

EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

REGISTERED NUMBER 04391050



**EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

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**EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

DIRECTORS AND ADVISERS

DIRECTORS

A Debiase
D Saulter

COMPANY SECRETARY

A Debiase

REGISTERED OFFICE

8 Lloyd's Avenue
London
EC3N 3EL

INDEPENDENT AUDITORS

BDO LLP
Chartered Accountants and
Statutory Auditors
3 Hardman Street
Manchester
M3 3AT

**EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED
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STRATEGIC REPORT

The company presents its financial statements for the year ended 30 June 2017.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was the management of a national property repair and disaster restoration network.

REVIEW OF BUSINESS

A summary of the results for the year is given in the Income Statement on page 9.

During the year the business maintained its focus on delivering high service levels on its core business of property repair, while also concentrating on growing its Response and Accommodation Bureau services, which provide disaster restoration and alternative accommodation for displaced policy holders.

PRINCIPAL RISKS AND UNCERTAINTIES

The company operates in a competitive marketplace. The company manages this commercial risk by delivering a high quality, bespoke service to its clients, with most of whom it already enjoys a long-standing relationship.

The volume of claims referred to the company, and therefore its revenue, can fluctuate according to the frequency and severity of weather related events.

RESULTS AND DIVIDENDS

The company's profit for the financial year was £2,938,683 (2016: £2,680,517). No dividends were paid or proposed during the year (30 June 2016: £nil).

KEY PERFORMANCE INDICATORS

The company is part of the Davies Group Limited group of companies which are managed on a group-wide basis. The key performance indicators used by the group are disclosed in the Davies Group Limited consolidated financial statements on page 6.

The company uses Turnover and Operating profit as key performance indicators which can be seen on page 8.

By order of the Board



A Debiase
Director

Date 31/01/18

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DIRECTORS' REPORT

The directors present their report with the audited financial statements of the company, registered number 04391050, for the year ended 30 June 2017.

RESULTS AND DIVIDENDS

The company's profit for the financial year was £2,938,683 (2015: £2,680,517), which will be transferred to reserves. No dividends were paid or proposed during the year (2016: £ Nil).

FUTURE DEVELOPMENTS

The company remains committed to sustainable, profitable growth and continues its programme of strategic activities to meet these objectives. The priority remains to provide a market leading range of high quality and innovative services to customers and to develop our relationships with existing and new customers alike.

The company continues to invest in new systems and technology with the focus on improving operational efficiency and flexibility. This is being implemented through a specific project which will reduce the lifecycle of claims, improve customer service, enhance the quality of management information available both internally and to our clients, and drive down the cost of delivering a successful claim outcome.

FINANCIAL RISK MANAGEMENT

The company is part of the Davies Group Limited group of companies which manages financial risk on a group-wide basis. The Group's operations expose it to a variety of financial risks that include credit risk, liquidity risk and interest rate risk.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The company is a wholly owned subsidiary of Davies Holdings Limited which has maintained cover for its directors and officers and those of its subsidiary companies under a directors' and officers' liability insurance policy as permitted by the Companies Act 2006. The liability insurance is a qualifying third party indemnity provision and was in force during the financial year and up to and including the date of approval of the annual report and financial statements.

DIRECTORS

The directors who served during the year and up to the date of signing these financial statements unless otherwise stated were as follows:

A Debiase
D Saulter

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (2) each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

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DIRECTORS' REPORT (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report, Strategic 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 prepared 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.

On behalf of the Board



A Debiase
Director

Date: 31/01/18

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED

Opinion

We have audited the financial statements of Eastwell Contractor Management and Claim Care Limited ("the Company") for the year ended 30 June 2017 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 30 June 2017 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

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 Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED (Continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the financial statements 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.

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 Director's 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, 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 Statement of Directors' responsibilities, 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 determines 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

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.

