

Binomial Group Limited

Report and Accounts for the year ended
31 December 2018



Registered number: 03675407

Binomial Group Limited

Report and Accounts for the Year Ended 31 December 2018

Directors and Officers**Directors**

G Carter

A Westwood

Secretary

A Kingan (appointed 18th May 2018)

Auditor

Ernst & Young LLP

25 Churchill Place

London

E14 5EY

Registered office

Sabre House

150 South Street

Dorking

Surrey

RH4 2YY

Binomial Group Limited

Strategic Report

For the year ended 31 December 2018.

The Directors present their strategic report for Binomial Group Limited ("the Company") for the year ended 31 December 2018.

Principal activity

The principal activity of the company for the year under review has been, and continues to be, an intermediate holding company with one subsidiary, Sabre Insurance Company Limited. The Directors do not foresee a change in this activity in future years.

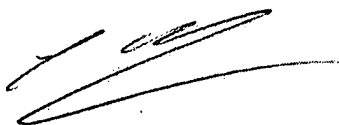
The Company is a member of the Sabre Insurance Group ("the Group"). The Company's ultimate parent is Sabre Insurance Group plc, incorporated and registered in the United Kingdom. Key performance indicators are referred to in the Sabre Insurance Group plc annual report and accounts for the year ended 31 December 2018 ("the Annual Report") and accordingly for an understanding of the performance and position of the Company's business, please refer to the Annual Report. Copies can be obtained from Sabre Insurance Group plc secretariat, Sabre House, 150 South Street, Dorking, RH4 2YY, the Registrar of Companies or through the Group's website at www.sabreplc.co.uk.

Business review

The Company received dividends of £24,000k during 2018 (2017: £27,560k). The company carried out no business during the year other than its direct activity as a holding company of Sabre Insurance Company Limited, its sole subsidiary undertaking.

Full details of the results are set out on page 7.

Approved by the Board of Directors and signed on behalf of the Board by:



G Carter

Director

Binomial Group Limited

Directors' Report

For the year ended 31 December 2018

The directors present their annual report and audited financial statements for the Company for the year ended 31 December 2018.

Principal activity

The principal activity of the company for the year under review has been, and continues to be, an intermediate holding company with one subsidiary, Sabre Insurance Company Limited.

Dividends

Interim dividends of £24,000k were paid during the year (2017: 27,560k). No final dividend has been declared (2017: £nil).

Auditors

The Company has dispensed with the obligation to appoint auditors annually. Ernst & Young LLP have expressed their willingness to continue in office.

Directors

A Westwood and G Carter remain as directors of the Company. A Kingan was appointed as Company Secretary on 18th May 2018.

Going concern

The Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future, no less than 12 months from the date of approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual 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 International Financial Reporting 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 International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Binomial Group Limited

Directors' Report

For the year ended 31 December 2018

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and the Company's auditor, each director has taken all the steps that he is obliged to take as a director in order to have made himself aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Board



G Carter

Director

25 September 2019

Binomial Group Limited

Independent Auditor's Report to the Members of Binomial Group Limited

Opinion

We have audited the financial statements of Binomial Group Limited for the year ended 31 December 2018 which comprise of Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flow and the related notes 1 to 10, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 below. 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 the 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 directors' report have been prepared in accordance with applicable legal requirements.

Binomial Group Limited

Independent Auditor's Report to the Members of Binomial Group Limited

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 directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, 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 3, 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.

A further description of our responsibilities for the audit of the financial statements is located 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.

Stuart Wilson (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
London

26 September 2019

Binomial Group Limited**Statement of Comprehensive Income**

for the year ended 31 December 2018

	Notes	2018 £'k	2017 £'k
Operating income	3	24,000	27,560
Total income		24,000	27,560
Operating expenses		-	-
Total expenses		-	-
Profit before tax		24,000	27,560
Tax credit	4	-	1
Profit for the year attributable to the owners of the company		24,000	27,561
Total other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the owners of the company		24,000	27,561

The attached notes on pages 11 to 14 form an integral part of these financial statements.

