

Club Direct (UK) Limited
Annual report and financial statements
For the year ended 30 April 2016

WEDNESDAY



A5YTTC0R

A20

25/01/2017

#140

COMPANIES HOUSE

Contents

Company Information	1
Strategic Report	2
Directors' Report	3
Statement of Directors' Responsibilities	5
Auditor's Report	6
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11

Company Information

Directors and administration

Directors

D Evans (Managing Director)
P Escott
G Lawson

Company Secretary

M Hampton

Registered Office

Cutlers Exchange
123 Houndsditch
London
EC3A 7BU

Auditor

Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

Strategic Report

The directors present their strategic report and financial statements for Club Direct (UK) Limited ('Club Direct' or 'the Company') for the year ended 30 April 2016.

Principal activities

The principal activity of the Company is that of acting as an insurance intermediary agent providing travel insurance services to the general public.

The Company is authorised and regulated by the Financial Conduct Authority, registration number 311886.

Business review

The results for the Company show a pre-tax loss of £239,999 (2015: £43,122) for the year and turnover of £125,334 (2015: £197,052). The Collinson Group Limited ('the Group') continues to remain committed to the provision of travel insurance sales as part of its wider remit of managing the customer journey.

Strategy

Club Direct is an insurance intermediary and an integral part of the overall insurance and assistance capability of the Group. The insurance and assistance capability is focused on building a multi-line product portfolio utilising the capacity of its insurance partners supported by in-house insurance companies.

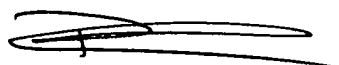
Business environment

The UK insurance market remains highly competitive, particularly in the personal lines sectors where this business has been focused. Many companies offer similar coverage, giving rise to commoditisation and aggressive pricing structures. The impact of technology has been enormous and it is essential that we keep abreast of advances in this area. The Group's ability to offer loyalty marketing, as well as its understanding of the customer journey and underwriting through its panel of highly rated underwriters should mean it's well positioned to further grow market share in this sector.

Future outlook

The future outlook of the Company is to continue to support the strategy and development of the insurance and Assistance capability.

This report was approved by the Board and signed on its behalf by:



P Escott
Director

17 November 2016

Cutlers Exchange
123 Houndsditch
London, EC3A 7BU

Directors' Report

The directors present their directors' report and financial statements for the year ended 30 April 2016.

Principal risks and uncertainties

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to board approval and on-going review by the Company's management and risk management team. Compliance with regulation, legal and ethical standards is a high priority for the Company and the Head of Risk and Compliance and her team take on an important oversight role in this regard.

The Company has developed a framework for identifying the risks that the Company is exposed to and their impact on economic capital.

Financial instruments and risks

The Company's principal financial instruments comprise cash, debtors and creditors arising in the normal course of business. The main financial risks to which the Company is exposed include revenue risk, liquidity and credit risk and regulatory risk.

Revenue risk

Club Direct is exposed to a drop in sales and the impact that this has on its ability to meet its variable costs and overheads. The insurance and assistance capability manages this risk carefully looking at where it invests in marketing costs, overhead for investment and underwriters' performance.

Liquidity risk

Club Direct is mainly a travel insurance intermediary and therefore it is exposed to seasonal sales performance meaning that at certain times of the year there is limited income to offset costs. The insurance and assistance capability manage this risk by looking at cash flow performance on a regular basis and also ensuring that acquisition spend achieves a positive return on investment over the life time value of the product.

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the Company is exposed to credit risk are:

- amounts due from insurance intermediaries,
- amounts due from policy holders; and
- amounts due from underwriters from profit commission arrangements.

These risks are managed by reviewing credit exposure on a case by case basis.

Regulatory risk

The Company acts as an insurance intermediary and a call centre to consumers and as such is regulated by the Financial Conduct Authority. The Company is conscious of its regulatory requirements to consumers especially around their treatment and ensuring products are fit for purpose.

Going concern

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors, the directors have assessed that the Company has adequate resources to continue in operational existence for a minimum of 12 months from the date of signing these financial statements. The financial statements have been prepared on a going concern basis as the directors consider that the Company has sufficient resources to continue in operation for the foreseeable future. This is based on future cash flow forecasts, continued financial support from the Group, developing business opportunities and the Company's participation as a member of centralised treasury and banking arrangements.

Directors' Report

Key performance indicators ('KPIs')

The Board monitors the progress of the Company by reference to a number of KPIs. The main KPIs are:

	2016	2015
Gross profit margin	93.1%	57.2%
EBITDA margin	(191.5)%	(21.9)%
Overhead to commission ratio	(284.6)%	(79.1)%

Proposed dividend

The directors do not propose the payment of a dividend (2015: £nil).

