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Company Registration Number: 04896166

Orange Genie Cover Limited
Financial Statements
For the year ended 30th September 2018



Orange Genie Cover Limited
Financial Statements
year ended 30th September 2018

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	4
Directors' responsibilities statement	5
Independent auditor's report to the members	6
Statement of income and retained earnings	10
Statement of financial position	11
Notes to the financial statements	12
The following pages do not form part of the financial statements	
Detailed income statement	21
Notes to the detailed income statement	22

Orange Genie Cover Limited
Officers and Professional Advisers

The board of directors

R.W. Baker
D. Cochrane
G. Fisher
C.W. Graham

Company secretary

R.W. Baker

Registered office

3rd Floor, Buckingham House,
Buckingham Street,
Aylesbury,
Bucks,
HP20 2LA.

Auditor

Benjamin, Taylor & Co.,
Chartered accountants & statutory auditors
201, Great Portland Street,
London,
W1W 5AB

Orange Genie Cover Limited
Strategic Report
year ended 30th September 2018

The directors present their strategic report for Orange Genie Cover Limited (the company) for the year ended 30th September 2018.

Review and Analysis of the Business during the year

The company's principal business activity is the supply of consultancy services.

There have not been any significant changes in the company's principal activities in the period under review and the directors have no plans, at the date of this report, to make any major changes in the company's activities in the next year.

A robust and compliant business model continues to ensure that the company is competitive in the service provider sector during the year through its' reputation for compliance, world class customer service and the continuous improvement of its' quality processes (UKAS accredited ISO 9001:2008).

Principal risks and uncertainties facing the business

The most significant risk to the company is the regulatory risk around the changes to employment and tax legislation and aggressive competition.

Customer credit risk continues to be monitored closely and deferred payment terms are only offered to customers who have a long term relationship with the company and satisfy credit worthiness procedures.

Financial performance during the year

The company reports a net profit for the year amounting to £79,263 compared with a net profit for 2017 of £23,170.

Financial position at the reporting date

The directors consider the state of affairs at the balance sheet date to be in line with their expectations for the year.

The balance sheet on page 11 shows the company's capital and reserves increased by £79,263 to £167,036 during the year.

Key performance indicators

The principal key performance indicator used by the company is the level of turnover for the period. During the twelve month period to 30th September 2018 turnover amounted to £105m. This compares to £96m for the eighteen month period to 30th September 2017, which equates to £64m per twelve month period. Based on these figures turnover has increased by £41m year on year.

Financial risk, management objectives and policies

The company's principle financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for and finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

Orange Genie Cover Limited

Strategic Report *(continued)*

year ended 30th September 2018

In respect of bank balances the company makes use of a deposit account with a higher rate of interest where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits

Trade creditor liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

This report was approved by the board of directors on 29th March 2019 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'R.W. Baker', with a long, sweeping horizontal line extending to the right.

R.W. Baker
Director

Orange Genie Cover Limited

Directors' Report

year ended 30th September 2018

The directors present their report and the financial statements of the company for the year ended 30th September 2018.

Directors

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

R.W. Baker
D. Cochrane
G. Fisher
C.W. Graham

Dividends

The directors do not recommend the payment of a dividend.

Future developments

The directors continue to focus on existing markets in order to grow market share.

Employment of disabled persons

The company gives full consideration to application for employment from the disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between senior management and employees to allow a free flow of information and ideas.

Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have 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.

This report was approved by the board of directors on 29th March 2019 and signed on behalf of the board by:



R.W. Baker
Director

Orange Genie Cover Limited
Directors' Responsibilities Statement
year ended 30th September 2018

The directors are responsible for preparing the strategic report, 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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

Orange Genie Cover Limited

Independent Auditor's Report to the Members of Orange Genie Cover Limited

year ended 30th September 2018

Opinion

We have audited the financial statements of Orange Genie Cover Limited (the 'company') for the year ended 30th September 2018 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30th September 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Orange Genie Cover Limited

Independent Auditor's Report to the Members of Orange Genie Cover Limited *(continued)*

year ended 30th September 2018

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Orange Genie Cover Limited

Independent Auditor's Report to the Members of Orange Genie Cover Limited *(continued)*

year ended 30th September 2018

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Orange Genie Cover Limited

Independent Auditor's Report to the Members of Orange Genie Cover Limited *(continued)*

year ended 30th September 2018

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Jeffrey Diner FCA (Senior Statutory Auditor)

For and on behalf of
Benjamin, Taylor & Co.,
Chartered accountant & statutory auditor
201, Great Portland Street,
London,
W1W 5AB

