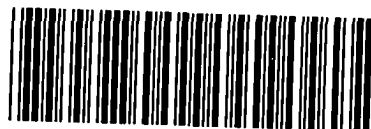


Lloyd & Whyte Limited

Annual Report and Financial Statements Year Ended 31 December 2017

Registration number: 03686765

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Lloyd & Whyte Limited

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Lloyd & Whyte Limited

Company Information

Directors M M Pyke
S Astley
P F Lishman

Company secretary S Astley

Registered office Affinity House
Bindon Road
Taunton
Somerset
TA2 6AA

Auditors PKF Francis Clark
Statutory Auditor
Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Lloyd & Whyte Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 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 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.

Lloyd & Whyte Limited

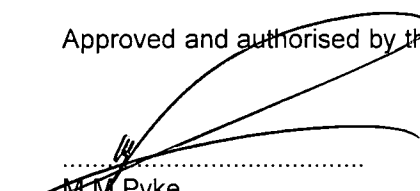
Balance Sheet

31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	73,277	56,055
Tangible assets	6	<u>91,185</u>	<u>114,842</u>
		<u>164,462</u>	<u>170,897</u>
Current assets			
Debtors	7	3,095,269	2,213,808
Cash at bank and in hand		<u>888,170</u>	<u>697,471</u>
		3,983,439	2,911,279
Creditors: Amounts falling due within one year	8	<u>(3,817,956)</u>	<u>(2,688,941)</u>
Net current assets		<u>165,483</u>	<u>222,338</u>
Total assets less current liabilities		329,945	393,235
Creditors: Amounts falling due after more than one year	8	(24,574)	(52,034)
Provisions for liabilities		<u>(27,000)</u>	<u>(26,000)</u>
Net assets		<u>278,371</u>	<u>315,201</u>
Capital and reserves			
Called up share capital		145,000	145,000
Profit and loss account		<u>133,371</u>	<u>170,201</u>
Total equity		<u>278,371</u>	<u>315,201</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 27 September 2018 and signed on its behalf by:


M. M. Pyke
Director

Company Registration Number: 03686765

Lloyd & Whyte Limited

Notes to the Financial Statements

Year Ended 31 December 2017

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office and principal place of business is:

Affinity House
Bindon Road
Taunton
Somerset
TA2 6AA

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', including Section 1A, and the Companies Act 2006. There are no material departures from FRS 102.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

Turnover

Turnover represents amounts chargeable, net of Insurance Premium Tax and premiums due to insurers, in respect of services to customers. The turnover shown in the profit and loss account is recognised on a receivable basis and represents net brokerage earned and fees due with reference to the commencement date of the insurance policy taken out by clients. All of the activities of the company are carried out in the United Kingdom.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation 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 taxable income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Lloyd & Whyte Limited

Notes to the Financial Statements

Year Ended 31 December 2017

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	10% straight line
Equipment	20% reducing balance
Plant & machinery	25% reducing balance

Intangible assets

Intangible assets are stated in the balance sheet at cost, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets, other than assets under the course of construction, so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Software	33% straight line

Leases

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

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

The treatment of finance leases is as set out in the accounting policy for financial instruments detailed below.

Defined contribution pension obligation

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Lloyd & Whyte Limited

Notes to the Financial Statements

Year Ended 31 December 2017

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Short term intercompany debtors and creditors;
- Hire purchase and finance leases; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for hire purchase and finance leases, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Assets held under hire purchase and finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Hire purchase and finance lease obligations are subsequently measured at amortised cost using the effective interest method.

Insurance broking assets and liabilities

Insurance transactions are recorded in the books of the company when the invoice is sent to the client. Monies received from clients are held in a separate Statutory Trust Client Bank Account prior to the settlement of the liability to the insurance company and the transfer of brokerage to the company's 'office' account.

These insurance ledger balances are included in the accounts of the company with amounts owing from clients included in trade debtors, the client bank account included in cash at bank and the insurance company liabilities included in trade creditors.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 50 (2016 - 47).

Lloyd & Whyte Limited

Notes to the Financial Statements

Year Ended 31 December 2017

4 Exceptional items

Included within administrative expenses is £Nil (2016 - £750,000) in respect of the write off of an amount owed by a fellow subsidiary.