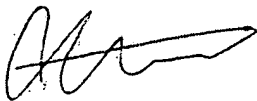
Binomial Group Limited
Statement of Financial Position
As at 31 December 2018

	Notes	2018 £'k	2017 £'k
Assets			
Investment in subsidiary	6	13,669	13,669
Other assets		7	7
Cash and cash equivalents	7	16	16
Total assets		13,692	13,692
Equity			
Issued share capital	8	162	162
Capital redemption reserve		253	253
Retained earnings		13,277	13,277
Total Equity		13,692	13,692
Liabilities			
Current tax liability		-	-
Total liabilities		-	-
Total equity and liabilities		13,692	13,692

The attached notes on pages 11 to 14 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 24th September 2019.

Signed on behalf of the Board of Directors by:



A Westwood
Director
25 September 2019

Binomial Group Limited
Statement of Cash Flow
for the year ended December 2018

		2018	2017
	Notes	£'k	£'k
Net cash generated from operating activities	10	24,000	27,560
Cash flows from financing activities			
Dividends paid		(24,000)	(27,560)
Net cash used by financing activities		(24,000)	(27,560)
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the year		16	16
Cash and cash equivalents at the end of the year		16	16

Binomial Group Limited
Statement of Changes in Equity
for the year ended December 2018

	Ordinary shareholders' equity £'k	Capital redemption reserve	Retained earnings £'k	Total equity £'k
Balance at 1 January 2017	162	253	13,276	13,691
Total comprehensive income	-	-	27,561	27,561
Dividends	-	-	(27,560)	(27,560)
Balance at 31 December 2017	162	253	13,277	13,692
Total comprehensive income	-	-	24,000	24,000
Dividends	-	-	(24,000)	(24,000)
Balance at 31 December 2018	162	253	13,277	13,692

Binomial Group Limited
Notes to the Financial Statements
As at 31 December 2018

Corporate information

Binomial Group Limited is a private limited company incorporated in the United Kingdom. The address of the registered office is Sabre House, 150 South Street, Dorking, Surrey, RH4 2YY, England.

1. Accounting policies

1.1 Basis of preparation

The financial statements of the Company have been prepared in accordance and fully comply with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and adopted by the EU.

The financial statements have been prepared on an historical cost basis, except for investment properties and those financial assets that have been measured at fair value. The financial statements values are presented in Pounds Sterling (£) rounded to the nearest thousand (£'k), unless otherwise indicated.

The Company presents the statements of financial position broadly in order of liquidity. An analysis regarding recovery or settlement within twelve months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in the respective notes.

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settled the liability simultaneously.

The Company has claimed exemption from the production of consolidated financial statements under Section 400 of the Companies Act 2006 as its results are consolidated in the group financial statements prepared by the ultimate parent company, Sabre Insurance Group plc. Details of the subsidiaries of the Company are included within the Financial Statements in note 6 to the accounts.

1.2 Summary of significant accounting policies

(a) Investment in subsidiaries

Investments in Group entities are carried in the Statement of Financial Position at cost less impairment. The Company assesses at each reporting date whether the investment is impaired.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits with banks together with short-term highly liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk of change in value.

(c) Taxation

The taxation charge in the income statement is based on the taxable profits for the year. It is Company policy to relieve profits where possible by the surrender of losses from Group companies with payment for value. Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(d) Accounting developments

In July 2014, the IASB issued the final version of IFRS 9 'Financial Instruments' that replaces IAS 39 'Financial Instruments: Recognition and Measurement' and all previous versions of IFRS 9 and which was endorsed by the EU in 2016. IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new

Binomial Group Limited
Notes to the Financial Statements
As at 31 December 2018

impairment model for financial assets and is effective for annual periods beginning on or after 1 January 2019. The Board does not anticipate that the introduction of this standard would have a material impact on the Company's financial results.

2. Risk management

2.1 Overview

The Company adheres to the Risk Management Framework set out by the Board of the Company's parent company, Sabre Insurance Group plc. The Sabre Insurance Group plc Board ("Group Board") has responsibility for setting and monitoring adherence to the risk strategy, appetite and framework.

