

REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
FOR
INSTITUTIONAL PROTECTION SERVICES
LIMITED

Company Number: 05247486

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**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

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for the Year Ended 31 December 2016**

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**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

COMPANY INFORMATION
for the Year Ended 31 December 2016

DIRECTORS:

C J Goodman
T J W Duthie
R Leighton
W D Eason
J S Naughton
Sir A C D Yarrow

SECRETARY:

J S Naughton

REGISTERED OFFICE:

White Hart House
High Street
Limpsfield
Surrey
RH8 0DT

REGISTERED NUMBER:

05247486 (England and Wales)

AUDITORS:

BDO LLP
55 Baker Street
London
W1U 7EU

INSTITUTIONAL PROTECTION SERVICES LIMITED

REPORT OF THE DIRECTORS for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of administrative services, identifying and processing claims.

REVIEW OF BUSINESS

The results for the year and financial position of the company are shown in the annexed financial statements.

GOING CONCERN

The company's business activities are set out in the Directors' report on page 2. The Board has prepared cash flow forecasts and formed a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

C J Goodman
T J W Duthie
R Leighton

Other changes in directors holding office are as follows:

F T W McLeod - resigned 18 March 2016
G J Mason - resigned 18 March 2016
C S Ducksbury - resigned 18 March 2016
W D Eason - appointed 18 May 2016
J S Naughton - appointed 22 March 2016
Sir A C D Yarrow - appointed 18 May 2016

AUDITORS

All of the directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the company's auditor is unaware.

BDO LLP were appointed as auditor. BDO LLP have expressed their willingness to continue in office as auditor and a resolution to re-appoint BDO LLP will be proposed at the next annual general meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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), including Financial Reporting Standard 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 of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

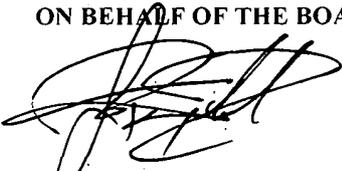
**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2016**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



J S Naughton - Secretary

5th July 2017

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF INSTITUTIONAL PROTECTION SERVICES LIMITED

We have audited the financial statements of Institutional Protection Services Limited for the year ended 31 December 2016 which comprise the profit and loss account, the balance sheet, the statement of comprehensive income 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).

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 auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 Financial Reporting Council's (FRC'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 FRC'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 31 December 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 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
INSTITUTIONAL PROTECTION SERVICES LIMITED**

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 during the course of the audit, we have not identified material misstatements in the directors' report.

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; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Andrew William Radford (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, United Kingdom
7 July 2017

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

**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

**PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 2016**

	Notes	2016 £	2015 £
TURNOVER		619,386	805,100
Cost of sales		<u>83,443</u>	<u>-</u>
GROSS PROFIT		535,943	805,100
Administrative expenses		<u>787,034</u>	<u>484,173</u>
OPERATING (LOSS)/PROFIT	4	(251,091)	320,927
Interest payable (receivable) and similar income		<u>(685)</u>	<u>104</u>
(LOSS)/PROFIT BEFORE TAXATION		(250,406)	321,031
Tax on (loss)/profit	5	<u>(45,588)</u>	<u>48,929</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u><u>(204,818)</u></u>	<u><u>272,102</u></u>

The notes in pages 9-15 form part of these financial statements

**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME
for the Year Ended 31 December 2016**

	Notes	2016 £	2015 £
(LOSS)/PROFIT FOR THE YEAR		(204,818)	272,102
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(204,818)</u>	<u>272,102</u>

