

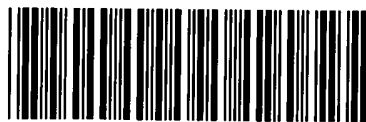
Registered number: 03492137

PULSE INSURANCE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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PULSE INSURANCE LIMITED

COMPANY INFORMATION

Directors	D Boyles D A Elliott T C W McLusky A D Pilcher P F Sandilands
Company secretary	D A Elliott
Registered number	03492137
Registered office	6 Oxford Court St. James Road Brackley Northamptonshire NN13 7XY
Independent auditors	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB
Bankers	Barclays Bank Plc 10 South Street Dorchester Dorset DT1 1BT Allied Irish Banks Plc Bankcentre Branch Ballsbridge Dublin 4 Eire Ulster Bank 33 College Green Dublin 2 Dublin
Solicitors	Holman Fenwick Willan LLP Friary Court 65 Crutched Friars London EC2N 2AE

PULSE INSURANCE LIMITED

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PULSE INSURANCE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors

The directors who served during the year were:

D Boyles
D A Elliott
T C W McLusky
A D Pilcher
P F Sandilands

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

The auditors, Moore Stephens LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 11th May 2017 and signed on its behalf.



Director

PULSE INSURANCE LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments 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.

PULSE INSURANCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PULSE INSURANCE LIMITED

We have audited the financial statements of Pulse Insurance Limited for the year ended 31 December 2016, set out on pages 5 to 14. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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 Directors' responsibilities statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit or loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

PULSE INSURANCE LIMITED

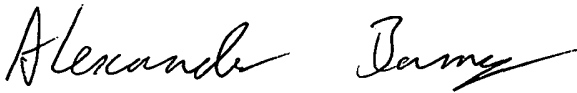
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PULSE INSURANCE LIMITED
(CONTINUED)**

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report and take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Alexander Barnes (Senior statutory auditor)

for and on behalf of
Moore Stephens LLP

150 Aldersgate Street
London
EC1A 4AB

Date:

16th May 2017

PULSE INSURANCE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	As restated 2015 £
Turnover		504,172	570,671
Gross profit		504,172	570,671
Administrative expenses		(440,431)	(370,009)
Operating profit		63,741	200,662
Interest receivable and similar income		2,197	186
Profit before tax		65,938	200,848
Tax on profit		(14,845)	(11,689)
Profit for the year		51,093	189,159
Total comprehensive income for the year		51,093	189,159

PULSE INSURANCE LIMITED
REGISTERED NUMBER: 03492137

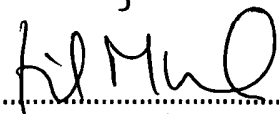
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	As restated 2015 £
Fixed assets			
Tangible assets	6	6,855	12,876
		<u>6,855</u>	<u>12,876</u>
Current assets			
Trade debtors	7	1,070,669	907,314
Debtors: amounts falling due within one year	8	65,744	78,518
Cash at bank and in hand	9	112,489	79,526
		<u>1,248,902</u>	<u>1,065,358</u>
Creditors: amounts falling due within one year	10	(55,233)	(33,399)
Net current assets		<u>1,193,669</u>	<u>1,031,959</u>
Total assets less current liabilities		<u>1,200,524</u>	<u>1,044,835</u>
Provisions for liabilities	11	(819,734)	(715,138)
		<u>(819,734)</u>	<u>(715,138)</u>
Net assets		<u><u>380,790</u></u>	<u><u>329,697</u></u>
Capital and reserves			
Called up share capital		55,179	55,179
Share premium account		10,096	10,096
Profit and loss account		315,515	264,422
		<u>380,790</u>	<u>329,697</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

11th May 2017


.....
Director

The notes on pages 7 to 14 form part of these financial statements.

PULSE INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the company's transactions are denominated. They comprise the financial statements of the company for the period ended 31st December 2016 and presented to the nearest pound.

