

Company Registration No. 03279177 (England and Wales)

**EUROPA GROUP LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**



# EUROPA GROUP LIMITED

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# EUROPA GROUP LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	B M Hulbert S A Salter M-A King A C Powell A R Coles
<b>Secretary</b>	M-A King
<b>Company number</b>	03279177
<b>Registered office</b>	Europa House Midland Way Thornbury Bristol BS35 2JX
<b>Auditors</b>	Shaw Gibbs (Audit) Limited 264 Banbury Road Oxford OX2 7DY
<b>Bankers</b>	National Westminster Bank Plc 43 Cornmarket Street Oxford Oxfordshire OX1 3HA

# EUROPA GROUP LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present the strategic report for the year ended 31 December 2021.

#### Review of the business, key performance indicators and future development

The principal activity of the company during the year remains that of an insurance intermediary offering solutions in the personal lines sector predominantly motorbike and car insurance policies.

Turnover is a closely monitored key performance indicator for the business and following the impacts of the 2020 global pandemic, an increase in turnover in 2021 was anticipated and delivered as the temporary effects of lockdowns and reduced traffic on the roads began to trend back towards pre-pandemic levels. The company continues to follow its strategic plan and invest in both its infrastructure and policies to meet the needs of its customers.

	2021	2020
Turnover	£10,766,739	£9,829,308
Operating profit/(loss)	£184,909	£(214,781)

Operating profit, another key performance indicator, has increased as turnover climbed coupled with the absence of the one-off costs in 2020 linked to setting up the infrastructure for employees to work from home during the covid-19 pandemic. The directors are comfortable that the infrastructure upgrades from 2020 have provided lasting benefits through improved flexibility for staffing as the business meets the UK-wide challenge of new staff availability and wage inflation. The company continues to review the central shared costs to ensure that the optimum level of flexibility versus cost is achieved over the coming years and continues to invest in process automation to further increase flexibility of staffing. The company continues to regularly review its procedures, processes and customer solutions, as well as actively encouraging new initiatives from its staff to ensure the continued improvement in customer service and flexibility of operation.

The directors believe this continued commitment to enhancing customer solutions, whilst remaining flexible and responsive to the challenging retail market, will assist the company to remain robust and focussed for its future development and growth.

#### Principal risk and uncertainties

The company operates in a sector subject to various regulatory and competitive risks. The company regularly reviews the business risks it faces and seeks to manage and mitigate those risks through its controls framework. The principal risks the company faces are indicated below:

- Market Risk

The principal risk facing the company relates to the continuing competitive retail marketplace which continues to cause pressure on income. To counter this, the company continues to develop new solutions and strategies for its customers, who remain the focus of the business, alongside automation solutions to reduce operating costs.

- Regulatory Risk

The company is authorised and regulated by the Financial Conduct Authority, registration number 309794.

The personal lines retail intermediary sector faces continued scrutiny and reviews in relation to sales methods and disclosures to customers. The Risk and Compliance Director monitors continuously those matters falling within the Financial Conduct Authority rules and guidelines, and the company seeks to proactively enhance the customer journey and the information provided to mitigate these regulatory changes.

The company does not hold client money. Policies and procedures to detect and avoid money laundering are in place and regularly reviewed.

- Financial and Credit Risk

The company does not have material exposures to financial risks and has maintained a strong cash position. The company has not issued any financial instruments.

# EUROPA GROUP LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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Credit risk is managed through the company's control procedures and all the company's current liabilities can be met from liquid funds.

- **Operational Risk**

The company operates in a sector with a high degree of reliance on people and IT systems.

Disaster Recovery Plans are tested regularly by the company to ensure they remain fit for purpose and confirmations are obtained from key suppliers of the robustness of their own disaster recovery plans.

Staff are monitored against the policies and procedures in place and provided with regular feedback by their line management as well as having a comprehensive training programme in place. Use continues to be made of an industry standard e-learning solution which offers an effective and flexible learning environment for staff.

