

Registration number: 04515272

Fresh Insurance Services Group Limited

Directors' Report and Financial Statements

for the Year Ended 31 July 2015

Carbon Accountancy Limited
T/A Roland Klepzig Carbon Accountancy
Chartered Accountants and Registered Auditors
80-83 Long Lane
London
EC1A 9ET



Fresh Insurance Services Group Limited
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Fresh Insurance Services Group Limited

Company Information

Directors	Lisa Powis Mark Powis Michael Wall Spencer Street Stuart Whalley Nicholas Frost
Company secretary	Henry McPherson
Registered office	Ladybird Suite Burnt Meadow Road North Moons Moat Redditch Worcestershire B98 9PA
Solicitors	Gateley LLP One Eleven Edmund Street Birmingham B3 2HJ
Bankers	National Westminster Bank plc Suite 3 Brook Court Whittington Hall Whittington Road Worcester WR5 2RX
Auditors	Carbon Accountancy Limited T/A Roland Klepzig Carbon Accountancy Chartered Accountants and Registered Auditors 80-83 Long Lane London EC1A 9ET

Fresh Insurance Services Group Limited

Directors' Report for the Year Ended 31 July 2015

The directors present their report and the financial statements for the year ended 31 July 2015.

Directors of the company

The directors who held office during the year were as follows:

Lisa Powis

Mark Powis

Michael Wall

Spencer Street

Stuart Whalley

Nicholas Frost

At the year end, the following director held options to subscribe for ordinary 'B' shares under the company's EMI scheme as follows:

	Number of shares under option	Exercise price per share	Date of grant	Expiry date
S Whalley	1,500	£5.00	30 November 2010	30 November 2020
S Whalley	250	£25.00	15 March 2015	15 March 2025
N Frost	500	£25.00	15 March 2015	15 March 2025
S Street	1,500	£25.00	15 March 2015	15 March 2025

Principal activity

The principal activity of the company during the year continued to be that of a personal lines insurance intermediary.

Dividends

The directors recommend a final dividend payment of £20.20 be made in respect of the financial year ended 31 July 2015 (2014: £8.84) per share on all classes of share.

Charitable donations

During the year the company made charitable donations of £2,408. Individual donations were:

	£
UK charities	<u>2,408</u>

Fresh Insurance Services Group Limited
Directors' Report for the Year Ended 31 July 2015

..... *continued*

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Approved by the Board on 23/12/15 and signed on its behalf by:



.....
Lisa Powis
Director

Fresh Insurance Services Group Limited

Strategic Report for the Year Ended 31 July 2015

The directors present their strategic report for the year ended 31 July 2015.

Fair review of the business

The company has continued to increase revenues year-on-year with turnover up by 35% over the previous financial period. Investment in additional infrastructure to remain competitive and meet increasing compliance requirements in the previous year has yielded the required return as the results for the year report. The directors expect these initiatives to continue to deliver substantially increased profitability in future periods.

The company's results for the year ended 31 July 2015 report a profit before tax of £1,709,879 (2014: £801,851).

Key performance indicators

The key indicators against which the company measures its performance are set out in the table below.

Commissions and fees, as a percentage of Gross Written Premium (GWP) fell slightly over the previous year as the company felt the effects of the competitive forces in the car insurance market and the resulting lower premiums.

However, costs were tightly controlled, as illustrated by Staff Costs which, as a percentage of income, fell by 3% year-on-year as a result of the efficiencies gained from the company's investment in infrastructure to support income growth, both now and in the future.

The key ratio of Operating Earnings to income was up significantly as a result of the cost and efficiency measures mentioned above, with a margin of 16%.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2015	2014
Net commissions and fees /GWP	%	22	24
Staff costs / net commissions and fees	%	45	48
Operating earnings / income	%	16	10
Operating earnings / GWP	%	4	2

Future developments

The company will continue to develop and grow its telematics brand, remaining at the forefront of the movement of car insurance towards technology driven solutions.

Going concern

The directors consider it is appropriate to adopt the going concern basis in preparing these financial statements.