29th March 2019

Orange Genie Cover Limited
Statement of Income and Retained Earnings
year ended 30th September 2018

	Note	Year to 30 Sep 18 £	Period from 1 Apr 16 to 30 Sep 17 £
Turnover	4	104,918,621	96,046,803
Cost of sales		102,891,236	93,736,225
Gross Profit		2,027,385	2,310,578
Administrative expenses		2,093,278	2,407,887
Other operating income	5	137,664	119,066
Operating Profit	6	71,771	21,757
Other interest receivable and similar income	9	7,492	1,413
Profit Before Taxation		79,263	23,170
Tax on profit	10	—	—
Profit for the Financial Year and Total Comprehensive Income		79,263	23,170
Retained Earnings at the Start of the Year		87,771	64,601
Retained Earnings at the End of the Year		167,034	87,771

All the activities of the company are from continuing operations.

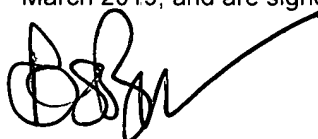
The notes on pages 12 to 19 form part of these financial statements.

Orange Genie Cover Limited
Statement of Financial Position

30th September 2018

	Note	2018 £	£	2017 £	£
Current Assets					
Debtors	12	5,427,443		5,055,315	
Cash at bank and in hand		<u>3,698,398</u>		<u>2,740,164</u>	
		9,125,841		7,795,479	
Creditors: amounts falling due within one year	13	<u>8,958,805</u>		<u>7,707,706</u>	
Net Current Assets			167,036		87,773
Total Assets Less Current Liabilities			167,036		87,773
Net Assets			<u>167,036</u>		<u>87,773</u>
Capital and Reserves					
Called up share capital	15		2		2
Profit and loss account	16		<u>167,034</u>		<u>87,771</u>
Shareholders Funds			<u>167,036</u>		<u>87,773</u>

These financial statements were approved by the board of directors and authorised for issue on 29th March 2019, and are signed on behalf of the board by:



R.W. Baker
Director



D. Cochrane
Director

Company registration number: 04896166

The notes on pages 12 to 19 form part of these financial statements.

Orange Genie Cover Limited
Notes to the Financial Statements
year ended 30th September 2018

1. General Information

The Company is a private company limited by shares, incorporated in England and Wales. Its registered office is 3rd Floor, Buckingham House, Buckingham Street, Aylesbury, Bucks, HP20 2LA.

The company's principal business activity is the supply of consultancy services.

2. Statement of Compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

3. Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The accounting policies adopted reflect United Kingdom Law and Accounting Standards. The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going Concern

The company meets its day-to-day working capital requirements through careful management of working capital positions. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate without any third party support. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Disclosure Exemptions

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

- the requirements of Section 7 Statement of Cash Flows; - the requirements of Section 33 Related Party Disclosures.

In the opinion of the directors, the ultimate and controlling party is Orange Genie Group Limited, a company incorporated in England. As Orange Genie Group Limited prepares publically available consolidated accounts which include the results of Orange Genie Cover Limited, the company is taking advantage of the exemptions granted by FRS 102 as stated above. Copies of the group financial statements of Orange Genie Group Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

Orange Genie Cover Limited

Notes to the Financial Statements (continued)

year ended 30th September 2018

3. Accounting Policies (continued)

Judgements and Key Sources of Estimation Uncertainty

In the application of the entities accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The financial statements do not included any significant judgements or estimates.

Revenue Recognition

Revenue represents the sale of consultancy services, and is measured at the fair value of the consideration received or receivable for consultancy services rendered, net of discounts and Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Operating Leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

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

Goodwill - 10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Orange Genie Cover Limited

Notes to the Financial Statements *(continued)*

year ended 30th September 2018

3. Accounting Policies *(continued)*

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Orange Genie Cover Limited
Notes to the Financial Statements (continued)
year ended 30th September 2018

3. Accounting Policies (continued)

Financial Instruments

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

Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method; Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would received for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

4. Turnover

Turnover arises from:

	Year to 30 Sep 18 £	Period from 1 Apr 16 to 30 Sep 17 £
Rendering of consultancy services	104,918,621	96,046,803

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

Orange Genie Cover Limited
Notes to the Financial Statements (continued)
year ended 30th September 2018

5. Other Operating Income

	Year to 30 Sep 18 £	Period from 1 Apr 16 to 30 Sep 17 £
Rental income	79,377	119,066
Commission receivable	58,287	–
	<u>137,664</u>	<u>119,066</u>

