

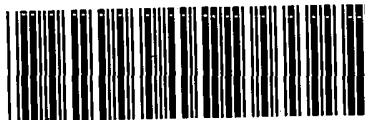
COMPANY REGISTRATION NUMBER 04398937

**THE POLICY SHOP INSURANCE SERVICES
LIMITED**

FINANCIAL STATEMENTS

30 APRIL 2015

THURSDAY



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COMPANIES HOUSE

THE POLICY SHOP INSURANCE SERVICES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

G Humphreys
K J Barber
K R Spencer
M R Brittain

Company secretary

C J Payne

Registered office

45 Westerham Road
Bessels Green
Sevenoaks
Kent
TN13 2QB

Auditor

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP)
Chartered Accountants
& Statutory Auditor
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1ED

THE POLICY SHOP INSURANCE SERVICES LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 APRIL 2015

The directors present their report and the financial statements of the company for the year ended 30 April 2015.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of insurance agents.

DIRECTORS

The directors who served the company during the year were as follows:

D Ansell
G Humphreys
N Muldoon
A M Briscoe
K J Barber
K R Spencer
M R Brittain
R J Bence
S E Byrne
S F Byrne

G Humphreys was appointed as a director on 4 March 2015.

K J Barber was appointed as a director on 4 March 2015.

K R Spencer was appointed as a director on 4 March 2015.

M R Brittain was appointed as a director on 4 March 2015.

R J Bence was appointed as a director on 4 March 2015.

D Ansell retired as a director on 4 March 2015.

N Muldoon retired as a director on 9 September 2014.

A M Briscoe retired as a director on 4 March 2015.

S E Byrne retired as a director on 4 March 2015.

S F Byrne retired as a director on 4 March 2015.

R J Bence retired as a director on 30 April 2016.

AUDITOR

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) was appointed during the period and appropriate arrangements have been put in place for them to be reappointed as auditors in the absence of an Annual General Meeting.

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

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

THE POLICY SHOP INSURANCE SERVICES LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 APRIL 2015

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:
45 Westerham Road
Bessels Green
Sevenoaks
Kent
TN13 2QB

Signed on behalf of the directors



K J Barber

Director

Approved by the directors on 7 July 2016

THE POLICY SHOP INSURANCE SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 30 APRIL 2015

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 year.

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;
- 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.

THE POLICY SHOP INSURANCE SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
THE POLICY SHOP INSURANCE SERVICES LIMITED
YEAR ENDED 30 APRIL 2015

We were engaged to audit the financial statements of The Policy Shop Insurance Services Limited for the year ended 30 April 2015 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 4 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Scope of the audit of the financial statements

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

Basis for disclaimer of opinion on financial statements

The audit evidence available to us was limited in the following areas. As a result, we have been unable to obtain sufficient appropriate audit evidence in relation to these areas of the financial statements.

Turnover

We have been unable to obtain sufficient appropriate audit evidence to support Turnover of £4,256,712 for the year ended 30 April 2015 due to the absence of supporting invoices or other documentary evidence and the absence of management explanations due to the loss of key staff.

Administrative Expenses

We have been unable to obtain sufficient appropriate audit evidence to support Administrative Expenses (including exceptional items) of £5,054,024 for the year ended 30 April 2015. This was due to the absence of payroll reports for the period from May 2014 to February 2015 or other documentary evidence to support the total payroll costs of £1,707,890 disclosed in note 4, the absence of purchase invoices or other documentary evidence to support other administrative expenses of £2,599,859 and the absence of sufficient appropriate audit evidence to support the exceptional write-offs of £746,275 disclosed in note 3.

Trade Creditors

Due to the absence of purchase invoices or other documentary evidence, we were unable to obtain sufficient appropriate audit evidence on the classification of the creditor balance of £855,643 as 'trade creditors'.

THE POLICY SHOP INSURANCE SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
THE POLICY SHOP INSURANCE SERVICES LIMITED *(continued)*
YEAR ENDED 30 APRIL 2015

Disclaimer of opinion on financial statements

Because of the significance of the matters described in the Basis for Disclaimer of Opinion on Financial Statements paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly we do not express an opinion on the financial statements.