The continuing activities of the company is that of broking insurance.

The Company is a United Kingdom company limited by shares. It is both incorporated and domiciled in England and Wales. The address of its registered office is 6 Oxford Court, St James Road, Brackley, Northamptonshire, NN13 7XY.

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 Section 1A of 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 judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Turnover represents commissions and fees for the arrangement of insurance and fees for consultancy services.

Credit is taken for brokerage, commission and fees on inception of the policy.

On certain lines of insurance business, a provision is made for cancellations which is unwound over the life of the insurance policy.

2.3 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.

PULSE INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

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:

Office equipment	- 25% on cost
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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 Statement of comprehensive income.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.5 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.

2.6 Creditors

Short term creditors are measured at the transaction price.

PULSE INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.7 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.8 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

PULSE INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.9 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 also based on an estimate of the likelihood of cancellation of policies during their policy term.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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 Statement of financial position.

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 Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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 Statement of financial position.

2.10 Taxation

Tax is recognised in the Statement of comprehensive income, 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 reporting date in the countries where the Company operates and generates income.

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

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

A key estimate within the financial statements is the level of provision for commission clawback.

This is explained in Note 11.

PULSE INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Auditors' remuneration

	2016	2015
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	14,580	10,250
Fees payable to the Company's auditor and its associates in respect of:		
All other services	13,200	2,250
	13,200	2,250

5. Employees

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

	2016	2015
	£	£
Wages and salaries	262,535	216,147
	262,535	216,147

The average monthly number of employees, including directors, during the year was 10 (2015 - 9).

PULSE INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2016	71,020
Additions	1,617
At 31 December 2016	<u>72,637</u>
Depreciation	
At 1 January 2016	58,144
Charge for the period on owned assets	7,638
At 31 December 2016	<u>65,782</u>
Net book value	
At 31 December 2016	<u><u>6,855</u></u>
At 31 December 2015	<u><u>12,876</u></u>

7. Trade debtors

	2016 £	2015 £
Trade debtors	1,070,669	907,314
	<u>1,070,669</u>	<u>907,314</u>

8. Other debtors

	2016 £	2015 £
Other debtors	65,744	78,518
	<u>65,744</u>	<u>78,518</u>

PULSE INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

9. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	112,489	79,526
	<u>112,489</u>	<u>79,526</u>

10. Creditors: Amounts falling due within one year

	2016 £	2015 £
Corporation tax	14,866	11,689
Other creditors	40,367	21,710
	<u>55,233</u>	<u>33,399</u>

11. Provisions for liabilities

	Other provision £
At 1 January 2016	715,138
Charged to profit or loss	104,596
At 31 December 2016	<u>819,734</u>

Given the life time of many of the policies the company arranges and the potential for clawback of commission income, should the policies be cancelled, the company has established a provision for commission clawback.

This provision is based on an estimate of the likelihood of cancellation of policies during their policy term. The estimate considers the risk of cancellation as a result of either a housing market crash or the risk of cancellation as a result of changes to relevant rules due to political intervention. The provision is established on inception of the policy and unwound on a straight line basis over the life of the policy. There is a high level of uncertainty around this provision given that the events that could trigger payments are unpredictable. The appropriateness of the assumptions in this provision are reconsidered annually by the board.

PULSE INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

12. Prior year adjustment

A prior year adjustment has been made to trade debtors as a result of £116,622 being omitted within the original balance sheet at 31 December 2015. The trade debtor balance has been adjusted from £790,692 to £907,314. This adjustment resulted in both trade debtors and turnover increasing by £116,622.

13. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £5,417 (2015 - £5,657).

14. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	31,710	22,227
Later than 1 year and not later than 5 years	76,336	77,677
Later than 5 years	-	12,000
	<u>108,046</u>	<u>111,904</u>

15. Related party transactions

There are no related party transactions other than those concerning Directors remuneration of £143,400 (2015: £105,295).

16. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.