### **Corporate Governance**

The directors act as the Internal Audit Committee on Corporate Governance and hold regular meetings to review policies and procedures.

Where applicable the company consults with external consultancy professionals.

By order of the board



M-A King

**Secretary**

24 May 2022

# EUROPA GROUP LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present their annual report and financial statements for the year ended 31 December 2021.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B M Hulbert  
S A Salter  
M-A King  
A C Powell  
R Waring  
A R Coles

(Resigned 17 March 2022)

#### Results and dividends

The results for the year are set out on page 9.

The profit/(loss) for the year, after taxation, amounted to £120,261 (2020: £(203,122)). The directors have not recommended a final dividend.

#### Future developments and going concern

The company's business activities, together with the risks and uncertainties likely to affect its future development and performance are indicated in the Strategic Report. The business remains focussed on achieving its strategic objectives for 2022 and beyond.

Following the challenges of the covid-19 pandemic and lockdowns on the 2020 results, the directors are pleased to report a return to profitability in 2021. This was primarily due to an increased volume of traffic on the roads, the reopening of car dealerships and the recommencement of driving lessons and tests.

In line with many UK businesses, the recruitment of new personnel has become more challenging with salary inflation being a key area the directors are monitoring. To meet this challenge, we continue to invest in the incremental automations of processes to reduce the exposure to both the availability and cost of people resources.

Accordingly, the directors have a reasonable expectation that the company has adequate resources to continue trading for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

#### Employee policies, training and development

The company treats all staff and job applicants equally. Selection, recruitment, advancement and promotion are based on merit and not on any consideration of age, gender, marital status, ethnicity or religion.

The company continues to recognise its social and statutory duty to employ disabled persons, and pursues a policy of providing, where possible, the same employment opportunities to disabled persons as to others.

The training department provides training for all of the company's key services. Company policy is to deliver consistently high client service through continuous monitoring and feedback on sales and administration activities, assisted by regular in-house coaching, tutoring and development courses. Staff are encouraged, where applicable, to qualify through examination with the Chartered Insurance Institute and relevant NVQ's. The company meets the costs of training materials and examination fees and additionally provides time and tuition within normal working hours in the company's performance.

#### Policy on the payment of Creditors

Company policy is to pay all suppliers within 30 days or within any credit period granted if longer.

# EUROPA GROUP LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

Shaw Gibbs (Audit) Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

By order of the board



M-A King  
**Secretary**

24 May 2022

# EUROPA GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF EUROPA GROUP LIMITED

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#### Opinion

We have audited the financial statements of Europa Group Limited (the 'company') for the year ended 31 December 2021 set out on pages 9 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

*Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.*

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

*We have nothing to report in this regard.*

#### Opinions on other matters prescribed by the Companies Act 2006

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

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



# EUROPA GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EUROPA GROUP LIMITED

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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 and 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 explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

# EUROPA GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EUROPA GROUP LIMITED

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.


1. At the planning stage of the audit we gain an understanding of the laws and regulations which apply to the company and how the management seek to comply with those laws regulations. This helps us to plan appropriate risk assessments.
2. During the audit we focused on relevant risk areas and review the compliance with the laws and regulations by making relevant enquiries and undertaking corroboration, for example by reviewing Board Minutes and other documentation.
3. We assessed the risk of material misstatement in the financial statements including as a result of fraud and undertook procedures including:
  - a. Reviewing the controls set in place by management
  - b. Making enquiries of management as to whether they consider fraud or other irregularity may have taken place, or where such opportunity might exist
  - c. Challenging management assumptions with regard to accounting estimates
  - d. Identifying and testing journal entries, particularly those which appear to be unusual by size or nature

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Donal Peter O'Connell (Senior Statutory Auditor)**  
**For and on behalf of Shaw Gibbs (Audit) Limited**  
**Chartered Certified Accountants**  
**Statutory Auditor**