5 Intangible assets

	Software £	Assets under the course of construction £	Total £
Cost or valuation			
At 1 January 2017	44,043	34,622	78,665
Additions acquired separately	-	56,345	56,345
Disposals	-	(34,622)	(34,622)
At 31 December 2017	44,043	56,345	100,388
Amortisation			
At 1 January 2017	22,610	-	22,610
Amortisation charge	4,501	-	4,501
At 31 December 2017	27,111	-	27,111
Carrying amount			
At 31 December 2017	16,932	56,345	73,277
At 31 December 2016	21,433	34,622	56,055

Lloyd & Whyte Limited

Notes to the Financial Statements

Year Ended 31 December 2017

6 Tangible assets

	Short leasehold improvements £	Furniture, fittings and equipment £	Plant and equipment £	Total £
Cost or valuation				
At 1 January 2017	5,145	144,201	169,086	318,432
Additions	-	4,068	-	4,068
At 31 December 2017	5,145	148,269	169,086	322,500
Depreciation				
At 1 January 2017	5,145	124,469	73,976	203,590
Charge for the year	-	3,947	23,778	27,725
At 31 December 2017	5,145	128,416	97,754	231,315
Carrying amount				
At 31 December 2017	-	19,853	71,332	91,185
At 31 December 2016	-	19,732	95,110	114,842

7 Debtors

	2017 £	2016 £
Trade debtors	506,638	304,007
Amounts due from group undertakings	2,399,238	1,724,344
Other debtors	8,200	10,255
Prepayments and accrued income	181,193	175,202
	3,095,269	2,213,808

Lloyd & Whyte Limited

Notes to the Financial Statements

Year Ended 31 December 2017

8 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	9	27,460	26,017
Trade creditors		2,829,621	1,876,465
Amounts due to group undertakings		101,772	305,862
Corporation tax		37,014	122,666
Social security and other taxes		34,810	22,255
Accruals and deferred income		787,279	335,676
		<u>3,817,956</u>	<u>2,688,941</u>
Due after one year			
Loans and borrowings	9	<u>24,574</u>	<u>52,034</u>

Included within accruals and deferred income is £420,000 (2016 - £Nil) of advanced commission from insurers.

9 Loans and borrowings

	2017 £	2016 £
Current loans and borrowings		
Finance lease liabilities	<u>27,460</u>	<u>26,017</u>
Loans and borrowings due after one year		
Finance lease liabilities	<u>24,574</u>	<u>52,034</u>

Other borrowings

Finance lease liabilities with a carrying amount of £52,034 (2016 - £78,051) are denominated in sterling with a nominal interest rate of 4.56%. The final instalment is due on 31 December 2019.

Finance lease liabilities are secured on the assets to which they relate.

Other borrowings with a carrying amount of £420,000 (2016 - £Nil) are denominated in sterling with a nominal interest rate of 0%. The final instalment is due on 31 December 2018.

Lloyd & Whyte Limited

Notes to the Financial Statements

Year Ended 31 December 2017

10 Insurance broking assets and liabilities

Insurance broking assets and liabilities are included in the balance sheet of the company and are disclosed as follows:

Included in debtors are £2,847,420 (2016 - £2,027,995) relating to insurance ledger debtors. Included in cash at bank is £729,797 (2016 - £473,639) in respect of client money held. Included in trade creditors is £2,785,799 (2016 - £1,804,753) owing to insurance companies and agents.

11 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £408,151 (2016 - £528,681). This relates to the total of future minimum payments due by the company under operating leases of which £298,383 (2016 - £382,937) is payable in more than one year.

The total amount of guarantees not included in the balance sheet is £375,329 (2016 - £179,967).

The company has an unlimited omnibus guarantee in respect of bank overdrafts between itself and Lloyd & Whyte Group Limited, Lloyd and Whyte (Financial Services) Limited, Insurance Broking Finance Limited, Lloyd & Whyte Heritage Limited and Medical Money Management (General Insurance Brokers) Limited.

At the year end, the group held net surplus cash balances of £986,182 (2016 - £809,128).

12 Related party transactions

Advances to directors

	At 1 January 2017	Advances to director	Repayments by director	At 31 December 2017
	£	£	£	£
2017				
P F Lishman				
Interest free loan, repayable on demand	8,949	-	(2,497)	6,452
	<u>8,949</u>	<u>-</u>	<u>(2,497)</u>	<u>6,452</u>
	At 1 January 2016	Advances to director	Repayments by director	At 31 December 2016
	£	£	£	£
2016				
P F Lishman				
Interest free loan, repayable on demand	-	9,990	(1,041)	8,949
	<u>-</u>	<u>9,990</u>	<u>(1,041)</u>	<u>8,949</u>

Summary of transactions with other related parties

Fellow subsidiary of the wider group

At the balance sheet date, the trade, assets and liabilities of a fellow subsidiary were hived over to the company. The assets were hived over at book value of £250,835, which is also considered to be fair value.

Lloyd & Whyte Limited

Notes to the Financial Statements

Year Ended 31 December 2017

13 Parent undertaking

The parent of the smallest group in which these financial statements are consolidated is Lloyd & Whyte Group Limited, incorporated in England & Wales.

The address of Lloyd & Whyte Group Limited is:

Affinity House
Bindon Road
Taunton
TA2 6AA

14 Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Nicholas Farrant BA MSc FCA, who signed for and on behalf of PKF Francis Clark.