluded that only the net balance should be disclosed as an asset of the Company itself with the prior year comparatives restated. Refer to note 24.

At the year end Dashwood Brewer & Phipps Ltd's insurance broking assets and liabilities were as follows:-

	2016 £	2015 £
Cash at bank and in hand	7,480,286	1,961,604
Insurance debtors	12,111,608	12,222,984
Insurance creditors	<u>(18,302,509)</u>	<u>(13,102,080)</u>
Surplus insurance assets	<u>1,289,385</u>	<u>1,082,508</u>

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

14 CASH AT BANK AND IN HAND

The Company is regulated by the FCA. As required by the FCA, client monies are held in statutory and non-statutory trust client bank accounts. The use and governance of the balances held within these accounts are determined by trust deeds and by the FCA's client asset rules source book (CASS). The cash at bank and in hand as at 31st March 2016 includes £7,480,286 (2015 - £1,961,604) of client monies held in statutory and non-statutory trust client bank accounts. As set out in note 24, the Company has reconsidered the disclosure of insurance broking assets including cash and have derecognised it on its balance sheet.

	2016 £	2015 £ <i>As restated</i>
Office cash at bank and in hand	<u>1,316,202</u>	<u>1,245,911</u>

15 CREDITORS; Amounts falling due within one year

	2016 £	2015 £ <i>As restated</i>
Corporation Tax	66,400	57,261
Social security and other taxes	68,492	76,149
Other creditors	27,414	24,983
Derivatives and financial instruments (see note 17)	60,943	-
Accruals and deferred income	<u>1,061,779</u>	<u>885,883</u>
	<u>1,285,028</u>	<u>1,044,276</u>

16 PROVISIONS FOR LIABILITIES

Deferred Taxation – (Asset)/Provision

	2016 £	2015 £
As at 1st April 2015	(9,445)	4,616
Charge/(Credit) for the year	<u>4,449</u>	<u>(14,061)</u>
Debtor as at 31st March 2016	<u>(4,996)</u>	<u>(9,445)</u>

The deferred tax asset is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(4,996)	(9,445)
Short term timing differences	-	-
Deferred tax asset	<u>(4,996)</u>	<u>(9,445)</u>

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

17 DERIVATIVE FINANCIAL INSTRUMENTS

Forward foreign exchange contracts

Gains and losses on forward foreign exchange contracts as at 31st March 2016 are recognised in the income and expenditure accounts in the period or periods during which the hedged forecast transaction is reflected in the statement of comprehensive income. The restatement of opening statement of financial positions at the transition date of 1st April 2014 and comparative statements at 31st March 2015 were not carried out due to the amounts being immaterial.

The following table details the foreign currency contract outstanding at the year end:

Derivative financial instrument	Notional amount	Fair value asset/(liability) GBP
Canadian Dollar CAD	2,050,000	(66,106)
United States Dollar USD	725,000	5,163
Total GBP		(60,943)

18 SHARE CAPITAL

	2016	2015
	£	£
Allotted, called up and fully paid		
10,000,000 ordinary shares of £0.10p each	<u>1,000,000</u>	<u>1,000,000</u>

19 RESERVES

Profit and Loss Account	2016	2015
	£	£
		<i>As restated</i>
Profit on ordinary activities after taxation	220,716	187,356
Dividends (see Note 11)	<u>(100,000)</u>	<u>(50,000)</u>
Retained profit for the year	120,716	137,356
Balance at 1st April	<u>833,593</u>	<u>696,237</u>
As at 31st March	<u>954,309</u>	<u>833,593</u>
 Equity Reserves	 2016	 2015
	£	£
Capital contribution arising from issue of share options	<u>686</u>	<u>-</u>

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

20 OPERATING LEASE COMMITMENTS

Land and Buildings

At the year end, the total of future minimum lease payments under non-cancellable operating leases for each of the following periods :

	Land and Buildings		Motor Vehicles	
	2016	2015	2016	2015
	£	£	£	£
		<i>As restated</i>		<i>As restated</i>
Less than 1 year	136,508	136,508	1,845	12,925
2 and 5 years	546,032	546,032	1,537	3,382
More than 5 years	398,148	534,656	-	-
Totals	<u>1,080,688</u>	<u>1,217,196</u>	<u>3,382</u>	<u>16,307</u>

The annual costs are as disclosed in note 6.