Directors

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

D Evans
P Escott
G Lawson

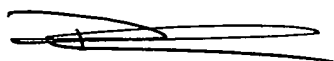
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the 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.

Auditor

Grant Thornton UK LLP is deemed reappointed under section 487(2) of the Companies Act 2006.

This report was approved by the board on 17 November 2016 and signed on its behalf.



P Escott
Director

Cutlers Exchange
123 Houndsditch
London, EC3A 7BU

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 laws, including Financial Reporting Standard FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"). 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 and 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.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors 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 are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor's Report

Independent auditor's report to the member of Club Direct (UK) Limited

We have audited the financial statements of Club Direct (UK) Limited for the year ended 30 April 2016, which comprise the statement of comprehensive income, statement of financial position, the statement of changes in equity and the related notes. 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), including, FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 5, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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 www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2016 and of its loss 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Auditor's Report

Independent auditor's report to the member of Club Direct (UK) Limited (continued)

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.



Andrew Heffron (Senior Statutory Auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

17 November 2016

Statement of Comprehensive Income

For the year ended 30 April 2016

	<i>Note</i>	2016 £	2015 £
Revenue	3	125,334	197,052
Cost of sales		(8,689)	(84,347)
Gross profit		116,645	112,705
Administrative expenses		(356,644)	(155,827)
Loss on ordinary activities before taxation	4	(239,999)	(43,122)
Tax on loss on ordinary activities	7	48,000	9,021
Loss for the financial year		(191,999)	(34,101)
Other comprehensive income		-	-
Total comprehensive loss		(191,999)	(34,101)

The notes on pages 11 to 17 are an integral part of these financial statements.

Club Direct (UK) Limited

Registered Number 04573579

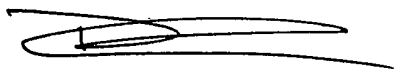
Annual report and financial statements

Statement of Financial Position

As at 30 April 2016

		2016	2015
	Note	£	£
Current assets			
Cash and cash equivalents	9	58,860	373,675
Trade and other receivables	10	380,343	476,980
		<u>439,203</u>	<u>850,655</u>
Current liabilities			
Trade and other payables	11	(305,281)	(524,734)
Net assets		<u>133,922</u>	<u>325,921</u>
Equity			
Called up share capital	12	725,000	725,000
Retained earnings		(591,078)	(399,079)
Equity attributable to owners		<u>133,922</u>	<u>325,921</u>

These financial statements were approved by the board of directors and authorised for issue on 17 November 2016.



P Escott

Director

The notes on pages 11 to 17 are an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 30 April 2016

	Called Up Share Capital £	Retained Earnings £	Total £
At 1 May 2014	725,000	(364,978)	360,022
Loss for the year	-	(34,101)	(34,101)
Other comprehensive income for the year	-	-	-
At 30 April 2015	725,000	(399,079)	325,921
Loss for the year	-	(191,999)	(191,999)
Other comprehensive income for the year	-	-	-
At 30 April 2016	725,000	(591,078)	133,922

The notes on pages 11 to 17 are an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 30 April 2016

1 Accounting policies

1.1 General information

Club Direct is a limited company incorporated in the United Kingdom. The address of its registered office and principal place of business is Cutlers Exchange, 123 Houndsditch, London, EC3A 7BU.

The principal activity of the Company is that of acting as an insurance intermediary agent providing travel insurance services to the general public.

The financial statements have been presented in pounds sterling and this is the Company's functional currency, being the currency of the primary economic environment in which the Company operates.

1.2 Basis of preparation and transition to FRS 102

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' ('FRS 102') and applicable legislation, as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. These financial statements have been prepared under the historical costs convention.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. The Company is included in the consolidated financial statements of its parent undertaking, The Collinson Group Limited. Note 17 provides details of where those consolidated financial statements may be obtained from.

In preparing these financial statements, the Company has taken advantage of the following exemptions:

- I. from presenting a statement of cash flows, as required by Section 7 'Statement of Cash Flows';
- II. from disclosing key management personnel compensation, as required by FRS 102 paragraph 33.7; and
- III. from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by FRS 102 paragraph 4.12.

On the basis that equivalent disclosures are given in the consolidated financial statements the Company has also taken advantage of the exemption not to provide:

- IV. the disclosure requirements of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'.

