

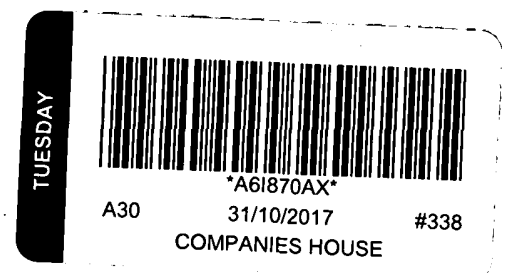
## **Motorplus Limited**

Annual Report and Financial Statements

Year Ended

31 January 2017

Company Number 03092837



# Motorplus Limited

## Company Information

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<b>Directors</b>	G Pulford J Tripp
<b>Company secretary</b>	D Grant
<b>Registered number</b>	03092837
<b>Registered office</b>	Speed Medical House 16 Eaton Avenue Chorley Lancashire PR7 7NA
<b>Independent auditor</b>	BDO LLP 3 Hardman Street Manchester M3 3AT

# Motorplus Limited

## Contents

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	Page
<b>Strategic Report</b>	1 - 2
<b>Directors' Report</b>	3 - 4
<b>Directors' Responsibilities Statement</b>	5
<b>Independent Auditor's Report</b>	6 - 7
<b>Profit and Loss Account</b>	8
<b>Balance Sheet</b>	9
<b>Statement of Changes in Equity</b>	10
<b>Notes to the Financial Statements</b>	11 - 24

# Motorplus Limited

## Strategic Report For the Year Ended 31 January 2017

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The directors present their strategic report together with the audited financial statements for the year ended 31 January 2017.

### Principal activities and business review

The principal activity of the company is the wholesaling of insurance products and the provision of claims handling services to the broker and insurer markets.

Motorplus offers a tailored, innovative claims management solution 24 hours a day, 365 days a year coupled with the company's high standard of customer service. The company focuses on its mission to give an excellent claims handling service with maximum efficiency making Motorplus an obvious choice for the customer.

The results for the year ended 31 January 2017 show that revenue increased by 18% compared to the year ended 31 January 2016. The principal reason for this is that the company has focused on and has been successful in growing its in-house call centre, offering a high quality and efficient service to its customers. The profit for the year is also after a full and final payment of £950,000 (2016: £nil) in relation to a contractual dispute that emanated from a contractual arrangement entered into in 2012, which terminated during the year ended 31 January 2017.

The current business structure is stable for the current volume of business but will also be able to absorb future growth without the immediate need to substantially increase overheads and indirect costs.

### Key performance indicators

Key performance indicators ('KPIs') used to monitor and manage the company's performance are set out below.

#### Number of policy sales 2,001,202 (2016 - 2,157,752)

The number of policy sales in the current year is 2,001,202 compared to 2,157,752 in 2016. The number of policies has decreased by 7%, which can be attributed to a reduction in sales from a small number of key account customers.

#### Number of claims handled 76,799 (2016 - 68,554)

The number of claims handled in the current year is 76,799 compared to 68,554 in 2016. The number of claims has increased by 12% with the majority of the increase coming from motor claims.

# Motorplus Limited

## Strategic Report For the Year Ended 31 January 2017

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### Principal risks and uncertainties

The company's objective is to manage appropriately all of the risks that arise from its activities. Risk management is a fundamental part of the company business activity and is an essential component in its planning process. Risk oversight and ownership sits with the board of directors who regularly review the key risks.

#### Regulatory risk

The company is regulated by the Financial Conduct Authority ("FCA") and as such is exposed to regulatory compliance risk.

#### Underwriting risks

During the year the company ceased selling insurance policies upon which it could be liable to a future underwriting risk.

#### Additional risks

In addition to the above, operational risks facing the company include errors and omissions, failing of business planning and IT security.