The directors have prepared financial projections for the 12 months following the end of the financial period taking account of reasonably possible changes in trading performance and these show that the company should be able to operate within the level of its current cash balances. After review of the forecasts and consideration of the company's resources, together with its long standing relationships with insurers, the directors believe that the company is capable of trading through any possible economic turbulence in the insurance market.

Fresh Insurance Services Group Limited
Strategic Report for the Year Ended 31 July 2015

..... continued

Financial instruments

The directors review and agree policies for managing the financial risks and these are summarised below. These policies are unchanged from previous years.

The company's exposure to price risk consists mainly of movements in competitors' pricing policies in the insurance market. The company is managing its exposure to any one class of business or insurer by working closely with a selected panel of strategic partners who support a range of personal lines general insurance product offerings.

Credit risk

The company's principal assets are cash deposits and trade debtors. The credit risk associated with cash deposits is limited as the accounts are held with major UK high street banks only. The principal credit risk arises therefore from trade debtors. The company manages this risk by regular reviews of credit facilities and settlement terms and by ensuring that it maintains a wide spread of low value individual debtors.

Market risk

The increased influence of the internet and price comparison websites continues to change the UK business environment. Insurance specific developments in technology such as telematic systems are also likely material drivers of market change and the company has put in place strategies to meet these challenges. In addition, the market is dominated by a few large insurance companies who can change operating practices. The company manages this risk by maintaining a broad panel of insurers and monitoring revenue trends.

Liquidity risk

The company seeks to manage liquidity risk by both ensuring sufficient working capital is available to meet foreseeable needs, and ensuring the Financial Conduct Authority's capital resource requirements for insurance intermediaries are met.

Reserving risk

The company's exposure for commission claw-back; where policies cancel mid-term and premiums are returned to policyholders, the company must likewise return the element of its commission income associated with those cancellations, is mitigated by the maintenance of appropriate levels of reserves.

Operational risk

The company's exposure to loss arising from inadequate or failed internal processes, from fraud and failure of data systems and from external events. This is managed by having in place comprehensive policies for business continuity planning, robust compliance procedures and IT infrastructure designed to minimise the risk in these areas.

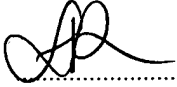
Regulatory risk

The company's exposure to regulatory sanctions, material financial loss or loss to reputation suffered as a result of non-compliance with laws, regulations and applicable administrative provisions. This is mitigated by the engagement of third party advisors to ensure compliance with Financial Conduct Authority regulations and to manage any exposure to claims under the Financial Services Compensation Scheme.

Fresh Insurance Services Group Limited
Strategic Report for the Year Ended 31 July 2015

..... continued

Approved by the Board on 23/12/15 and signed on its behalf by:



.....
Lisa Powis
Director

Fresh Insurance Services Group Limited

Statement of Directors' Responsibilities

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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Independent Auditor's Report to the Members of Fresh Insurance Services Group Limited

We have audited the financial statements of Fresh Insurance Services Group Limited for the year ended 31 July 2015, set out on pages 10 to 22. 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 explained more fully in the Statement of Directors' Responsibilities (set out on page 7), 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2015 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.

Opinion on other matter prescribed by the Companies Act 2006

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.

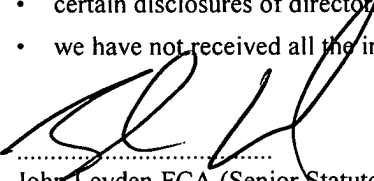
**Independent Auditor's Report to the Members of
Fresh Insurance Services Group Limited**

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Matters on which we are required to report by exception

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:

- 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.


.....
John Leyden FCA (Senior Statutory Auditor)
For and on behalf of Carbon Accountancy Limited , Statutory Auditor

Chartered Accountants and Registered Auditors
80-83 Long Lane
London
EC1A 9ET

Date: 23/12/15

Fresh Insurance Services Group Limited
Profit and Loss Account for the Year Ended 31 July 2015

	Note	2015 £	2014 £
Turnover	2	11,243,863	8,347,782
Administrative expenses		(9,549,775)	(7,555,591)
Other operating income		<u>10,880</u>	<u>-</u>
Operating profit	3	1,704,968	792,191
Other interest receivable and similar income	6	<u>4,911</u>	<u>9,660</u>
Profit on ordinary activities before taxation		1,709,879	801,851
Tax on profit on ordinary activities	7	<u>(362,852)</u>	<u>(188,911)</u>
Profit for the financial year	16	<u><u>1,347,027</u></u>	<u><u>612,940</u></u>