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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED (Continued)

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report



Julien Rye (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Manchester
United Kingdom

Date 8/3/2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED
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INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

		Year ended 30 June 2017 £	Year ended 30 June 2016 £
Turnover	Note 3	5,899,874	5,359,976
Cost of sales		(1,070,468)	(995,129)
Gross profit		4,829,406	4,364,847
Administrative expenses		(1,677,190)	(1,678,304)
Operating profit	5	3,152,216	2,686,543
Profit on ordinary activities before interest and taxation		3,152,216	2,686,543
Interest payable and similar charges	6	(7,054)	(921)
Profit on ordinary activities before taxation		3,145,162	2,685,622
Tax on profit on ordinary activities	8	(206,479)	(5,105)
Profit for the financial year		2,938,683	2,680,517

All amounts relate to continuing operations.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Year ended 30 June 2017 £	Year ended 30 June 2016 £
Profit for the financial year	2,938,683	2,680,517
Total comprehensive income relating to the year	2,938,683	2,680,517

EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

		As at 30 June 2017		As at 30 June 2016	
	Note	£	£	£	£
ASSETS					
Fixed assets					
Tangible assets	9		8,616		5,682
Current assets					
Debtors	10	16,640,068		8,498,664	
Cash at bank and in hand		437,987		5,283,322	
Deferred tax asset	11	23,102		28,983	
			17,101,157		13,810,969
Total assets			17,109,773		13,816,651
LIABILITIES AND EQUITY					
Capital and reserves					
Called up share capital	12	300		300	
Profit and loss account		15,474,546		12,535,863	
Total shareholders' funds			15,474,846		12,536,163
Other liabilities					
Creditors: amounts falling due within one year	13	1,634,927		1,280,488	
Total other liabilities			1,634,927		1,280,488
Total equity and liabilities			17,109,773		13,816,651

The financial statements on pages 9 to 17 were approved by the Board of Directors on 31 January 2018 and were signed on its behalf by:



A Debiase
Director

Company registered number 04391050

EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Share capital £	Profit and loss account £	Total Equity £
Balance as at 1st July 2015	300	9,855,346	9,855,646
Profit for the year	-	2,680,517	2,680,517
Total comprehensive income for the year	-	2,680,517	2,680,517
Balance as at 30th June 2016	300	12,535,863	12,536,163
Profit for the year	-	2,938,683	2,938,683
Total comprehensive income for the year	-	2,938,683	2,938,683
Balance as at 30th June 2017	300	15,474,546	15,474,846

EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Eastwell Contractor Management and Claim Care Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Davies Group Limited as at 30 June 2016 and these financial statements may be obtained from the company's registered office.

The following principal accounting policies have been applied:

Turnover

Turnover is recognised in line with the estimated stage of completion of each claim which is based on historical data specific to that business unit.

Income accrued in respect of claims in progress at the year end is included within turnover in the income statement and within prepayments and accrued income in the statement of financial position. Deferred income is recorded within the statement of financial position and excluded from turnover when an interim fee is raised in advance of work performed and released to the income statement on completion of the case.

The majority of turnover within the company is made up of repairs where the company takes a percentage of contractor invoices as turnover.

All turnover is derived from within the United Kingdom.

Tangible fixed assets

Tangible fixed assets 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. Repairs and maintenance are charged to the income statement during the period in which they are incurred.

Depreciation

Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Leasehold improvements	-	over the life of the lease
Fixtures and fittings and office equipment	-	20% straight line
Computer equipment	-	33.3% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Leased assets: Lessee

Costs in respect of operating leases are charged to the income statement on a straight line basis over the term of the lease.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered before the date of transition to the standard (1 July 2014) to continue to be charged over the shorter period to the first market rent review rather than the term of the lease. For leases entered into on or after 1 July 2014, reverse premiums and similar incentives received to enter into operating lease agreements are released to the income statement over the term of the lease.

Where the company has a legal obligation, a dilapidations provision is created on inception of a lease. These provisions are a best estimate of the cost acquired to return lease properties to their original condition upon termination of the lease. Where the obligation arises from 'wear and tear', the provision is accrued as the 'wear and tear' occurs.