### Financial risk management

The company's operations expose it to a variety of financial risks that include liquidity risk and interest rate cash flow risk. The company has in place a risk management program that seeks to limit adverse effect on the financial performance of the company. Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

#### Liquidity risk

The company retains sufficient cash to ensure it has sufficient available funds for operations and planned expansions. The company has also received a cash injection from its new parent company, 116 Cardamon Limited.

#### Interest rate cash flow risk

The company has interest bearing assets and liabilities. Interest bearing assets include only cash balances, which earn interest at a floating rate. The company does not use derivative financial instruments to manage interest rate costs and, as such, no hedge accounting is applied.

### Future developments and events since the year end

There have been no events subsequent to the year end.

This report was approved by the board on 30th OCT 2017 and signed on its behalf.



**G Pulford**  
Director

# Motorplus Limited

## Directors' Report For the Year Ended 31 January 2017

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The directors present their report together with the audited financial statements for the year ended 31 January 2017.

### Results and dividends

The profit for the year, after taxation, amounted to £716,216 (2016 - £1,255,531).

The company paid an interim dividend of £Nil (2016 - £Nil). The directors do not recommend payment of a final dividend.

### Business review

A review of the business and its principal risks and uncertainties is set out in the strategic report on pages 1 to 2 of these financial statements.

### Directors

The directors who served during the year were:

G Pulford  
J Tripp

### Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

### Qualifying third party indemnity provisions

During the preceding year, current period and up-to the date of signing these financial statements, the company had in force an indemnity provision in favour of the directors of Motorplus Limited against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006.

### Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

# Motorplus Limited

## Directors' Report (continued) For the Year Ended 31 January 2017

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### Auditor

The auditor, BDO LLP, who was appointed in the year, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 30<sup>th</sup> OCT 2017 and signed on its behalf.



**G Pulford**  
Director

# **Motorplus Limited**

## **Directors' Responsibilities Statement For the Year Ended 31 January 2017**

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The directors are responsible for preparing the strategic report, 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 judgements and accounting estimates that are reasonable and prudent;
- 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.



# Motorplus Limited

## Independent Auditor's Report to the Members of Motorplus Limited

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We have audited the financial statement of Motorplus Limited for the year ended 31 January 2017 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes. 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).

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 the in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC'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 FRC's website at [www.frc.org.uk/auditscopeukprivate](http://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 31 January 2017 and of its profit for the year the 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 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 directors report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

# Motorplus Limited

## Independent Auditor's Report to the Members of Motorplus Limited (continued)

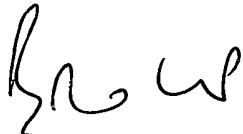
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### Matters on which we are required to report by exception

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 directors' report.

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 explanation we require for our audit.



**Julien Rye** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Manchester  
United Kingdom

31 October 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Motorplus Limited

## Profit and Loss Account For the Year Ended 31 January 2017

	Note	2017 £	2016 £
Turnover	4	15,872,120	13,405,287
Cost of sales		(13,169,173)	(10,278,740)
<b>Gross profit</b>		<b>2,702,947</b>	<b>3,126,547</b>
Administrative expenses		(1,855,667)	(1,611,505)
<b>Operating profit</b>	5	<b>847,280</b>	<b>1,515,042</b>
Interest receivable and similar income		7,891	786
Interest payable and similar charges	9	(15)	-
<b>Profit before tax</b>		<b>855,156</b>	<b>1,515,828</b>
Tax on profit	10	(138,940)	(260,297)
<b>Profit for the financial year</b>		<b>716,216</b>	<b>1,255,531</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>716,216</b>	<b>1,255,531</b>

The notes on pages 11 to 24 form part of these financial statements.

