

Company registration number: 06317313

**South Essex Insurance Holdings Limited
2022 Annual Report**

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South Essex Insurance Holdings Limited

2022 Annual Report

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South Essex Insurance Holdings Limited

Officers and Professional Advisers

Directors	Matthew Mervyn Pyke Stephen Astley David Robert Moore BA(Hons), MBA
Company Secretary	Mrs Rachel Jane Hall FCIS
Independent Auditors	PricewaterhouseCoopers LLP. 2 Glass Wharf, Temple Quay Bristol, BS2 0FR United Kingdom
Registered Office	Benefact House 2000 Pioneer Avenue Gloucester Business Park Brockworth Gloucester GL3 4AW England
Company Registration Number	06317313

South Essex Insurance Holdings Limited

Strategic Report

The directors present their strategic report of the company for the year ended 31 December 2022.

Principal activities

The principal activity of the company is that of an investment holding company of a subsidiary, SEIB Insurance Brokers Limited (SEIB). That company transacts insurance broking business, and is authorised and regulated by the Financial Conduct Authority.

Review of the company's business

In the current and prior year, the company's primary financial transactions were to account for dividends, £4,500,000 (2021: £2,500,000) being remitted from the company's subsidiary to the parent company.

Any expenses incurred during the current and prior year were borne by the company's immediate parent company.

The directors believe that an analysis of key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance and position of the business.

Principal risks and uncertainties facing the company

The directors consider that the company is not exposed to significant risks or uncertainties. South Essex Insurance Holdings Limited (SEIH) is an investment holding company and all dividends it receives from SEIB are paid up to its parent. The directors have considered the trading ability of SEIB to be able continue as a going concern in the development, performance, position and future prospects of SEIH.

Section 172 Statement

This section describes how the directors have had regard to the matters set out in section 172(1) (a) to (f) and forms the directors' voluntary statement required under section 414CZA of the Companies Act 2006 where relevant to the company. The directors recognise that the long-term success of the Company is dependent on having regard to the interests of its stakeholders. South Essex Insurance Holdings Limited is an investment holding company therefore consideration of matters relating to employees, customers, suppliers, community, environment and reputation are undertaken at a subsidiary Board level. This is set out in the Section 172 Statement of SEIB.

Approved and authorised for issue by the Board of Directors and signed on its behalf by



Stephen Astley
Director
23 May 2023

South Essex Insurance Holdings Limited

Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 December 2022.

Ownership

The entire share capital of the company is owned by Lloyd & Whyte Group Limited, which acquired the company on 30 December 2022 and is the immediate and ultimate parent company. Prior to that date the share capital of the company was owned by Ecclesiastical Insurance Office plc and its ultimate parent company was Benefact Trust Limited.

Future prospects

The directors have no plans to change the principal activity of the company.

Dividend

Dividends approved and paid were as follows:

	2,022	2,021
	£	£
Prior year final dividend	-	-
Interim dividend	4,500,000	2,500,000
	<u>4,500,000</u>	<u>2,500,000</u>

No further dividends have been proposed up to the date of this report.

Board of directors

The directors of the company who were in office at the date of this report are stated on page 2. Mark Hews resigned as director on 30 December 2022. Matthew Pyke and Stephen Astley were appointed as directors on 30 December 2022.

The company has made qualifying third party indemnity provisions for the benefit of its directors and the directors of associated companies which were in place throughout the year and remain in force at the date of this report.

Directors' Responsibilities Statement

The directors are responsible for preparing the 2022 annual 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 prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and

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

The directors are 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 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 .

Going concern

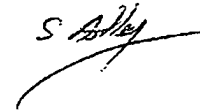
The nature of the company's operations does not give rise to a need for external financing. The company has no liabilities and the directors believe the company is well placed to continue its operations, as an intermediate holding company, for at least twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Auditors and the disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing its report, of which the auditors are unaware. Having made enquiries of fellow directors and the company's auditors, each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The financial statements on pages 9 to 14 were approved by the Board of Directors on 23 May 2023 and signed on its behalf by:



Stephen Astley
Director
23 May 2023

Independent auditor's report to the members of South Essex Insurance Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, South Essex Insurance Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the 2022 Annual Report (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2022; the Statement of Profit or Loss and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Auditor's responsibilities for the audit of the financial statements (continued)

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to non-compliance with the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to manipulate the financial results. Audit procedures performed by the engagement team included:

- Enquiries of management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes;
- Risk based journal testing with a focus on journals which had attributes which could be indicative of a fraudulent posting; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Andrew Pye (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
24 May 2023

South Essex Insurance Holdings Limited

Statement of Profit or Loss

for the year ended 31 December 2022

	Notes	2,022 £	2,021 £
Dividend income from subsidiary	6	<u>4,500,000</u>	<u>2,500,000</u>
Profit before tax		4,500,000	2,500,000
Taxation	7	<u>-</u>	<u>-</u>
Profit attributable to equity holders and total comprehensive income	11	<u>4,500,000</u>	<u>2,500,000</u>

The company had no recognised income or expense during the current financial year or the prior financial year other than that included in the statement of profit or loss. Accordingly, no separate statement of comprehensive income has been presented. All the amounts above are in respect of continuing operations.

