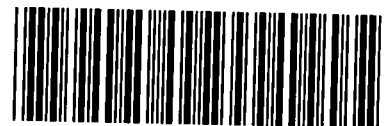


Company Registration No. 02673202 (England and Wales)

BIRCROFT INSURANCE SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016
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BIRCROFT INSURANCE SERVICES LIMITED

COMPANY INFORMATION

Directors	Mr B Thakrar Mr I Lee Mr S Popat Mr D L Birchenall Mr D G Gordon Mr S Bird
Company number	02673202
Registered office	Alpha House 24a Lime Street London EC3M 7HJ
Auditor	KLSA LLP 28-30 St. John's Square London EC1M 4DN
Business address	Alpha House 24a Lime Street London EC3M 7HJ

BIRCROFT INSURANCE SERVICES LIMITED

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BIRCROFT INSURANCE SERVICES LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	3		98,448		94,881
Investments	4		52		52
			<u>98,500</u>		<u>94,933</u>
Current assets					
Debtors	8	1,753,689		1,900,376	
Cash at bank and in hand		1,735,267		1,969,213	
		<u>3,488,956</u>		<u>3,869,589</u>	
Creditors: amounts falling due within one year	9	<u>(3,104,756)</u>		<u>(3,479,433)</u>	
Net current assets			<u>384,200</u>		<u>390,156</u>
Total assets less current liabilities			<u>482,700</u>		<u>485,089</u>
Creditors: amounts falling due after more than one year	10				(54,388)
Net assets			<u><u>482,700</u></u>		<u><u>430,701</u></u>
Capital and reserves					
Called up share capital	11	250,000		250,000	
Profit and loss reserves		232,700		180,701	
Total equity			<u><u>482,700</u></u>		<u><u>430,701</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 6 March 2017 and are signed on its behalf by:

Mr I Lee
Director

Mr S Bird
Director

Company Registration No. 02673202

BIRCROFT INSURANCE SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 October 2014		250,000	239,435	489,435
Year ended 30 September 2015:				
Profit and total comprehensive income for the year		-	241,261	241,261
Dividends		-	(299,995)	(299,995)
Balance at 30 September 2015		250,000	180,701	430,701
Year ended 30 September 2016:				
Profit and total comprehensive income for the year		-	276,999	276,999
Dividends		-	(225,000)	(225,000)
Balance at 30 September 2016		250,000	232,700	482,700

BIRCROFT INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

Company information

Bircroft Insurance Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Alpha House, 24a Lime Street, London, EC3M 7HJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 September 2016 are the first financial statements of Bircroft Insurance Services Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Insurance commissions receivable are shown net of sub-agent commissions and are recognised on the later of the policy inception date and the completion of the placement process. Where there is an expectation of a future servicing requirement a proportionate element of income relating to the policy is deferred to cover the associated contractual obligation. If there is significant doubt as to whether the business will remain with the company for the full term of the insurance contract, the income arising is retained on the balance sheet and released to the profit and loss on a straight line basis over the life of the contract.

Profit shares are recognised, in the period to which they relate, when the contractual right to the income is established but only to the extent that a reliable estimate of the amount due can be made. Such estimates are made on a prudent basis to reflect the level of uncertainty involved.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	over the term of the lease
Plant and machinery	25% straight line
Fixtures, fittings & equipment	10% straight line
Motor vehicles	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

BIRCROFT INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

1.4 Fixed asset investments

Interests in subsidiaries, and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, and client accounts held under a non-statutory trust agreement.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BIRCROFT INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

BIRCROFT INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

BIRCROFT INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 14 (2015 - 13).

3 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 October 2015	70,863	137,602	57,234	100,348	366,047
Additions	13,673	11,662	8,319	-	33,654
At 30 September 2016	84,536	149,264	65,553	100,348	399,701
Depreciation and impairment					
At 1 October 2015	70,863	118,136	56,049	26,118	271,166
Depreciation charged in the year	912	11,836	1,103	16,236	30,087
At 30 September 2016	71,775	129,972	57,152	42,354	301,253
Carrying amount					
At 30 September 2016	12,761	19,292	8,401	57,994	98,448
At 30 September 2015	-	19,466	1,185	74,230	94,881

BIRCROFT INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

3 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts:

	2016 £	2015 £
Plant and machinery	57,994	74,230
	<u>57,994</u>	<u>74,230</u>
Depreciation charge for the year in respect of leased assets	<u>16,236</u>	<u>16,236</u>

4 Fixed asset investments

	2016 £	2015 £
Investments	<u>52</u>	<u>52</u>

Movements in fixed asset investments

	Shares in group undertakings and participating interests £
Cost or valuation	
At 1 October 2015 & 30 September 2016	<u>52</u>
Carrying amount	
At 30 September 2016	<u>52</u>
At 30 September 2015	<u>52</u>

5 Subsidiaries

Details of the company's subsidiaries at 30 September 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Bircroft Group Limited	England & Wales	Dormant company	Ordinary	100.00
Cosmetic Treatment Insurance Limited	England & Wales	Dormant company	Ordinary	100.00

BIRCROFT INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

5 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Bircroft Group Limited		1
Cosmetic Treatment Insurance Limited		1

6 Associates

Details of the company's associates at 30 September 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Bircroft Wealth Management Limited	England & Wales	Wealth management	Ordinary	50.00

7 Cash at bank and in hand

Included in the balance at the year end are amounts totalling £1,424,027 (2015: £1,623,180) which are held on client accounts under a non-statutory trust agreement.

8 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	1,631,658	1,775,462
Other debtors	9,348	10,189
Prepayments and accrued income	112,683	114,725
	<u>1,753,689</u>	<u>1,900,376</u>

9 Creditors: amounts falling due within one year

	2016 £	2015 £
Notes		
Obligations under finance leases	54,362	8,265
Trade creditors	2,751,342	3,213,502
Corporation tax	69,359	69,266
Other taxation and social security	31,770	37,463
Other creditors	51	905
Accruals and deferred income	197,872	150,032
	<u>3,104,756</u>	<u>3,479,433</u>

BIRCROFT INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

10 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Other creditors	-	54,388

11 Called up share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid 250,000 Ordinary shares of £1 each	250,000	250,000

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.
The senior statutory auditor was Mr Ketan Shah.
The auditor was KLSA LLP.

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2016 £	2015 £
	400,320	508,721

14 Related party transactions

Remuneration of key management personnel

	2016 £	2015 £
Aggregate compensation	273,003	264,682

No guarantees have been given or received.

BIRCROFT INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

14 Related party transactions

(Continued)

During the year, dividends paid to directors (including amounts paid to connected parties of the directors) amounted to £171,450 (2015: £228,596).

Included in turnover for the year ended 30 September 2016 is a total of £11,750 (2015: £4,210) representing the aggregate total of net commissions receivable from companies in which Mr B Thakrar and Mr S Popat, both directors of the company, own or have an interest in. Agent commissions amounting to £45,761 (2015: £47,276) were paid to these companies. At the year end £31,117 (2015: £61,749) was due to these companies.

15 Parent company

The Directors consider there to be no party which has a controlling interest in Bircroft Insurance Services Limited.