**Motorplus Limited**  
Registered number: 03092837

**Balance Sheet**  
**As at 31 January 2017**

	Note	2017 £	2017 £	2016 £	2016 £
<b>Fixed assets</b>					
Tangible assets	12		308,334		199,161
<b>Current assets</b>					
Debtors: amounts falling due within one year	13	7,278,797		5,429,976	
Cash at bank and in hand	14	478,618		1,302,083	
		<u>7,757,415</u>		<u>6,732,059</u>	
Creditors: amounts falling due within one year	15	(4,076,711)		(3,640,743)	
<b>Net current assets</b>			<u>3,680,704</u>		<u>3,091,316</u>
<b>Total assets less current liabilities</b>			<u>3,989,038</u>		<u>3,290,477</u>
<b>Provisions for liabilities</b>					
Deferred tax	16	(5,048)		-	
Other provisions	17	(2,440,770)		(2,463,473)	
			<u>(2,445,818)</u>		<u>(2,463,473)</u>
<b>Net assets</b>			<u><u>1,543,220</u></u>		<u><u>827,004</u></u>
<b>Capital and reserves</b>					
Called up share capital	18	25,000		25,000	
Profit and loss account	19	1,518,220		802,004	
<b>Total equity</b>			<u><u>1,543,220</u></u>		<u><u>827,004</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

30th OCT 2017

G Pulford  
Director



The notes on pages 11 to 24 form part of these financial statements.

# Motorplus Limited

## Statement of Changes in Equity For the Year Ended 31 January 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 February 2016	25,000	802,004	827,004
<b>Comprehensive income for the year</b>			
Profit for the year	-	716,216	716,216
<b>Total comprehensive income for the year</b>	-	716,216	716,216
<b>At 31 January 2017</b>	<b>25,000</b>	<b>1,518,220</b>	<b>1,543,220</b>

## Statement of Changes in Equity For the Year Ended 31 January 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 February 2015	25,000	(1,485,055)	(1,460,055)
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,255,531	1,255,531
<b>Total comprehensive income for the year</b>	-	1,255,531	1,255,531
Capital contribution addition	-	1,031,528	1,031,528
<b>At 31 January 2016</b>	<b>25,000</b>	<b>802,004</b>	<b>827,004</b>

The notes on pages 11 to 24 form part of these financial statements.

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

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### 1. General information

Motorplus Limited is a company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the strategic report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The functional currency of Motorplus Limited is pounds sterling because that is the currency of the primary economic environment in which the company operates.

The following principal accounting policies have been applied:

#### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of 116 Cardamon Limited as at 31 January 2017 and these financial statements may be obtained from Speed Medical House, 16 Eaton Avenue, Chorley, Lancashire, PR7 7NA.

#### 2.3 Going concern

The company's forecasts and projections, taking account of reasonably possible changes in trading performance and cash collection profile together with other means of managing cash outflows, show that the company has sufficient resources and facilities to meet its liabilities as they fall due and have accordingly prepared the financial statements on a going concern basis.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

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### 2. Accounting policies (continued)

#### 2.4 Turnover

Turnover represents premiums earned on the sale of insurance policies and referral fees. For products where Motorplus acts as an agent, the revenue recognised is the net commission.

##### Premium income

For insurance policies where the company does not bear the underwriting risk, premiums are recognised as turnover when due from the customer.

For insurance policies where the company bears the underwriting risk, the premiums are recognised in the statement of comprehensive income as earned on a pro-rata basis over the term of the related policy coverage. The portion of the premiums relating to the unexpired term of the coverage is recorded as deferred income in the balance sheet.

##### Referral income

Referral income is recognised when the performance obligation is complete and the revenue can be reliably measured.

#### 2.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It has been amortised to the profit and loss account over its estimated economic life.

#### 2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

#### 2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

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### 2. Accounting policies (continued)

#### 2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 2.9 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

#### 2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.



# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

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### 2. Accounting policies (continued)

#### 2.11 Finance costs

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.12 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### 2.13 Pensions

##### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

#### 2.14 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

#### 2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

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### 2. Accounting policies (continued)

#### 2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

*Critical judgements and key sources of estimation uncertainty in applying the company's accounting policies*

#### Claims provision valuation

Judgement is required on the adequacy of claims provisioning on risk products held. The company makes provisions for liabilities using best estimate techniques and reliable measurement information from third party experts.