Emphasis of matter – Basis of accounting and going concern

Notwithstanding our disclaimer of opinion on the financial statements, we have considered the adequacy of the disclosures made in the accounting policies on page 10 of the financial statements considering the company's basis of accounting and going concern. As explained in note 1, the company will cease arranging new business and all new business will be undertaken by a fellow subsidiary company. As required by FRS18 Accounting Policies the directors have prepared the financial statements on the basis that the company is no longer a going concern.

Other matter – Prior period financial statements not audited

The company was exempt from audit in the year ended 30 April 2014 and consequently the corresponding figures are unaudited.

Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit;
- we were unable to determine whether adequate accounting records have been kept; and

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

- 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.

RSM UK Audit LLP

GARY PURDY (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1ED

7 July 2016

THE POLICY SHOP INSURANCE SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 APRIL 2015

	Note	2015 £	2014 (restated) £
TURNOVER	2	4,256,712	4,473,913
Administrative expenses excluding exceptional items		4,307,749	4,178,538
Exceptional bad debt and other write offs	3	746,275	270,708
Total administrative expenses		<u>5,054,024</u>	<u>4,449,246</u>
OPERATING (LOSS)/PROFIT	3	(797,312)	24,667
Attributable to:			
Operating (loss)/profit before exceptional items		(51,037)	295,375
Exceptional items	3	<u>(746,275)</u>	<u>(270,708)</u>
		(797,312)	24,667
Interest receivable		2,217	2,147
Interest payable and similar charges	6	(1,669)	(1,552)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(796,764)</u>	<u>25,262</u>
Tax on (loss)/profit on ordinary activities	7	(9,432)	(3,343)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(787,332)</u>	<u>28,605</u>

All of the activities of the company are classed as continuing.

The notes on pages 10 to 17 form part of these financial statements.

THE POLICY SHOP INSURANCE SERVICES LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 30 APRIL 2015

	2015 £	2014 £
(Loss)/Profit for the financial year attributable to the shareholders	(787,332)	28,605
Total recognised gains and losses relating to the year	<u>(787,332)</u>	<u>28,605</u>
Prior year adjustment (see note 8)	<u>(1,007,521)</u>	
Total gains and losses recognised since the last annual report	<u>(1,794,853)</u>	

The notes on pages 10 to 17 form part of these financial statements.

THE POLICY SHOP INSURANCE SERVICES LIMITED

BALANCE SHEET

30 APRIL 2015

	Note	2015 £	£	2014 (restated) £
FIXED ASSETS				
Tangible assets	9		<u>47,798</u>	<u>55,965</u>
CURRENT ASSETS				
Debtors	10	1,929,020		1,051,435
Cash at bank		<u>2,434</u>		<u>123,237</u>
		1,931,454		1,174,672
CREDITORS: Amounts falling due within one year	11	<u>1,883,866</u>		<u>1,974,317</u>
NET CURRENT ASSETS/(LIABILITIES)			<u>47,588</u>	<u>(799,645)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>95,386</u>	<u>(743,680)</u>
CREDITORS: Amounts falling due after more than one year	12		–	4,166
PROVISIONS FOR LIABILITIES				
Deferred taxation	13		<u>33</u>	<u>9,465</u>
			<u>95,353</u>	<u>(757,311)</u>
CAPITAL AND RESERVES				
Called up equity share capital	15		152	152
Share premium account	16		24,998	24,998
Capital contribution from parent company	17		1,660,000	–
Profit and loss account	18		<u>(1,589,797)</u>	<u>(782,461)</u>
SHAREHOLDERS' FUNDS/(DEFICIT)	19		<u>95,353</u>	<u>(757,311)</u>

These accounts were approved by the directors and authorised for issue on 7 July 2016,
and are signed on their behalf by:



K J Barber
Director

Company Registration Number: 04398937

The notes on pages 10 to 17 form part of these financial statements.

THE POLICY SHOP INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

1. ACCOUNTING POLICIES

Basis of accounting and going concern

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

The financial statements have not been prepared under the going concern basis.

Following the acquisition of the company by the Markerstudy group, the company will cease arranging new business and all new business will be undertaken by Insurance Factory Limited, a fellow subsidiary company.

Following the transfer of trade the directors will transfer the company's remaining assets to Insurance Factory Limited.

No material adjustments arose as a result of ceasing to apply the going concern basis.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised 1996) from including a cashflow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cashflow statement.