The notes in pages 9-15 form part of these financial statements

**INSTITUTIONAL PROTECTION SERVICES
LIMITED (REGISTERED NUMBER: 05247486)**

**BALANCE SHEET
31 December 2016**

	Notes	2016		2015	
		£	£	£	£
FIXED ASSETS					
Intangible assets	6		99,244		36,260
Tangible assets	7		<u>16,707</u>		<u>4,697</u>
			115,951		40,957
CURRENT ASSETS					
Debtors	8	168,235		112,070	
Accrued income		144,569		54,057	
Cash at bank and in hand		<u>902,247</u>		<u>355,440</u>	
		1,215,051		521,567	
CREDITORS					
Amounts falling due within one year	9	<u>321,597</u>		<u>354,178</u>	
NET CURRENT ASSETS			<u>893,454</u>		<u>167,389</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,009,405		208,346
PROVISIONS FOR LIABILITIES	13		<u>10,466</u>		<u>4,439</u>
NET ASSETS			<u>998,939</u>		<u>203,907</u>
CAPITAL AND RESERVES					
Called up share capital	14		6,252		5,210
Share premium			1,029,378		30,570
Retained earnings			<u>(36,691)</u>		<u>168,127</u>
SHAREHOLDERS' FUNDS			<u>998,939</u>		<u>203,907</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 5th July 2017 and were signed on its behalf by:



C J Goodman - Director

The notes in pages 9-15 form part of these financial statements

**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2016**

1. STATUTORY INFORMATION

Institutional Protection Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of 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.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to apply judgement in exercising the company's accounting policies.

The following principal accounting policies have been applied:

Going concern

The company's business activities are set out in the Directors' report on page 2. The Board has prepared cash flow forecasts and formed a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover represents the fair value of services provided to clients net of value added tax. Fair value reflects the amount expected to be recoverable from clients. Services provided to clients during the year which at the year end have not been invoiced to clients are recognised in accordance with Section 23, Revenue, of FRS 102. Where revenue has been invoiced in advance of services provided, the income is included within creditors as deferred income.

Revenue is generally not recognised on unbilled amounts where the right to receive payments is contingent on factors outside the control of the company. Revenue from contingent work is recognised where the amount of revenue can be measured reliably and it is probable that economic benefits associated with the work will arise.

The members consider the business to have only one operating segment and therefore no further disclosure has been made in this respect.

Intangible assets - research and development costs

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their expected useful economic lives which has been determined as being 5 years.

**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	-	Straight line over 5 years
Fixtures and fittings	-	25% on reducing balance
Computer equipment	-	25% on reducing balance

Fixed assets do not require replacement parts or the cost of major inspections to be recognised separately.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Holiday pay

No liability is recognised in respect of holiday pay as employees are unable to carry forward holiday into future periods.

Pension costs

Contributions to the company's defined contribution scheme are charged to the profit and loss account in the year which they become payable. The assets of the scheme are held separately from those of the company in an independently administered fund.

**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016**

2. ACCOUNTING POLICIES - continued

Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the profit and loss account is charged with the fair value of goods and services received.

There exists a share based payment for a certain director. Management has considered the fair value of these shares and does not consider them to be material to record in the financial statements.

3. EMPLOYEES AND DIRECTORS

	2016	2015
	£	£
Wages and salaries	472,318	239,413
Social security costs	61,169	31,733
Other pension costs	<u>2,462</u>	<u>-</u>
	<u>535,949</u>	<u>271,146</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Administration	<u>10</u>	<u>5</u>

4. OPERATING (LOSS)/PROFIT

The operating loss (2015 - operating profit) is stated after charging/(crediting):

	2016	2015
	£	£
Depreciation - owned assets	4,069	3,349
Operating lease rentals - land and buildings	97,806	39,763
Auditors remuneration – audit services	20,000	17,500
Foreign exchange differences	(3,145)	7,750
Directors' remuneration	<u>222,558</u>	<u>59,341</u>

**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016**

5. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	-	47,990
Prior year change	(47,990)	
Deferred tax	<u>2,402</u>	<u>939</u>
Tax on results on ordinary activities	<u>(45,588)</u>	<u>48,929</u>

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
(Loss)/profit on ordinary activities before tax	<u>(250,406)</u>	<u>321,031</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	(50,081)	64,206
Effects of:		
Expenses not deductible for tax purposes	134	56
Capital allowances in excess of depreciation	-	(79)
Utilisation of tax losses	999	(16,193)
Deferred taxation	<u>3,360</u>	<u>939</u>
Total tax (credit)/charge	<u>(45,588)</u>	<u>48,929</u>

6. INTANGIBLE FIXED ASSETS

	Claims Software £
COST	
At 1 January 2016	36,260
Additions	<u>62,984</u>
At 31 December 2016	<u>99,244</u>
NET BOOK VALUE	
At 31 December 2016	<u>99,244</u>
At 31 December 2015	<u>36,260</u>