24 May 2022

264 Banbury Road  
Oxford  
OX2 7DY

# EUROPA GROUP LIMITED

## STATEMENT OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Notes	£	£
Turnover	3	10,766,739	9,829,308
Administrative expenses		(10,621,890)	(10,321,330)
Other operating income		40,060	277,241
<b>Operating profit/(loss)</b>	<b>4</b>	<b>184,909</b>	<b>(214,781)</b>
Interest receivable and similar income	7	2,940	18,272
Interest payable and similar expense	8	(1,300)	(1,013)
<b>Profit/(loss) before taxation</b>		<b>186,549</b>	<b>(197,522)</b>
Taxation	9	(66,288)	(5,600)
<b>Profit/(loss) for the financial year</b>		<b>120,261</b>	<b>(203,122)</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>120,261</b>	<b>(203,122)</b>

The statement of total comprehensive income has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the statement of total comprehensive income.

# EUROPA GROUP LIMITED

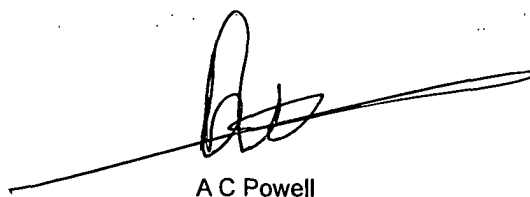
## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	13	4,611,874		4,975,695	
Investments	11	2,555,000		2,555,000	
		<u>7,166,874</u>		<u>7,530,695</u>	
<b>Current assets</b>					
Debtors	14	3,052,166		3,250,824	
Investments	15	30,150		31,450	
Cash at bank and in hand		8,080,754		7,217,175	
		<u>11,163,070</u>		<u>10,499,449</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(7,047,206)</u>		<u>(6,846,551)</u>	
Net current assets		4,115,864		3,652,898	
<b>Total assets less current liabilities</b>		11,282,738		11,183,593	
<b>Provisions for liabilities</b>	17	<u>(328,509)</u>		<u>(349,625)</u>	
<b>Net assets</b>		<u>10,954,229</u>		<u>10,833,968</u>	
<b>Capital and reserves</b>					
Called up share capital	20	100,000		100,000	
Profit and loss reserves		10,854,229		10,733,968	
<b>Total equity</b>		<u>10,954,229</u>		<u>10,833,968</u>	

The financial statements were approved by the board of directors and authorised for issue on 24 May 2022 and are signed on its behalf by:

  
M-A King  
Director

  
A C Powell  
Director

Company Registration No. 03279177

# EUROPA GROUP LIMITED

## STATEMENT OF CHANGES IN EQUITY

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2020</b>	100,000	10,937,090	11,037,090
<b>Year ended 31 December 2020:</b>			
Loss for the year	-	(203,122)	(203,122)
<b>Balance at 31 December 2020</b>	100,000	10,733,968	10,833,968
<b>Year ended 31 December 2021:</b>			
Profit for the year	-	120,261	120,261
<b>Balance at 31 December 2021</b>	100,000	10,854,229	10,954,229

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# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Company information

Europa Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Europa House, Midland Way, Thornbury, Bristol, BS35 2JX.

#### 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.

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. The principal accounting policies adopted are set out below.

As the company is a wholly owned subsidiary undertaking of EGL Holdings Limited, the company has taken advantage of the exemption in FRS 102 section 33.1A and has therefore not disclosed transactions with entities which form part of the group.

The company has also taken advantage of the exemption in FRS 102 section 1.12 (b) from the requirement to produce a cash flow statement.

The financial statements of the company are consolidated in the financial statements of EGL Holdings Limited, its immediate and ultimate parent company. These consolidated financial statements are available from its registered office Europa House, Midland Way, Thornbury, Bristol, BS35 2JX.

In accordance with section 400 of the Companies Act 2006, the company is not required to produce, and has not published, consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

The turnover shown in the statement of total comprehensive income represents commission and other income from insurance broking operations booked in the period.