Turnover

The turnover shown in the profit and loss account represents amounts excluding value added tax, of commission and fees earned during the year.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	33% straight line
Fixtures & Fittings	-	33% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

THE POLICY SHOP INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing 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 exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

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 a discounted/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.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Pension costs

The company contributes to a defined contribution pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2015	2014
	£	£
United Kingdom	<u>4,256,712</u>	<u>4,473,913</u>

THE POLICY SHOP INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2015 £	2014 £
Depreciation of owned fixed assets	18,824	18,655
Auditor's remuneration		
- as auditor	27,509	—
Operating lease costs:		
- Plant and equipment	3,269	3,829
- Other	109,915	105,844
Exceptional bad debt and other write-offs:		
- Bad debts	559,449	270,708
- Fixed assets	38,606	—
- Former directors' loans	57,639	—
- Other	90,581	—
	<u>746,275</u>	<u>270,708</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2015 No	2014 No
Administrative staff	<u>74</u>	<u>79</u>

The aggregate payroll costs of the above were:

	2015 £	2014 £
Wages and salaries	1,559,989	1,595,775
Social security costs	141,375	142,009
Other pension costs	6,225	—
Pensions paid to former employees	301	—
	<u>1,707,890</u>	<u>1,737,784</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2015 £	2014 £
Remuneration receivable	122,286	102,065
Value of company pension contributions to money purchase schemes	301	—
	<u>122,587</u>	<u>102,065</u>

THE POLICY SHOP INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

5. DIRECTORS' REMUNERATION *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows:

	2015	2014
	No	No
Money purchase schemes	<u>2</u>	<u>—</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£
Interest payable on bank borrowing	<u>1,669</u>	<u>1,552</u>

7. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2015	2014
	£	(restated) £
Deferred tax:		
Origination and reversal of timing differences (note 13)		
Capital allowances	<u>(9,432)</u>	<u>(3,343)</u>

Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20.92% (2014 - 22.84%).

	2015	2014
	£	(restated) £
(Loss)/profit on ordinary activities before taxation	<u>(796,764)</u>	<u>25,262</u>
Profit/(loss) on ordinary activities by rate of tax	166,666	(5,769)
Expenses not deductible for tax purposes	(12,758)	(1,749)
Capital allowances for period in excess of depreciation	(9,826)	(3,817)
Utilisation of tax losses	(10,383)	11,335
Unrelieved tax losses	<u>(133,699)</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

THE POLICY SHOP INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

8. PRIOR YEAR ADJUSTMENT

The company has now recognised that an amount of trade debtors previously reported is not going to be recovered. Accordingly, a prior year adjustment has been made to reflect bad debt provision required for previous years. Accordingly, retained earnings and trade debtors have been decreased for the year ended 30 April 2013 by £808,692 and this is reflected in the opening profit and loss reserve for the year ended 30 April 2014. For the year ended 30 April 2014, a further bad debt provision was required for amounts invoiced during the year but not recovered to date. Accordingly, retained earnings and trade debtors have been decreased for the year ended 30 April 2014 by £270,708.

As a result of the above, the corporation tax charge and liability for the year ended 30 April 2014 of £71,879 is no longer due and has been reversed.

The total effect of the prior year adjustment on the result for the year ended 30 April 2014 is therefore, £198,829.

The total effect of the prior year adjustment on shareholders' funds as at 30 April 2014 is a reduction of £1,007,521.

9. TANGIBLE ASSETS

	Plant & Machinery £	Fixtures & Fittings £	Total £
COST			
At 1 May 2014	–	222,334	222,334
Additions	49,263	–	49,263
Disposals	–	(222,334)	(222,334)
At 30 April 2015	49,263	–	49,263
DEPRECIATION			
At 1 May 2014	–	166,369	166,369
Charge for the year	1,465	17,359	18,824
On disposals	–	(183,728)	(183,728)
At 30 April 2015	1,465	–	1,465
NET BOOK VALUE			
At 30 April 2015	47,798	–	47,798
At 30 April 2014	–	55,965	55,965