**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016**

7. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2016	-	4,230	9,899	14,129
Additions	<u>9,324</u>	<u>2,852</u>	<u>3,903</u>	<u>16,079</u>
At 31 December 2016	<u>9,324</u>	<u>7,082</u>	<u>13,802</u>	<u>30,208</u>
DEPRECIATION				
At 1 January 2016	-	2,415	7,017	9,432
Charge for year	<u>1,865</u>	<u>916</u>	<u>1,288</u>	<u>4,069</u>
At 31 December 2016	<u>1,865</u>	<u>3,331</u>	<u>8,305</u>	<u>13,501</u>
NET BOOK VALUE				
At 31 December 2016	<u>7,459</u>	<u>3,751</u>	<u>5,497</u>	<u>16,707</u>
At 31 December 2015	<u>-</u>	<u>1,815</u>	<u>2,882</u>	<u>4,697</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	35,132	102,534
Other debtors	29,292	9,536
Corporation tax	47,990	-
Prepayments	<u>55,821</u>	<u>-</u>
	<u>168,235</u>	<u>112,070</u>

Included in other debtors is rent deposit of £28,132 (2015-nil)

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other loans (see note 10)	15,000	15,000
Trade creditors	27,655	7,964
Amounts owed to associated companies	34,625	34,625
Tax	-	47,990
Social security and other taxes	21,747	6,953
VAT	1,215	18,012
Other creditors	62,174	23,826
Directors' current accounts	130,415	126,616
Accruals and deferred income	<u>28,766</u>	<u>73,192</u>
	<u>321,597</u>	<u>354,178</u>

**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016**

10. LOANS

An analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year or on demand:		
Other loans	<u>15,000</u>	<u>15,000</u>

11. LEASING AGREEMENTS

	2016 £	2015 £
Not later than 1 year	76,094	28,481
Later than 1 year and not later than 5 years	240,913	71,202
Later than 5 years	-	-
	<u> </u>	<u> </u>
Total	<u>317,007</u>	<u>99,683</u>

On 20 January 2016, the company signed a rent lease agreement with a lease term from 20 January 2016 to 19 January 2021 for £39,480 until 19 January 2017 and £78,960 per annum thereafter.

Lease incentives are written off evenly over the term of the lease.

12. FINANCIAL INSTRUMENTS

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the legal form.

13. PROVISIONS FOR LIABILITIES

	2016 £	2015 £
Deferred tax	3,341	939
Dilapidations	<u>7,125</u>	<u>3,500</u>
	<u>10,466</u>	<u>4,439</u>

	Deferred tax £
Balance at 1 January 2016	939
Provided during year	<u>2,402</u>
Balance at 31 December 2016	<u>3,341</u>

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent the company anticipates making sufficient taxable position the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

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

**INSTITUTIONAL PROTECTION SERVICES
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016**

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2016 £	2015 £
625,047 (2015 - 5,210)	Ordinary	£0.01	6,252	5,210

104,151 Ordinary shares of £0.01 each were allotted as fully paid at a premium of £9.59 per share during the year.

During the year the existing 5,210 £1 ordinary shares were converted to 521,000 ordinary shares of £0.01 in an agreed percentage holding with the existing shareholders.

15. RELATED PARTY DISCLOSURES

Included in creditors is a balance of £34,625 (2015: £34,625) due to companies under the control of one of the directors.

There were no sales made during the year to Pension Vault, a connected company (2015: £13,750). A major shareholder of the company is also a director of Pension Vault. At 31 December 2016 there were no amounts owing to the company (2015: £20,702). Included in other debtors is a loan receivable from Pension Vault of £934 (2015: £3,500) and an amount owing of £nil (2015: £2,536).

Creditors due within more than one year also include the following balances with directors of the company:

- £15,000 loan (2015: £15,000); and
- Directors' current accounts of £130,415 (2015: £126,616) relating to undrawn remuneration and expenses.

The above amounts are not interest bearing and are repayable on demand.

16. CONTROL

The ultimate controlling party is Caroline Goodman.