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Fresh Insurance Services Group Limited

(Registration number: 04515272)

Balance Sheet at 31 July 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible fixed assets	8	217,527	185,535
Investments	9	<u>2</u>	<u>2</u>
		<u>217,529</u>	<u>185,537</u>
Current assets			
Debtors	10	3,189,431	2,347,907
Cash at bank and in hand		<u>2,068,591</u>	<u>1,903,180</u>
		5,258,022	4,251,087
Creditors: Amounts falling due within one year	11	<u>(4,368,420)</u>	<u>(3,673,820)</u>
Net current assets		<u>889,602</u>	<u>577,267</u>
Total assets less current liabilities		1,107,131	762,804
Provisions for liabilities	12	<u>(33,063)</u>	<u>(25,763)</u>
Net assets		<u><u>1,074,068</u></u>	<u><u>737,041</u></u>
Capital and reserves			
Called up share capital	13	50,000	50,000
Profit and loss account	16	<u>1,024,068</u>	<u>687,041</u>
Shareholders' funds	17	<u><u>1,074,068</u></u>	<u><u>737,041</u></u>

Approved and authorised for issue by the Board on 23/11/15 and signed on its behalf by:



.....
Lisa Powis
Director

The notes on pages 13 to 22 form an integral part of these financial statements.

Fresh Insurance Services Group Limited
Cash Flow Statement for the Year Ended 31 July 2015

Reconciliation of operating profit to net cash flow from operating activities

	2015	2014
	£	£
Operating profit	1,704,968	792,191
Depreciation, amortisation and impairment charges	95,545	56,231
Increase in debtors	(841,524)	(590,544)
Increase in creditors	505,257	790,099
Receipt/release of government grants	(10,880)	-
Net cash inflow from operating activities	<u>1,453,366</u>	<u>1,047,977</u>

Cash flow statement

	2015	2014
	£	£
Net cash inflow from operating activities	<u>1,453,366</u>	<u>1,047,977</u>
Returns on investments and servicing of finance		
Interest received	<u>4,911</u>	<u>9,660</u>
Taxation paid	<u>(166,209)</u>	<u>(204,035)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(127,537)	(143,255)
Receipts of government grants	<u>10,880</u>	<u>-</u>
	(116,657)	(143,255)
Equity dividends paid	<u>(1,010,000)</u>	<u>(442,082)</u>
Net cash inflow before management of liquid resources and financing	<u>165,411</u>	<u>268,265</u>
Increase in cash	<u>165,411</u>	<u>268,265</u>

Reconciliation of net cash flow to movement in net debt

	Note	2015	2014
		£	£
Increase in cash		<u>165,411</u>	<u>268,265</u>
Movement in net debt	20	165,411	268,265
Net funds at 1 August	20	<u>1,903,180</u>	<u>1,634,915</u>
Net funds at 31 July	20	<u>2,068,591</u>	<u>1,903,180</u>

The notes on pages 13 to 22 form an integral part of these financial statements.

Fresh Insurance Services Group Limited
Notes to the Financial Statements for the Year Ended 31 July 2015

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover comprises commission receivable, fees for the arrangement of insurances, and other ancillary income derived from the business of insurance broking.

Capital grants

Grants received in respect of the acquisition of fixed assets are credited to deferred capital grants in the balance sheet and are released to the profit and loss account over the useful economic life of the asset for which the grant was awarded.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant, fixtures and fittings	25% straight line
Equipment	33% straight line

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Hire purchase and leasing

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

Fresh Insurance Services Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2015

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Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

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.

Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. While the company and its subsidiary undertaking comprise a medium sized group, the company has taken advantage of the exemption provided by section 405 of the Companies Act 2006 not to prepare group accounts as its wholly owned subsidiary was dormant throughout both the period under review and prior period.