THE POLICY SHOP INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

10. DEBTORS

	2015	2014 (restated)
	£	£
Trade debtors	114,439	994,299
Amounts owed by group undertakings (see note 17)	1,660,000	—
Corporation tax repayable	71,879	—
Other debtors	81,525	56,074
Prepayments and accrued income	1,177	1,062
	<u>1,929,020</u>	<u>1,051,435</u>

11. CREDITORS: Amounts falling due within one year

	2015	2014 (restated)
	£	£
Bank loans	—	5,000
Trade creditors	855,643	1,926,610
Amounts owed to group undertakings	917,853	—
Other taxation and social security	38,355	36,361
Other creditors	—	801
Accruals and deferred income	72,015	5,545
	<u>1,883,866</u>	<u>1,974,317</u>

12. CREDITORS: Amounts falling due after more than one year

	2015	2014
	£	£
Bank loans	—	4,166

13. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	2015	2014
	£	£
Provision brought forward	9,465	12,808
Profit and loss account movement arising during the year	(9,432)	(3,343)
Provision carried forward	<u>33</u>	<u>9,465</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2015	2014
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>33</u>	<u>9,465</u>
	<u>33</u>	<u>9,465</u>

THE POLICY SHOP INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

14. RELATED PARTY TRANSACTIONS

The company was under the control by the directors, S F Byrne, S Byrne and D Ansell by virtue of them owning the majority of the issued share capital until 4 March 2015 when it became a wholly owned subsidiary of Markerstudy Holdings Limited.

The following transactions took place during the year, before Markerstudy Holdings Limited acquired the company.

During the year, the following related party transactions occurred with SSD Property Limited, a party related by virtue of being under the control of S F Byrne, S E Byrne and D Ansell, who were directors of both companies. Rent paid £70,500 (2014: £84,600).

The following directors had loans during the year: S F Byrne £19,188 (2014: £18,192), S E Byrne £19,416 (2014: £19,237) and D Ansell £19,035 (2014: £18,302). These three balances were written off as bad debts as at 30 April 2015.

During the year the directors paid interest of £2,217 (2014: £2,147) on the loans at the official rate of interest, 4% per annum.

The company has taken advantage of the exemptions available under Financial Reporting Standard 8 from the requirement to make disclosures concerning transactions with fellow group companies.

15. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary shares of £1 each	151	151	151	151
Ordinary Class 2 shares of £1 each	1	1	1	1
	<u>152</u>	<u>152</u>	<u>152</u>	<u>152</u>

16. SHARE PREMIUM ACCOUNT

There was no movement on the share premium account during the financial year.

17. CAPITAL CONTRIBUTION

	2015	2014
	£	£
Capital contribution from parent company	<u>1,660,000</u>	<u>—</u>

On 10 September 2014, Markerstudy Holdings Limited committed to provide an injection of capital on completion of its acquisition of the company to ensure that it is able to remain compliant with the capital requirements of the Financial Conduct Authority.

THE POLICY SHOP INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

18. PROFIT AND LOSS ACCOUNT

	2015 £	2014 £
Balance brought forward as previously reported	225,060	78,819
Prior year adjustment (see note 8)	<u>(1,007,521)</u>	<u>(808,692)</u>
Balance brought forward restated	(782,461)	(729,873)
(Loss)/profit for the financial year	(787,332)	28,605
Equity dividends	<u>(20,004)</u>	<u>(81,193)</u>
Balance carried forward	<u>(1,589,797)</u>	<u>(782,461)</u>

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
(Loss)/Profit for the financial year	(787,332)	28,605
Equity dividends	(20,004)	(81,193)
Capital contribution from parent company	<u>1,660,000</u>	<u>—</u>
Net addition/(reduction) to shareholders' funds	852,664	(52,588)
Opening shareholders' funds as previously stated	250,210	103,969
Prior year adjustment (see note 8)	<u>(1,007,521)</u>	<u>(808,692)</u>
Opening shareholders' funds/(deficit) as restated	(757,311)	(704,723)
Closing shareholders' funds/(deficit)	<u>95,353</u>	<u>(757,311)</u>

20. ULTIMATE PARENT COMPANY

The immediate and ultimate parent undertaking is Markerstudy Holdings Limited, a company registered in Gibraltar. Copies of the immediate parent company's consolidated financial statements may be obtained from 846-848 Europort, Gibraltar. Markerstudy Holdings Limited is controlled by K R Spencer.