Holiday accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future entitlement so accrued at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Accounting policies (continued)

1 Current and deferred taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- 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;

- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Pensions

The company makes contributions under a defined contribution scheme, the assets of which are held in a separately-administered fund. All pension contributions are charged to the income statement in the period in which they fall due.

Reserves

The Company's reserves are as follows:

- Called up share capital represents the nominal value of the shares issued.

- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transactions costs) and subsequently held at cost, less any impairment.

Financial liabilities

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

2 Significant judgements and estimates

In preparing these financial statements, the directors have made the following key sources of estimation uncertainty:

- Work in progress is recorded in revenue based on percentage completion on each case in the cabinet. The percentage is calculated differently depending on the type of claim to give the most accurate valuation based on proportion of work performed.

- Determine whether there are indicators of impairment on the tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit, the viability and expected future performance of that unit.

Tangible assets

Tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and life maintenance programmes are taken into account.

3 Turnover

All turnover is derived from the company's principal activity, which the directors consider comprises a single class of business, and arose within the United Kingdom.

4 Staff costs and employee information

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Wages and salaries	1,394,603	1,346,464
Social security costs	124,922	120,043
Other pension costs	25,366	28,007
Total	1,544,891	1,494,514

The average monthly number of employees during the year (including directors service contracts) was:

	Year ended 30 June 2017	Year ended 30 June 2016
	Number	Number
Desk	56	57

At 30 June 2017, the company employed 52 (30 June 2016: 57) employees.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

5 Operating profit

Operating profit is stated after charging:

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Operating lease rentals - Land & Buildings	57,662	57,695
Depreciation - owned assets	5,351	12,864
Other pension costs	25,366	28,007
Exceptional administrative expenses	14,313	26,127

The exceptional administrative expenses of £14,313 (2016: £26,127) relate to restructuring costs including associated redundancy costs and advisory fees.

The auditors' remuneration for the year ended 30 June 2017 of £4,000 (2016: £4,000) was borne by Farradane Limited on behalf of all the subsidiaries of Davies Group Limited.

6 Interest payable and similar charges

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Other interest	7,054	921

7 Directors' emoluments

No emoluments were paid to the directors for their services to the company in the current or prior year. The directors were remunerated through a fellow group undertaking for their services to the group as a whole. Those directors are directors of a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. No apportionment has been made to this company. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of the parent company.

8 Tax on profit on ordinary activities

a) Analysis of the tax charge in the year

The tax charge on the profit on ordinary activities for the year was as follows:

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Current tax:		
UK corporation tax on profit for the year	200,970	-
Total current tax	200,970	-
Deferred tax:		
Origination and reversal of timing differences	4,271	4,860
Adjustments in respect of previous years	(372)	(3,516)
Changes in tax rate	1,610	3,761
Total deferred tax	5,509	5,105
Total tax on profit on ordinary activities	206,479	5,105

NOTES TO THE FINANCIAL STATEMENTS (continued)

8 Tax on profit on ordinary activities (continued)

b) Factors affecting the tax charge

The tax assessed for the year is lower than (year 2016: lower than) the standard rate of corporation tax in the UK of 19.75% (2016: 20%). The difference is explained below:

	Year ended 30 June 2017 £	Year ended 30 June 2016 £
Profit on ordinary activities before taxation	3,145,162	2,685,622
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.75% (2016: 20%)	621,169	537,124
Tax effects of:		
Expenses not deductible for tax purposes	108	649
Group relief surrendered	(418,536)	(537,537)
Other	3,738	4,869
Total tax	206,479	5,105

In addition to the changes in rates of Corporation tax disclosed within the note on taxation, a number of further changes to the UK Corporation tax system were announced in the Chancellor's Budget on 8 July 2015. These include reductions to the main rate to reduce the rate to 18% from 1 April 2020. These further changes had been substantively enacted at the balance sheet date and, therefore, are included in these financial statements.