The Sabre Insurance Group plc Annual Report and Accounts includes a comprehensive review of the risk management framework for the Group. Copies can be obtained from Sabre Insurance Group plc secretariat, Sabre House, 150 South Street, Dorking, RH4 2YY, the Registrar of Companies or through the Group's website at www.sabreplc.co.uk.

2.2 Principal risks from activities

Given its activity is limited to that of an intermediary holding company, the Company is exposed to a narrow range of risks. The key risk is the valuation of the Company's sole subsidiary, Sabre Insurance Company Limited, which is the only trading entity within the Group. The subsidiary is held at cost at £13,669k (2017: £13,669k).

3. Operating income

	2018 £'k	2017 £'k
Dividend income received from subsidiary company	24,000	27,560
Total	24,000	27,560

Auditor's remuneration

Fees for the audit and non-audit services for the current and prior years were borne by a fellow subsidiary. Fees paid to the auditor in respect of the statutory audit of the Company's financial statements were £0k (2017: £0k).

Staff costs

The Company had no employees during the year (2017:nil). The services provided to the Company by the directors are incidental to their services to the Group and non-executive in nature and therefore it is not appropriate to allocate their remuneration in respect of the Company.

4. Tax charge

	2018 £'k	2017 £'k
Current taxation	-	-
Tax charge for the year	-	-

Binomial Group Limited
Notes to the Financial Statements
As at 31 December 2018

The actual income tax charge does not differ from the expected income tax charge computed by applying the standard rate of UK corporation tax of 19% (2017: 19.25%) as follows:

	2018 £'k	2017 £'k
Profit before tax	24,000	27,560
Expected tax charge	4,560	5,305
Effect of:		
Disallowable Group Income	(4,560)	(5,305)
Adjustment to prior-year tax balance	-	(1)
Tax (credit) for the year	-	(1)
Effective income tax rate	0.00%	0.00%

5. Dividends

	£ per share	2018 £'k	2017 £'k
Amounts recognised as distributions to equity holders in the period:			
First Interim dividend	148	24,000	17,029
Second Interim dividend		-	10,531
		24,000	27,560

6. Investments in subsidiary undertakings

	2018 £'k	2017 £'k
At 31 December		
Unlisted shares in group undertakings	13,669	13,669

There was no impairment of the value of company investments during the year (2017: £nil)

The Company owns the following percentage of the issued share capital in the company issued below.

Company	Sabre Insurance Company Ltd
Holding	100%
Nature of Business	Insurance Company
Place of incorporation and operation	United Kingdom
Registered Office	Sabre House, 150 South Street, Dorking, Surrey. RH4 2YY
Net Assets	£106,970k
Profit for the year	£50,884k

7. Cash and cash equivalents

	2018 £'k	2017 £'k
Cash at bank and in hand	16	16
Total	16	16

The effective interest rate on short-term deposits with credit institutions for the year ended 31 December 2018 was 0.0% (2017: 0.00%) and average maturity was 1 day (2017: 1 day).

Binomial Group Limited
Notes to the Financial Statements
As at 31 December 2018

8. Share capital

	2018 £'k	2017 £'k
Authorised		
162,006 Ordinary shares of £1 each	162	162
Issued and fully paid: equity shares		
162,006 Ordinary shares of £1 each	162	162

All shares are unrestricted and carry equal voting rights.

9. Related party transactions

The immediate parent undertaking is Sabre Insurance Group plc, registered address Sabre House, 150 South Street, Dorking, RH4 2YY.

The company has taken advantage of the exemption not to disclose any transactions with entities that are part of Sabre Insurance Group plc group which qualify as related parties, due to the preparation of consolidated financial statements by the Parent Company.

	2018 £'k	2017 £'k
Sabre Insurance Company Ltd		
Due from	7	7
Total	7	7

The key management personnel of the Company are the Directors. There were no balances outstanding with the Directors at year-end. There were no transactions entered into with the Directors during 2018 and 2017.

10. Notes to the cash flow statement

	2018 £'k	2017 £'k
Profit for the year	24,000	27,560
Operating cash flows before movements in working capital	24,000	27,560
Movements in working capital:		
Change in prepayments and other assets	-	-
Cash used by operations	24,000	27,560
Net cash flow used by operating activities	24,000	27,560