#### Insurance policy cancellation rates

Judgement is required on the adequacy of the insurance policy cancellation provision. The company makes provisions for cancelled policies using reliable past source data and communicating closely with policy underwriters for quantification of open policies at the balance sheet date.

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

### 4. Turnover

Turnover consists of sales made relating to the one principal activity of the company in the United Kingdom.

All turnover arose within the United Kingdom.

### 5. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	76,598	58,966
Other operating lease rentals	215,180	194,690
Costs in relation to contractual dispute	950,000	-
	<u>          </u>	<u>          </u>

### 6. Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	17,500	38,000
	<u>          </u>	<u>          </u>
<b>Fees payable to the company's auditor and its associates in respect of:</b>		
Taxation compliance services	2,500	3,500
All other non-audit services not included above	-	916
	<u>          </u>	<u>          </u>
	<u>2,500</u>	<u>4,416</u>

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

### 7. Employees

Staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	3,775,609	2,651,515
Social security costs	323,736	239,230
Cost of defined contribution scheme	81,890	57,802
	<u>4,181,235</u>	<u>2,948,547</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Head office	40	36
Production, selling and distribution	113	79
	<u>153</u>	<u>115</u>

### 8. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	296,000	245,100
Other pension costs	6,480	5,700
	<u>302,480</u>	<u>250,800</u>

During the year retirement benefits were accruing to no directors (2016 - Nil) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £176,000 (2016 - £175,100).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £6,480 (2016 - £5,700).

### 9. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	<u>15</u>	<u>-</u>

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

### 10. Taxation

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	105,813	56,140
Adjustments in respect of previous periods	(985)	(396)
<b>Total current tax</b>	<b>104,828</b>	<b>55,744</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	34,112	203,002
Changes to tax rates	-	1,551
<b>Total deferred tax</b>	<b>34,112</b>	<b>204,553</b>
<b>Taxation on profit on ordinary activities</b>	<b>138,940</b>	<b>260,297</b>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 20% (2016 - 20.16%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	855,156	1,515,828
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20.16%)	171,031	305,692
<b>Effects of:</b>		
Expenses not deductible for tax purposes	4,396	4,979
Deferred tax rate difference	(4,120)	1,551
Corporation tax rate difference	-	(15)
Group relief	(31,395)	(51,514)
Prior period adjustments	(985)	(396)
Fixed asset differences	13	-
<b>Total tax charge for the year</b>	<b>138,940</b>	<b>260,297</b>

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

### 11. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 February 2016	1,250,000
At 31 January 2017	1,250,000
<b>Amortisation</b>	
At 1 February 2016	1,250,000
At 31 January 2017	1,250,000
<b>Net book value</b>	
At 31 January 2017	-
At 31 January 2016	-

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

### 12. Tangible fixed assets

	Fixtures and fittings £
<b>Cost or valuation</b>	
At 1 February 2016	1,328,593
Additions	185,771
At 31 January 2017	<u>1,514,364</u>
<b>Depreciation</b>	
At 1 February 2016	1,129,432
Charge for the year on owned assets	76,598
At 31 January 2017	<u>1,206,030</u>
<b>Net book value</b>	
At 31 January 2017	<u><u>308,334</u></u>
At 31 January 2016	<u><u>199,161</u></u>

### 13. Debtors

	2017 £	2016 £
Trade debtors	2,847,079	1,986,260
Amounts owed by group undertakings	2,099,235	780,000
Amounts owed by related parties	77,591	74,886
Other debtors	1,996	427,940
Prepayments and accrued income	2,252,896	2,131,826
Deferred taxation	-	29,064
	<u><u>7,278,797</u></u>	<u><u>5,429,976</u></u>

Amounts owed by group undertakings are repayable on demand and interest free.

The impairment loss recognised in the company profit or loss for the year in respect of bad and doubtful trade debtors was £188,074 (2016 - £147,664).

All amounts are due within one year.