South Essex Insurance Holdings Limited

Statement of Changes in Equity

for the year ended 31 December 2022

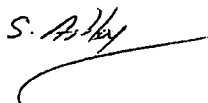
	Notes	Called up share capital £	Retained earnings £	Total shareholder's equity £
Balance at 1 January 2021		1,000	106	1,106
Profit and total comprehensive income for the year		-	2,500,000	2,500,000
Dividends	9	-	(2,500,000)	(2,500,000)
Balance at 31 December 2021		<u>1,000</u>	<u>106</u>	<u>1,106</u>
Balance at 1 January 2022		1,000	106	1,106
Profit and total comprehensive income for the year		-	4,500,000	4,500,000
Dividends	9	-	(4,500,000)	(4,500,000)
Balance at 31 December 2022		<u>1,000</u>	<u>106</u>	<u>1,106</u>

South Essex Insurance Holdings Limited

Statement of Financial Position

at 31 December 2022	Notes	2,022 £	2,021 £
Non-current assets			
Investment in subsidiary undertaking	6	999	999
Other receivables	8	107	107
Total assets		<u>1,106</u>	<u>1,106</u>
Equity			
Called up share capital	10	1,000	1,000
Retained earnings	11	106	106
Total shareholder's equity		<u>1,106</u>	<u>1,106</u>

The financial statements of South Essex Insurance Holdings Limited, registered number 06317313, on pages 9 to 14 were approved and authorised for issue on 23 May 2023 by:



Stephen Astley
Director

South Essex Insurance Holdings Limited

Notes to the Financial Statements

1 Accounting policies

The principal accounting policies adopted in preparing the company's UK-adopted international accounting standards financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The company's financial statements have been prepared on the historical cost basis, and in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

The nature of the company's operations does not give rise to a need for external financing. The company has no liabilities and the directors believe the company is well placed to continue its operations for at least twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

No statement of cash flows has been presented as the company has not engaged in any cash transactions in either the current or prior year. Dividend income on ordinary shares held in South Essex Insurance Brokers Limited, the company's subsidiary, was transferred directly to Ecclesiastical Insurance Office plc, which was the company's immediate parent company until 30 December 2022, and therefore represents a non-cash movement for the company.

The Company is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. The financial statements present information about the Company as an individual undertaking.

(b) New and revised Standards

The Standards adopted in the current year are either outside the scope of company transactions or do not materially impact the company.

The Standards in issue but not yet effective are either outside the scope of company transactions or not expected to materially impact the company.

(c) Critical accounting judgements and key sources of estimation uncertainty

There have been no critical judgements made by management in applying the company's accounting policies that have a significant effect on the amounts recognised in the financial statements. There are no key sources of estimation uncertainty at the year-end date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(d) Income from subsidiary

Ordinary dividends receivable from the company's subsidiary are recorded as income on the date declared.

(e) Taxation

Current tax is the expected tax payable on the taxable profit for the period and any adjustment to the tax payable in respect of previous periods.

The company has no transactions which would give rise to a deferred tax asset or liability.

(f) Investment in subsidiary undertaking

Subsidiaries are accounted for at cost less any applicable impairment.

2 Capital management

The Company's objectives when managing capital are to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal structure to reduce the cost of capital.

The Company's capital is represented by the Company's equity shareholders' funds

3 Ultimate parent company and controlling party

The company is a private limited company limited by share capital incorporated and domiciled in England and Wales. The company's immediate and ultimate parent company is Lloyd & Whyte Group Limited, which acquired the company on 30 December 2022. Prior to that date the company's immediate parent company was Ecclesiastical Insurance Office plc and its ultimate parent company and controlling party was Benefact Trust Limited.

The ultimate controlling party of the company is Matthew Pyke, by virtue of his majority shareholding in the ultimate parent.

The parent company of the smallest and largest group for which group financial statements are drawn up are Lloyd & Whyte Group Limited, a company incorporated and operating in England and Wales. Copies of its financial statements are available from the registered office shown on page 2.

4 Directors' emoluments

The directors of the company were employed by a group company, and received emoluments from that company for the period they were directors. It is not practicable to allocate their remuneration between the companies of which they were a director during the year.

5 Auditor's remuneration

The remuneration of the auditors amounting to £10,000 (2021: £10,500) in respect of audit of the company's annual financial statements was paid by Lloyd & Whyte Group Limited, the company's immediate parent company and not recharged to the company.

6 Investment in subsidiary undertaking

The company holds all the issued ordinary share capital of SEIB Insurance Brokers Limited (SEIB), a company incorporated and operating in England, and engaged in insurance broking business. SEIB has the same registered address as the company, detailed on page 2. Dividend income from the subsidiary amounted to £4,500,000 (2021: £2,500,000).

7 Taxation

Tax on the company's profit before tax differs from the United Kingdom standard rate of corporation tax for the reasons set out in the following reconciliation:

	2,022 £	2,021 £
Profit before tax	4,500,000	2,500,000
Tax calculated at the UK standard rate of 19.00% (2021: 19.00%)	855,000	475,000
<i>Factors affecting charge for the year:</i>		
Non-taxable income	(855,000)	(475,000)
Total actual amount of current tax	-	-
8 Other receivables	2,022 £	2,021 £
Other Debtors	107	107

The directors believe that the carrying value of other receivables is a reasonable approximation of fair value. The balance is not past due at the reporting date and no expected credit loss has been booked during the current or prior year.

Amounts outstanding are unsecured, are not subject to guarantees, and will be settled in cash. No provisions have been made in respect of these balances.

9 Dividends	2,022	2,021
	£	£
Prior year final dividend	-	-
Interim dividend	<u>4,500,000</u>	<u>2,500,000</u>
	<u>4,500,000</u>	<u>2,500,000</u>

This equates to dividends of £4,500 per share (2021: £2,500)

10 Called up share capital	2022	2021
	£	£
Allotted, issued and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

11 Retained earnings	2,022	2,021
	£	£
Retained earnings brought forward	106	106
Profit for the year	4,500,000	2,500,000
Dividends	<u>(4,500,000)</u>	<u>(2,500,000)</u>
Retained earnings carried forward	<u>106</u>	<u>106</u>