2 Turnover

An analysis of turnover by geographical location is given below:

	2015 £	2014 £
Sales - UK	11,242,675	8,346,830
Other income	1,188	952
Turnover	<u>11,243,863</u>	<u>8,347,782</u>

3 Operating profit

Operating profit is stated after charging and (crediting):

	2015 £	2014 £
Operating leases - plant and machinery	270	685
Operating leases - other assets	68,011	148,330
Auditor's remuneration - The audit of the company's annual accounts	8,700	9,020
Depreciation of owned assets	95,545	56,231
Government grants receivable	<u>(10,880)</u>	<u>-</u>

Fresh Insurance Services Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2015

..... continued

4 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2015 No.	2014 No.
Sales, marketing and administration	<u>177</u>	<u>155</u>

The aggregate payroll costs were as follows:

	2015 £	2014 £
Wages and salaries	4,267,222	3,583,634
Social security costs	387,244	334,120
Staff pensions	<u>83,423</u>	<u>59,992</u>
	<u>4,737,889</u>	<u>3,977,746</u>

5 Directors' remuneration

The directors' remuneration for the year was as follows:

	2015 £	2014 £
Remuneration	<u>511,179</u>	<u>351,590</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2015 No.	2014 No.
Accruing benefits under money purchase pension scheme	<u>6</u>	<u>6</u>

In respect of the highest paid director:

	2015 £	2014 £
Remuneration	119,803	50,060
Company contributions to money purchase pension schemes	<u>3,504</u>	<u>36,440</u>

Fresh Insurance Services Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2015

..... continued

6 Other interest receivable and similar income

	2015 £	2014 £
Bank interest receivable	<u>4,911</u>	<u>9,660</u>

7 Taxation

Tax on profit on ordinary activities

	2015 £	2014 £
Current tax		
Corporation tax charge	355,552	166,210
Deferred tax		
Origination and reversal of timing differences	<u>7,300</u>	<u>22,701</u>
Total tax on profit on ordinary activities	<u>362,852</u>	<u>188,911</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 21% (2014 - 21%).

The differences are reconciled below:

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>1,709,879</u>	<u>801,851</u>
Corporation tax at standard rate	<u>359,075</u>	<u>168,389</u>
Total current tax	<u>359,075</u>	<u>168,389</u>

Factors that may affect future tax charges

Changes in rates of UK tax are among the factors that will affect future tax charges.

Fresh Insurance Services Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2015

..... continued

8 Tangible fixed assets

	Plant and machinery £	Office equipment £	Total £
Cost or valuation			
At 1 August 2014	231,151	661,650	892,801
Additions	51,569	75,968	127,537
Disposals	(106,999)	(70,202)	(177,201)
At 31 July 2015	175,721	667,416	843,137
Depreciation			
At 1 August 2014	168,914	538,352	707,266
Charge for the year	23,013	72,532	95,545
Eliminated on disposals	(106,999)	(70,202)	(177,201)
At 31 July 2015	84,928	540,682	625,610
Net book value			
At 31 July 2015	90,793	126,734	217,527
At 31 July 2014	62,237	123,298	185,535

Fresh Insurance Services Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2015

..... continued

9 Investments held as fixed assets

	2015 £	2014 £
Shares in group undertakings and participating interests	<u>2</u>	<u>2</u>
Shares in group undertakings and participating interests		
	Subsidiary undertakings £	Total £
Cost		
At 1 August 2014	<u>2</u>	<u>2</u>
At 31 July 2015	<u>2</u>	<u>2</u>
Net book value		
At 31 July 2015	<u>2</u>	<u>2</u>
At 31 July 2014	<u>2</u>	<u>2</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Ladybird Insurance Brokers Limited	Ordinary	100%	(Dormant)

The profit for the financial period of Ladybird Insurance Brokers Limited was £nil and the aggregate amount of capital and reserves at the end of the period was £2.