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

### 14. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	478,618	1,302,083
	<u>478,618</u>	<u>1,302,083</u>

### 15. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	1,419,356	1,324,568
Corporation tax	105,892	-
Other taxation and social security	607,739	454,652
Other creditors	1,039,727	24,491
Accruals and deferred income	903,997	1,837,032
	<u>4,076,711</u>	<u>3,640,743</u>

### 16. Deferred taxation

	2017 £
At beginning of year	29,064
Charged to profit or loss	(34,112)
<b>At end of year</b>	<u><b>(5,048)</b></u>

The deferred taxation balance is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(5,048)	(26,701)
Short term timing differences	-	55,765
	<u>(5,048)</u>	<u>29,064</u>



# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

### 17. Provisions

	Claims provision £
At 1 February 2016	2,463,473
Charged to profit or loss	521,457
Amounts settled in year	(544,160)
<b>At 31 January 2017</b>	<b><u>2,440,770</u></b>

The claims provision is an estimation of the costs arising from claims outstanding at the year end in respect of which the company has the intention to settle. The ultimate liability is dependent on the level of claims currently notified and claims that are yet to be notified. As the group ceased during the year to sell insurance policies upon which it could be liable to a future underwriting risk, this provision will reduce and be eliminated over time. The liability is expected to be fully discharged within three years of the statement of financial position date.

### 18. Share capital

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
25,000 ordinary shares of £1 each	<b><u>25,000</u></b>	<b><u>25,000</u></b>

### 19. Reserves

The company's capital and reserves are as follows:

#### Called up share capital

Called up share capital represents the nominal value of the shares issued.

#### Profit and loss account

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

### 20. Contingent liabilities

Certain elements of the company's activities are regulated by the Financial Conduct Authority ("FCA"). The company takes FCA regulation seriously and will continue to work closely with the FCA in order to ensure the best possible standards of compliance. There is a risk that significant penalties and remediation costs may arise from possible standards of compliance. There is a risk that significant penalties and remediation costs may arise from FCA reviews. However, at the balance sheet date a provision in respect of this is not considered necessary.

# Motorplus Limited

## Notes to the Financial Statements For the Year Ended 31 January 2017

### 21. Client balances

At the balance sheet date, the company held client money of £2,412,433 (2016 - £1,950,000). Neither the asset nor corresponding liability are recognised in the financial statements because the company does not retain the risks and rewards of ownership.

### 22. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in trustee administered funds. The charge for the year was £81,890 (2016 - £57,802). At 31 January 2017, there were pension contributions payable of £24,445 (2016 - £11,803).

### 23. Commitments under operating leases

At 31 January 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	202,151	61,896
Later than 1 year and not later than 5 years	559,488	106,867
	<u>761,639</u>	<u>168,763</u>

### 24. Related party transactions

The company has taken advantage of the exemption conferred by section 33.1A of FRS 102 not to disclose transactions with other wholly owned subsidiaries within the group as consolidated accounts, including the subsidiary undertakings, are publicly available.

#### Dr Rajnish Luthra

Dr Rajnish Luthra is the ultimate controlling party by virtue of his majority shareholding in the company's ultimate parent company, 116 Cardamon Limited. During the year, Dr Rajnish Luthra received a salary of £50,000 (2016 - £41,800).

#### Speed Medical Examination Services Limited

Speed Medical Examination Services Limited is a related party by virtue of common directorship and ultimate controlling ownership. At year end there is an amount due from Speed Medical Examination Services Limited of £77,591 (2016 - £71,004). Sales in the year to Speed Medical Examination Services Limited were £247,973 (2016 - £168,490).

# **Motorplus Limited**

## **Notes to the Financial Statements For the Year Ended 31 January 2017**

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### **25. Ultimate parent company and controlling party**

The ultimate controlling party at the balance sheet date was Dr Rajnish Luthra by virtue of his shareholding in 116 Cardamon Limited, a company incorporated in England and Wales. 116 Cardamon Limited is the company's ultimate parent company and the smallest and largest group in which the company's results are consolidated. The accounts for 116 Cardamon group can be obtained from the same registered address as Motorplus Limited as set out on the company information page.