9 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings and £	Computer equipment £	Total £
Cost or valuation				
At 1 July 2016	32,569	173,278	189,370	395,217
Additions	-	8,285	-	8,285
At 30 June 2017	32,569	181,563	189,370	403,502
Accumulated depreciation				
At 1 July 2016	29,377	170,788	189,370	389,535
Charge for year	3,191	2,160	-	5,351
At 30 June 2017	32,568	172,948	189,370	394,886
Net book value				
At 30 June 2017	1	8,615	-	8,616
At 30 June 2016	3,192	2,490	-	5,682

Fixed assets are stated at historical cost.

10 Debtors due within one year

	Year ended 30 June 2017 £	Year ended 30 June 2016 £
Trade debtors	678,851	586,432
Amounts owed by group undertakings	12,586,859	4,622,168
Prepayments and accrued income	3,374,358	3,290,064
	16,640,068	8,498,664

Amounts owed by group undertakings are unsecured, interest-free and have no fixed date of repayment.

EASTWELL CONTRACTOR MANAGEMENT AND CLAIM CARE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (continued)

11 Deferred tax

The movements on deferred tax are as follows:

	Year ended 30 June 2017 £	Year ended 30 June 2016 £
At the beginning of year	28,983	34,088
Deferred tax charge in income statement for the year	(5,881)	(5,105)
At the end of year	23,102	28,983

The deferred tax comprises:

	Year ended 30 June 2017 £	Year ended 30 June 2016 £
Depreciation in excess of capital allowances	21,987	27,584
Short term timing differences	1,115	1,399
	23,102	28,983

The company has no deferred tax assets on losses which are not recognised.

12 Called up share capital

	Year ended 30 June 2017 £	Year ended 30 June 2016 £
Allotted, issued and fully paid		
300 (2016: 300) Ordinary Shares of £1 each	300	300

13 Creditors: amounts falling due within one year

	Year ended 30 June 2017 £	Year ended 30 June 2016 £
Trade creditors	30,472	17,357
Amounts owed to group undertakings	651,244	163,685
Other taxation and social security	232,168	222,431
Other creditors	22,761	22,761
Corporation tax owed	200,970	-
Accruals and deferred income	497,312	854,254
	1,634,927	1,280,488

Amounts owed to group undertakings are unsecured, interest free and have no fixed date of repayment.

14 Operating lease commitments

The company's future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	As at 30 June 2017	As at 30 June 2016
	£	£
Expiring:		
Within one year	57,662	57,695
In two to five years	38,441	96,159
In more than five years	-	-
Total	96,103	153,854

The payments above include rates and services charges.

15 Defined contribution scheme

The company operates a defined contribution scheme. The assets are held separately from those of the company in a separately-administered fund. The charge for the year represents contributions payable by the company to the fund and amounted to £25,336 (charge for the year ended 30 June 2016: £28,007).

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ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTES TO THE FINANCIAL STATEMENTS (continued)

16 Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Davies Group Limited which is a wholly owned subsidiary of Daisybright Limited. Daisybright Limited is in turn ultimately owned by Davies Holdings Limited which the directors consider to be the ultimate parent undertaking and the largest group to consolidate these financial statements.

Copies of Daisybright Limited and Davies Holdings Limited consolidated financial statements can be obtained from the Company Secretary at 8 Lloyd's Avenue, London, EC3N 3EL.

The directors consider HGGC to be the ultimate controlling party of the Group.

17 Financial instruments

The Company's financial instruments may be analysed as follows:

	Year ended 30 June 2017 £	Year ended 30 June 2016 £
Financial assets		
Financial assets measured at amortised cost	13,703,696	10,511,279
Financial liabilities		
Financial liabilities measured at amortised cost	704,477	322,524

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors, amounts owed by parent companies and accrued income

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and amounts to group undertakings.

18 Related party disclosures

The group has taken advantage of the exemption confirmed by section 33 of FRS 102 not to disclose transactions with members of the group headed by Davies Group Limited on the grounds that 100% of the voting rights in the company are controlled within that group.