#### 1.4 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

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold buildings	Over 50 years
Plant and machinery	Over 5 -10 years
Fixtures, fittings & equipment	Over 3 - 5 years
Motor vehicles	Over 4 years

# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

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 recognised in the statement of total comprehensive income.

#### 1.5 Fixed asset investments

Interests in subsidiaries, associates 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.

#### 1.6 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.

##### 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, 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 payments 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.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### 1.8 Taxation

The tax charge represents the sum of the tax currently payable and deferred tax.

##### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of total comprehensive income 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.

##### Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on material timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

#### 1.9 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### 1.10 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees who are eligible under the rules of Auto Enrolment. Contributions payable are charged to the statement of total comprehensive income in the year they are payable.

#### 1.11 Leases

##### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of total comprehensive income on a straight line basis over the period of the lease.



# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### 1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Government grants received include income received through the Coronavirus Job Retention Scheme.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2021 £	2020 £
<b>Turnover</b>		
Commission from insurance broking operations	10,766,739	9,829,308
	<u>          </u>	<u>          </u>
<b>Other significant revenue</b>		
Grants received	40,060	277,241
	<u>          </u>	<u>          </u>
	2021 £	2020 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	10,766,739	9,829,308
	<u>          </u>	<u>          </u>

# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 Operating profit/(loss)

	2021 £	2020 £
Operating profit/(loss) for the year is stated after charging/(crediting):		
Government grants	(40,060)	(277,241)
Fees payable to the company's auditors for the audit of the company's financial statements	17,005	15,750
Depreciation of owned tangible fixed assets	400,211	400,862
Loss on disposal of tangible fixed assets	100,699	31,860
Amortisation of intangible assets	-	124,283
Impairment of intangible assets	-	94,284
Movement on provisions for specific purposes	402,846	140,002
Operating lease charges	20,559	45,233
	<u>          </u>	<u>          </u>

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Number of employees	197	197
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	5,282,701	4,933,203
Social security costs	509,203	461,632
Pension costs	333,413	308,114
	<u>          </u>	<u>          </u>
	6,125,317	5,702,949
	<u>          </u>	<u>          </u>

### 6 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	580,128	504,101
Company pension contributions to defined contribution schemes	29,484	23,816
	<u>          </u>	<u>          </u>
	609,612	527,917
	<u>          </u>	<u>          </u>

# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 6 Directors' remuneration

(Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	177,194	165,183
<b>7 Interest receivable and similar income</b>		
	2021 £	2020 £
Change in market value of investments	-	1,200
Other investment income	1,319	1,727
Interest	1,621	15,345
	2,940	18,272
<b>8 Interest payable and similar expenses</b>		
	2021 £	2020 £
<b>Other finance costs:</b>		
Change in market value of investments	1,300	-
Other interest	-	1,013
	1,300	1,013
<b>9 Taxation</b>		
	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	84,107	21,247
Tax relating to prior year adjustments recognised in profit or loss	17,814	-
Group tax relief payments	13,357	9,937
Total current tax	115,278	31,184
<b>Deferred tax</b>		
Origination and reversal of timing differences	(48,990)	(25,584)
Total tax charge	66,288	5,600

# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 9 Taxation

(Continued)

The charge for the year can be reconciled to the profit/(loss) per the statement of total comprehensive income as follows:

	2021 £	2020 £
Profit/(loss) before taxation	186,549	(197,522)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	35,444	(37,529)
Depreciation in excess of capital allowances	27,127	13,280
Dividend income	(251)	-
Non deductible expenses	35,144	55,433
Deferred tax movement	(48,990)	(25,584)
Adjustments in respect of prior years	17,814	-
Taxation charge for the year	66,288	5,600

### 10 Intangible fixed assets

	Intangible Asset £
<b>Cost</b>	
At 1 January 2021 and 31 December 2021	308,565
<b>Amortisation and impairment</b>	
At 1 January 2021 and 31 December 2021	308,565
<b>Carrying amount</b>	
At 31 December 2021	-
At 31 December 2020	-

### 11 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	12	2,555,000	2,555,000

The company has not designated any financial assets that are not classified as financial assets at fair value through profit or loss.

# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
One Quote Direct Insurance Services Limited	Europa House Midland Way, Thornbury, Bristol, BS35 2JX	Insurance intermediary	Ordinary shares	100

### 13 Tangible fixed assets

	Freehold buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2021	4,761,328	1,487,703	3,076,707	11,249	9,336,987
Additions	-	-	148,288	-	148,288
Disposals	-	-	(1,223,512)	-	(1,223,512)
At 31 December 2021	4,761,328	1,487,703	2,001,483	11,249	8,261,763
<b>Depreciation</b>					
At 1 January 2021	399,293	1,308,943	2,641,807	11,249	4,361,292
Depreciation charged in the year	39,467	118,058	242,686	-	400,211
Eliminated in respect of disposals	-	-	(1,111,614)	-	(1,111,614)
At 31 December 2021	438,760	1,427,001	1,772,879	11,249	3,649,889
<b>Carrying amount</b>					
At 31 December 2021	4,322,568	60,702	228,604	-	4,611,874
At 31 December 2020	4,362,035	178,760	434,900	-	4,975,695

# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 14 Debtors

	2021	2020
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	2,373,688	2,601,528
Corporation tax recoverable	-	39,207
Amount due from fellow group and associated undertakings	56,140	30,584
Other debtors	214,468	213,774
Prepayments	253,416	260,267
	<u>2,897,712</u>	<u>3,145,360</u>
<b>Amounts falling due after one year:</b>		
Deferred tax asset (note 18)	154,454	105,464
	<u>154,454</u>	<u>105,464</u>
<b>Total debtors</b>	<u>3,052,166</u>	<u>3,250,824</u>

### 15 Current asset investments

	2021	2020
	£	£
Listed investments measured at market value	30,150	31,450
	<u>30,150</u>	<u>31,450</u>

### 16 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	3,360,034	3,323,003
Amounts owed to fellow group and associated undertakings	2,376	7,798
Corporation tax	70,754	-
Other taxation and social security	258,102	303,108
Other creditors	50,881	43,147
Accruals	3,305,059	3,169,495
	<u>7,047,206</u>	<u>6,846,551</u>

### 17 Provisions for liabilities

	2021	2020
	£	£
Property maintenance and refurbishment provision	328,509	349,625
	<u>328,509</u>	<u>349,625</u>

The provision for property maintenance and refurbishment is in respect of anticipated costs for fixed assets, general maintenance and upgrading to ensure ongoing compliance with any necessary building regulations.

# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2021 £	Assets 2020 £
<b>Balances:</b>		
Decelerated capital allowances	65,080	21,212
Provisions	89,374	84,252
	<u>154,454</u>	<u>105,464</u>
<b>Movements in the year:</b>		<b>2021 £</b>
Asset at 1 January 2021		105,464
Decelerated capital allowances		43,868
Provisions		5,122
Asset at 31 December 2021		<u>154,454</u>

### 19 Operating lease commitments

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

	2021 £	2020 £
Within one year	<u>5,069</u>	<u>11,510</u>

### 20 Share capital

	2021 Number	2020 Number	2021 £	2020 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

# EUROPA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 21 Retirement benefit schemes

	2021	2020
Defined contribution schemes	£	£
Charge to statement of total comprehensive income in respect of defined contribution schemes	333,413	308,114

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

At the year ended 31 December 2021 the amounts payable to pension scheme totalled £50,464 (2020: £43,147).

### 22 Ultimate controlling party

EGL Holdings Limited, a company incorporated in the UK, held 100% of the issued share capital of the company at the balance sheet date (2020:100%).

The ultimate controlling party is Mr S. A. Salter, who has a majority interest in EGL Holdings Limited.