
LEXHAM INSURANCE CONSULTANTS LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2017



LEXHAM INSURANCE CONSULTANTS LIMITED
REGISTERED NUMBER: 03897329

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	195,404	220,745
		<u>195,404</u>	<u>220,745</u>
Current assets			
Debtors: amounts falling due within one year	5	2,054,028	1,830,179
Cash at bank and in hand	6	345,019	815,208
		<u>2,399,047</u>	<u>2,645,387</u>
Creditors: amounts falling due within one year	7	(1,155,247)	(1,160,856)
Net current assets		<u>1,243,800</u>	<u>1,484,531</u>
Total assets less current liabilities		<u>1,439,204</u>	<u>1,705,276</u>
Creditors: amounts falling due after more than one year		(443,470)	(51,156)
Provisions for liabilities			
Deferred tax	10	-	(11,490)
		<u>-</u>	<u>(11,490)</u>
Net assets		<u><u>995,734</u></u>	<u><u>1,642,630</u></u>
Capital and reserves			
Called up share capital	11	2,750	3,000
Capital redemption reserve	12	250	-
Profit and loss account	12	992,734	1,639,630
		<u><u>995,734</u></u>	<u><u>1,642,630</u></u>

LEXHAM INSURANCE CONSULTANTS LIMITED
REGISTERED NUMBER: 03897329


STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2017

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

6 July 2018


R K Ironmonger
Director

The notes on pages 5 to 13 form part of these financial statements.

LEXHAM INSURANCE CONSULTANTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	3,000	-	1,639,630	1,642,630
Comprehensive income for the year				
Profit for the year	-	-	692,671	692,671
	<hr/>	<hr/>	<hr/>	<hr/>
Other comprehensive income for the year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	692,671	692,671
Dividends: Equity capital	-	-	(339,567)	(339,567)
Purchase of own shares	-	250	(1,000,000)	(999,750)
Shares cancelled during the year	(250)	-	-	(250)
	<hr/>	<hr/>	<hr/>	<hr/>
Total transactions with owners	(250)	250	(1,339,567)	(1,339,567)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	2,750	250	992,734	995,734
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 5 to 13 form part of these financial statements.

LEXHAM INSURANCE CONSULTANTS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	3,000	1,581,780	1,584,780
Comprehensive income for the year			
Profit for the year	-	459,850	459,850
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	459,850	459,850
Dividends: Equity capital	-	(402,000)	(402,000)
Total transactions with owners	-	(402,000)	(402,000)
At 31 December 2016	3,000	1,639,630	1,642,630

The notes on pages 5 to 13 form part of these financial statements.

LEXHAM INSURANCE CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

The company is a private company limited by shares and is incorporated in England. The address of its registered office is Gilray Road, Diss, Norfolk, IP22 4NG.

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 Company has applied the exemption available under FRS 102 Section 1A not to produce a Cashflow statement.

The following principal accounting policies have been applied:

2.2 Revenue recognition

Turnover primarily represents commission receivable from underwriters for insurance written during the year.

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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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 bases:

Short-term leasehold property	- 10% on cost
Motor vehicles	- 25% on cost
Fixtures and fittings	- 20% on cost
Office equipment	- 25% on cost

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 Income and Retained Earnings.

LEXHAM INSURANCE CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 Insurance broking debtors and creditors

Insurance brokers usually act as agents in placing insurable risks of their clients with insurers and, as such, generally are not liable as Principals for amounts arising from such transactions. Notwithstanding these legal relationships, debtors and creditors arising from insurance broking transactions are shown as assets and liabilities because they provide the insurance broker with access to future economic benefits and, as such, meet the definitions of assets and liabilities.

2.5 Debtors

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

2.6 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.

2.7 Financial instruments

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

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

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

2.8 Creditors

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

2.9 Finance costs

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

LEXHAM INSURANCE CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.12 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Income and Retained Earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

LEXHAM INSURANCE CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.16 Provisions for liabilities

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

Provisions are charged as an expense to the Statement of Income and Retained Earnings 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.