6. Operating Profit

Operating profit or loss is stated after charging/crediting:

	Year to 30 Sep 18 £	Period from 1 Apr 16 to 30 Sep 17 £
Impairment of trade debtors	(42)	5,215

7. Auditor's Remuneration

	Year to 30 Sep 18 £	Period from 1 Apr 16 to 30 Sep 17 £
Fees payable for the audit of the financial statements	15,100	23,300
Fees payable to the company's auditor and its associates for other services:		
Taxation compliance services	500	500

8. Staff Costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2018 No.	2017 No.
Production staff	4,104	2,932

The aggregate payroll costs incurred during the year, relating to the above, were:

	Year to 30 Sep 18 £	Period from 1 Apr 16 to 30 Sep 17 £
Wages and salaries	92,938,553	84,894,486
Social security costs	9,284,022	8,185,415
Other pension costs	327,327	284,914
	<u>102,549,902</u>	<u>93,364,815</u>

Orange Genie Cover Limited
Notes to the Financial Statements (continued)
year ended 30th September 2018

9. Other Interest Receivable and Similar Income

	Year to 30 Sep 18 £	Period from 1 Apr 16 to 30 Sep 17 £
Interest on cash and cash equivalents	7,492	1,413

10. Tax on Profit

Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the year is lower than (2017: lower than) the standard rate of corporation tax in the UK of 19% (2017: 20%).

	Year to 30 Sep 18 £	Period from 1 Apr 16 to 30 Sep 17 £
Profit on ordinary activities before taxation	79,263	23,170
Profit on ordinary activities by rate of tax	15,060	4,634
Effect of expenses not deductible for tax purposes	142	–
Utilisation of tax losses	(15,202)	(4,634)
Tax on profit	–	–

11. Intangible Assets

	Goodwill £
Cost	
At 1st October 2017 and 30th September 2018	484,156
Amortisation	
At 1st October 2017 and 30th September 2018	484,156
Carrying amount	
At 30th September 2018	–
At 30th September 2017	–

12. Debtors

	2018 £	2017 £
Trade debtors	4,641,219	4,250,632
Amounts owed by group undertakings	696,222	774,329
Prepayments and accrued income	89,585	30,304
Other debtors	417	50
	5,427,443	5,055,315

Amounts owed by group undertakings are unsecured, repayable on demand and interest free.

Orange Genie Cover Limited
Notes to the Financial Statements (continued)
year ended 30th September 2018

13. Creditors: amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	57,968	38,039
Accruals and deferred income	76,175	69,649
Social security and other taxes	3,376,022	4,328,696
Other creditors	5,448,640	3,271,322
	<u>8,958,805</u>	<u>7,707,706</u>

Amounts owed to group undertakings are unsecured, repayable on demand and interest free.

14. Financial Instruments

The company's principal financial instruments include bank overdrafts, loans and other borrowings, the main purpose of which is to raise finance for the company's operations. In addition, the company has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from the company's operations.

The company has the following financial instruments:

	2018 £	2017 £
Financial assets		
Financial assets that are debt instruments at amortised cost	<u>5,337,441</u>	<u>5,024,961</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>5,506,609</u>	<u>3,309,361</u>

15. Called Up Share Capital

Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Each share is entitled to one vote.

Orange Genie Cover Limited
Notes to the Financial Statements (continued)
year ended 30th September 2018

16. Reserves

Profit and loss account

The profit and loss account reserve records retained earnings and accumulated losses.

	2018	2017
	£	£
Retained earnings brought forward	87,771	64,601
Profit for the financial period	79,263	23,170
Retained earnings carried forward	<u>167,034</u>	<u>87,771</u>

Share Capital

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

17. Operating Leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Not later than 1 year	47,500	47,500
Later than 1 year and not later than 5 years	190,000	190,000
Later than 5 years	—	47,500
	<u>237,500</u>	<u>285,000</u>

18. Related Party Transactions

As the company is a wholly owned subsidiary of Orange Genie Group Limited and the group publishes consolidated accounts, it has taken advantage of the exemptions contained in FRS 102 Section 33 and has therefore not disclosed transactions with entities which form part of the group.

19. Ultimate Parent Company

The directors regard Orange Genie Group Limited, a company incorporated in England as being the ultimate holding company and controlling party.

Orange Genie Group Limited was under the control of the directors G. Fisher, C. Graham, R. Baker and J. Ward throughout the year, by virtue of their 99% shareholding in the company.