The financial statements for the year ended 30 April 2016 are Club Direct's first financial statements that comply with FRS 102; the Company's date of transition to FRS 102 is 1 May 2014. Note 19 describes the impact on reported profit or loss and equity from transition to FRS 102.

1.3 Going concern

The current economic conditions present increased risks for the Company. In response to such conditions, the Directors have carefully considered the business plan for the years to 30 April 2019, and the extent to which risks arising might affect the going concern basis. Based on this assessment, the Directors consider that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business. In addition, the Company's assets are assessed for recoverability on a regular basis, and the Directors consider that the Company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubt upon the Company's ability to continue as a going concern. Thus the Directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

1.4 Revenue recognition

Revenue from insurance intermediary services

The Company generates revenue from commissions and fees associated with placing insurance contracts.

Notes to the Financial Statements

For the year ended 30 April 2016

1 Accounting policies

1.4 Revenue recognition (continued)

Revenue related to insurance intermediary activity is recognised on the effective inception date of the related policies, taken as the point the business is placed. Where there is an expectation of future servicing requirements an element of income relating to the policy is deferred to cover the associated contractual obligation.

Fees and other income receivable are recognised in the year to which they relate and when they can be measured with reasonable certainty.

Interest

Revenue is recognised as interest accrues using the effective interest rate method.

1.5 Taxation

Tax expense for the year comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.6 Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transactions took place. Income and expense items are translated using an average exchange rate for the year where there are limited fluctuations in foreign exchange rates.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in profit or loss.

1.7 Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds only basic financial instruments, which comprise cash and cash equivalents, trade and other receivables and trade and other payables. The Company has chosen to apply the measurement and recognition provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' in full.

Notes to the Financial Statements

For the year ended 30 April 2016

1 Accounting policies

1.7 Financial instruments (continued)

Financial assets – classified as basic financial instruments

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held with banks with original maturities of three months or less and fiduciary funds.

Fiduciary funds represent client money held in the form of premiums due to underwriters, claims paid by insurers and due to policyholders, and funds held to settle commissions and other income. Fiduciary funds are not available for general corporate purposes.

The Company is generally entitled to retain interest and investment income earned on fiduciary funds in accordance with agreements with insureds and insurers and in accordance with industry custom and practice where these agreements are not in place.

(ii) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

Where a financial asset constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

At the end of each reporting year, the Company assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

Financial liabilities – classified as basic financial instruments

(i) Trade and other payables

Trade and other payables are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

1.8 Fiduciary assets and liabilities

Uncollected premiums from insureds or cover-holders are recorded as fiduciary assets on the Company's balance sheet and the obligation to remit funds to insurers are recorded as fiduciary liabilities on the Company's balance sheet.

Unremitted insurance premiums are recorded within fiduciary funds. Fiduciary funds are held in separate bank accounts and as such these funds are not available for use by the Company. The period for which the Company holds such funds is dependent upon the date the insureds remit the payment of the premium to the Company and the date the Company is required to forward such payments to the insurer.

1.9 Provisions

A provision is recognised when there is a present obligation as a result of a past event, when it is probable that the obligation will be settled, and a when that obligation can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation.

Notes to the Financial Statements

For the year ended 30 April 2016

2 Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

2.1 Critical judgements in applying the Company's accounting policies

There have been no critical judgements made in the process of applying the Company's accounting policies.

2.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

3 Revenue

The Company has one class of business which is the supply of insurance intermediary services.

An analysis of the Company's revenue by geographical market is as follows:

	2016 £	2015 £
<i>By geographical market</i>		
United Kingdom	125,334	173,760
Rest of European Union	-	23,292
	<u>125,334</u>	<u>197,052</u>

4 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after (crediting)/charging:

	2016 £	2015 £
Difference on foreign exchange	(1,392)	-
	<u>(1,392)</u>	<u>-</u>
<i>Auditor's remuneration:</i>		
Audit of these financial statements	4,699	4,699
	<u>4,699</u>	<u>4,699</u>

Notes to the Financial Statements

For the year ended 30 April 2016

4 Loss on ordinary activities before taxation (continued)

Administration expenses are initially incurred by the Company's service company, Collinson IG (Management) Limited, and then a portion of these expenses has been re-allocated to the Company based primarily on revenue and an estimate of the time spent by the Group's employees. The re-allocated expenses include salaries plus other associated overhead costs. The Group believes this is a fair and reasonable method.

5 Staff costs

For the year ended 30 April 2016 the Company had no contracted employees (2015: nil). The Company utilised the services of employees of group companies for which a charge was received. The total charges received in the year were £357,236 (2015: £37,840).