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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.

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

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

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

3. Employees

The average monthly number of employees, including directors, during the year was 88 (2016 - 81).

LEXHAM INSURANCE CONSULTANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. Tangible fixed assets

	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2017	38,777	277,988	92,063	77,841	486,669
Additions	-	-	35,485	35,202	70,687
At 31 December 2017	<u>38,777</u>	<u>277,988</u>	<u>127,548</u>	<u>113,043</u>	<u>557,356</u>
Depreciation					
At 1 January 2017	38,777	117,319	54,385	55,444	265,925
Charge for the year on owned assets	-	6,445	16,540	16,249	39,234
Charge for the year on financed assets	-	56,791	-	-	56,791
At 31 December 2017	<u>38,777</u>	<u>180,555</u>	<u>70,925</u>	<u>71,693</u>	<u>361,950</u>
Net book value					
At 31 December 2017	<u>-</u>	<u>97,433</u>	<u>56,623</u>	<u>41,350</u>	<u>195,406</u>
At 31 December 2016	<u>-</u>	<u>160,669</u>	<u>37,678</u>	<u>22,397</u>	<u>220,744</u>

LEXHAM INSURANCE CONSULTANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Motor vehicles	91,265	148,056
	<u>91,265</u>	<u>148,056</u>

5. Debtors

	2017 £	2016 £
Trade debtors	187,617	257,025
Amounts owed by joint ventures and associated undertakings	1,461,918	1,176,003
Other debtors	177,950	257,567
Prepayments and accrued income	219,459	139,584
Deferred taxation	7,084	-
	<u>2,054,028</u>	<u>1,830,179</u>

6. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>345,019</u>	<u>815,208</u>

LEXHAM INSURANCE CONSULTANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	178,702	-
Trade creditors	809,208	976,128
Corporation tax	11,274	67,049
Other taxation and social security	49,297	52,520
Obligations under finance lease and hire purchase contracts	22,600	40,535
Other creditors	84,166	24,624
	<u>1,155,247</u>	<u>1,160,856</u>

8. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Bank loans	178,702	-
	<u>178,702</u>	<u>-</u>
Amounts falling due 2-5 years		
Bank loans	411,146	-
	<u>411,146</u>	<u>-</u>
	<u>589,848</u>	<u>-</u>

LEXHAM INSURANCE CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	22,600	42,222
Between 1-2 years	27,078	27,078
Between 2-5 years	5,246	32,324
	<u>54,924</u>	<u>101,624</u>

10. Deferred taxation

	2017 £	2016 £
At beginning of year	(11,490)	9,059
Charged to profit or loss	18,574	(20,549)
At end of year	<u>7,084</u>	<u>(11,490)</u>

The deferred taxation balance is made up as follows:

	2017 £	2016 £
Excess of depreciation over capital allowances	6,124	(12,449)
Temporary timing differences	960	959
	<u>7,084</u>	<u>(11,490)</u>

11. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
750 (2016 - 1,000) Ordinary shares of £1 each	750	1,000
2,000 Ordinary B non-voting shares of £1 each	2,000	2,000
	<u>2,750</u>	<u>3,000</u>

LEXHAM INSURANCE CONSULTANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. Share capital (continued)

Ordinary B shares have the same rights as Ordinary shares except that they are non-voting.

On 27 November 2017 the company purchased 250 of its ordinary £1 A shares for £1,000,000.

12. Reserves

Capital redemption reserve

The capital redemption reserve represents the nominal value of the company's ordinary shares purchased back in the current and prior periods.

Profit and loss account

The profit and loss account includes all current and prior period profits and losses less amounts paid for the company's own shares in the current and prior periods.

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 £46,649 (2016 - £50,607). Contributions totalling £nil (2016 - £5,642) were payable to the fund at the balance sheet date and are included in creditors.

14. Auditors' information

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Christopher Kelly for and on behalf of Whiting & Partners, Statutory Auditor.