21 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking is Dashwood Group Ltd, which owns 100% of the share capital in the Company and is registered in England and Wales.

The consolidated Group Financial Statements of Dashwood Group Ltd is available from DBP House, 63 Mark Lane, London EC3R 7NQ.

In the opinion of the Directors, there is no ultimate single individual controlling party.

22 RELATED PARTY TRANSACTIONS

The Company has taken exemptions under FRS 102 not to disclose inter Group transactions, as a wholly owned subsidiary company.

The company provides interest free season ticket and staff loan. The loan is repayable monthly over the course of no more than a year. The loan is on terms available to other members of staff. Loan advances made during the year and the amount outstanding at the year end were as follows : N.C.Belcourt £4,636.00 and £3,088.00; G.V.Manthry £2,344.00 and £975; D.S.Russell £5,620.00 and £4,680.00

In the opinion of the Directors, there are no other related party transactions.

23 CROSS GUARANTEE

The Company has provided cross guarantees to National Westminster Bank Plc in respect of loans and overdraft taken out by the parent undertaking Dashwood Group Ltd by providing a fixed and floating charge on all assets, other than insurance assets.

The outstanding Group loan and overdraft balance at the year end amounted to **£3,190,347** (2015 - £3,357,610).

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

24 TRANSITION TO FRS 102

The Company has adopted FRS 102 for the year ended 31st March 2016 and has restated the prior year shareholders' funds and comparatives. A summary of the transition to FRS 102 is set out below.

Changes for FRS 102 adoption

Employee Benefits

A holiday pay accrual is recognised within creditors due within one year as the Directors believe that it is appropriate to recognise the provision within the accounts as specifically required by FRS 102. In previous periods, no accrual had been recognised due to its immateriality and its short term nature as the Group holiday year coincides with its financial year. Given the immaterial amounts the opening statement of financial positions at the transition date of 1st April 2014 have not been restated.

Share-based payments

The Company's ultimate parent undertaking operates an equity settled share based payment scheme and has issued share options to senior employees of the parent under an Enterprise Management Incentive scheme. Under previous accounting standards share-based payments were only disclosed in the financial statements. On adoption of FRS 102 the parent recognised share-based payments. According to FRS 102 paragraph 35.10(b) – first-time adopter is not required to apply Section 26 Share-based Payment to equity instruments that were granted before the date of transition to this FRS therefore no restatement of comparatives were made in relation to share options granted on 31st October 2012.

Financial derivatives

As a consequence of adopting FRS 102, financial derivatives transactions have to be recognised in the balance sheet. Given the immaterial amounts the opening statement of financial positions at the transition date of 1st April 2014 have not been restated.

Insurance Broking Balances

In conjunction with the adoption of FRS 102 the Directors have reconsidered the disclosure of insurance broking assets and liabilities and as a result have concluded that only the net balance should be disclosed as an asset of the Company itself with the prior year comparatives restated. The change in disclosure has no effect on shareholders' funds.

Taxation

The comparative tax figures have been restated as a result of the above adjustments.

DASHWOOD BREWER & PHIPPS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2016

24 TRANSITION TO FRS 102 (continued)

Transition to FRS 102 – reconciliations

Restated statement of financial position

31st March 2015

Original shareholders' funds at 31st March 2015 under former UK GAAP

1,856,503

Adjustment for employee benefits on adoption of FRS 102

(29,000)

Adjustment for insurance broking balances on adoption of FRS 102

-

Adjustment for taxation on adoption of FRS 102

6,090

Restated shareholder's funds as at 31st March 2015 under FRS 102

1,833,593

Restated profit for the year ended 31st March 2015

31st-March 2015

Original profit on ordinary activities before tax under former UK GAAP

259,517

Adjustment for employee benefits on adoption of FRS 102

(29,000)

Restated profit before tax for the year ended 31st March 2015 under FRS 102

230,517

Original tax on ordinary activities under former UK GAAP

49,251

Adjustment for taxation on adoption of FRS 102

(6,090)

Restated profit after tax for the year ended 31st March 2015 under FRS 102

187,356