10 Debtors

	2015 £	2014 £
Trade debtors	2,897,951	2,193,338
Other debtors	207,986	66,504
Prepayments and accrued income	<u>83,494</u>	<u>88,065</u>
	<u>3,189,431</u>	<u>2,347,907</u>

Fresh Insurance Services Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2015

..... *continued*

11 Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	3,792,706	3,185,958
Corporation tax	355,422	166,079
Other taxes and social security	112,415	99,944
Other creditors	32,765	207,174
Accruals and deferred income	75,112	14,665
	<u>4,368,420</u>	<u>3,673,820</u>

12 Provisions

	Deferred tax £	Total £
At 1 August 2014	25,763	25,763
Charged to the profit and loss account	<u>7,300</u>	<u>7,300</u>
At 31 July 2015	<u>33,063</u>	<u>33,063</u>

Analysis of deferred tax

	2015 £	2014 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>33,063</u>	<u>25,763</u>

Fresh Insurance Services Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2015

..... *continued*

13 Share capital

Allotted, called up and fully paid shares

	2015		2014	
	No.	£	No.	£
'A' Ordinary shares of £1 each	25,750	25,750	26,250	26,250
'B' Ordinary shares of £1 each	-	-	1,500	1,500
'C' Ordinary shares of £1 each	3,000	3,000	1,500	1,500
'D' Ordinary shares of £1 each	15,000	15,000	15,000	15,000
'E' Ordinary shares of £1 each	1,500	1,500	1,500	1,500
'F' Ordinary shares of £1 each	3,750	3,750	3,750	3,750
'G' Ordinary shares of £1 each	500	500	500	500
'H' Ordinary shares of £1 (2014 - £0.00) each	500	500	-	-
	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

The share re-designations at the balance sheet date were effected by ordinary resolution on 15th March 2015.

Each class of share ranks *pari passu* having the same rights and restrictions, save that each class of share shall be entitled to an individual dividend as decided from time to time by the directors at their absolute discretion. Where a dividend is paid to the holders of one class of share, no obligation on the company or the directors will arise to pay a dividend to any other class.

14 Dividends

	2015 £	2014 £
Dividends paid		
Current year interim dividend paid	<u>1,010,000</u>	<u>442,082</u>

15 Share options

Under company approved EMI schemes effected in 2010 and 2015, certain directors and employees hold options to subscribe for up to 5,600 'B' ordinary shares in the Company at £5.00 per share (2010 scheme) and up to 3,400 'B' ordinary shares in the company at £25.00 per share (2015 scheme). Options are conditional on the employee completing three years' service (the vesting period) and are exercisable for up to ten years from the grant date of 30 November 2010 and 15th March 2015 respectively. The options have a contractual option term of ten years from the date they become exercisable. The company has no legal or constructive obligation to repurchase or settle the options in cash.

Fresh Insurance Services Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2015

..... *continued*

16 Reserves

	Profit and loss account £	Total £
At 1 August 2014	687,041	687,041
Profit for the year	1,347,027	1,347,027
Dividends	<u>(1,010,000)</u>	<u>(1,010,000)</u>
At 31 July 2015	<u><u>1,024,068</u></u>	<u><u>1,024,068</u></u>

17 Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Profit attributable to the members of the company	1,347,027	612,940
Dividends	<u>(1,010,000)</u>	<u>(442,082)</u>
Net addition to shareholders' funds	337,027	170,858
Shareholders' funds at 1 August	<u>737,041</u>	<u>566,183</u>
Shareholders' funds at 31 July	<u><u>1,074,068</u></u>	<u><u>737,041</u></u>

18 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £83,423 (2014 - £59,992).

Contributions totalling £6,983 (2014 - £9,711) were payable to the scheme at the end of the year and are included in creditors.

Fresh Insurance Services Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2015

..... continued

19 Commitments

Operating lease commitments

As at 31 July 2015 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2015 £	2014 £
Land and buildings		
Within two and five years	94,605	54,750
Over five years	-	39,855
	<u>94,605</u>	<u>94,605</u>
Other		
Within two and five years	<u>2,678</u>	<u>2,678</u>

20 Analysis of net debt

	At 1 August 2014 £	Cash flow £	At 31 July 2015 £
Cash at bank and in hand	1,903,180	165,411	2,068,591
Net funds	<u>1,903,180</u>	<u>165,411</u>	<u>2,068,591</u>

21 Related party transactions

During the year, rent of £6,000 (2014 - £6,000) was paid to Lisa Powis under the terms of an agreement between her and the company for the provision of serviced accommodation.

22 Control

The company is controlled by the directors who own 91% of the called up share capital.