6 Directors' remuneration

Certain directors are also directors of other companies within the Group. The directors' services to the Company do not occupy a significant amount of time. As such the directors do not consider that they receive any remuneration for their incidental services to the Company for the years ended 30 April 2016 and 30 April 2015.

7 Tax on loss on ordinary activities

The tax credit comprises:

	2016 £	2015 £
<i>UK corporation tax</i>		
Income for group taxation relief	(48,000)	(9,021)
Total tax on loss	<u>(48,000)</u>	<u>(9,021)</u>

Tax on loss on ordinary activities for the year is the same as (2015: same) the standard rate of corporation tax in the UK of 20.00% (2015: 20.92%), as per the below:

	2016 £	2015 £
Loss on ordinary activities before tax	(239,999)	(43,122)
Income tax at 20.00% (2015: 20.92%)	<u>(48,000)</u>	<u>(9,021)</u>
Total tax on loss	<u>(48,000)</u>	<u>(9,021)</u>

Factors affecting the tax charge

During the prior year the UK corporation tax rate was changed from 21% to 20%, effective from 1 April 2015.

8 Dividends

No dividends were declared in respect of 2016 (2015: £nil) at the reporting date.

Notes to the Financial Statements

For the year ended 30 April 2016

9 Cash and cash equivalents

	2016 £	2015 £
Own funds	7,290	314
Fiduciary funds	51,570	373,361
	<u>58,860</u>	<u>373,675</u>

10 Trade and other receivables

	2016 £	2015 £
Fiduciary insurance receivables	1,614	8,270
Amounts owed by group undertakings	378,729	468,710
	<u>380,343</u>	<u>476,980</u>

11 Trade and other payables

	2016 £	2015 £
Fiduciary insurance payables	-	389,433
Amounts owed to group undertakings	300,582	69,448
Other payables	-	60,214
Accruals and deferred income	4,699	5,639
	<u>305,281</u>	<u>524,734</u>

12 Share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
725,000 Ordinary shares of £1 each	<u>725,000</u>	<u>725,000</u>

The Company has one class of ordinary shares; each share carries one voting right per share but no right to fixed income.

13 Commitments

The Company has not entered into any capital commitments.

14 Contingent liabilities

There is a fixed and floating charge over all assets of the Company whereby the Company guarantees all amounts due to Barclays Bank Plc by the Group. As at the reporting date the amount due to Barclays Bank Plc by certain group companies was £nil (2015: £1,087,000). Under the group banking offset arrangement the Company had no liability to Barclays Bank Plc at the reporting date.

Notes to the Financial Statements

For the year ended 30 April 2016

15 Off balance sheet arrangements

The Company has not entered into any off balance sheet arrangements.

16 Related party transactions

The Company has taken advantage of the exemption available under FRS 102 Section 33.1A not to disclose related party transactions with other wholly owned group companies.

17 Parent undertaking and ultimate controlling party

The Collinson Group Limited, a company incorporated in England, is the parent undertaking of the largest and smallest group for which group accounts are prepared. Copies of those group accounts may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The directors regard Parminder Limited, a company incorporated in the Isle of Man, to be the Company's ultimate parent undertaking. The ultimate controlling parties identified by the directors are the Trustees of the Colin Evans 1987 Settlement, established under the laws of the Isle of Man, the beneficiary of which is Mr C R Evans.

18 Post balance sheet events

Post the balance sheet date the people of the United Kingdom elected, by referendum, to leave the European Union. The economic effects of this are still not fully understood in the economy as a whole. The Group remains ever vigilant to the risks and opportunities the changing market may afford them.

19 Explanation of transition to FRS 102

This is the first financial year that the Company has presented its company financial statements in accordance with FRS 102 'The Financial Reporting Framework Applicable in the UK and Republic of Ireland' ('FRS 102'). For financial years up to and including the year ending 30 April 2015, the Company prepared its financial statements in accordance with previously extant UK GAAP.

The Company's date of transition to FRS 102 is therefore 1 May 2014. This note sets out the changes to accounting policies and the transitional adjustments that are required to be made for first-time transition to FRS 102. The Company's opening equity position as at the 1 May 2014 and its previously published financial statements for the year ended 30 April 2015 have been restated from previously extant UK GAAP.

In carrying out the transition to FRS 102, the Company has not applied any of the optional exemptions as permitted by Section 35 'Transition to this FRS'. There has been no impact on the equity position of the Company as at 1 May 2014 or 30 April 2015 as a result of the transition to FRS 102.