

**Equity Release Assured
Limited**

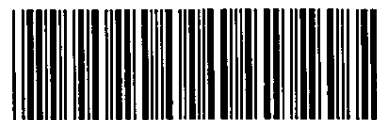
Company number 6673809

Report and Financial Statements

Year Ended

31 December 2012

THURSDAY



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Equity Release Assured Limited

**Annual report and financial statements
for the year ended 31 December 2012**

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Directors

James Clark
Dean Mirfin
Richard Overson
Colin Taylor

Secretary and registered office

Stephen Kilgallon
Baines House
Midgery Court
Pittman Way
Fulwood
Preston
PR2 9ZH

Company number

6673809

Auditors

BDO LLP, 3 Hardman Street, Spinningfields, Manchester M3 3AT

Equity Release Assured Limited

Report of the directors for the year ended 31 December 2012

The directors present their report together with the audited financial statements for the year ended 31 December 2012

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year

The directors do not recommend the payment of a dividend

Principal activities

The principal activity of the company is that of a mortgage broker

Directors and officers insurance

The company's intermediate parent company, KRS Investment Holdings Limited, maintains cover with respect to directors and officers indemnity insurance. This insurance covers them in their roles as directors of this company.

Directors

The directors of the company during the year were

James Clark
Dean Mirfin
Richard Overson
Colin Taylor

All the current directors are also directors of KRS Investment Holdings Limited, the parent of the smallest group of which the company is a member

Equity Release Assured Limited

Report of the directors for the year ended 31 December 2012 (*Continued*)

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and 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.

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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

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

By order of the Board



S Kilgallon
Secretary

Date 27-3-2013

Equity Release Assured Limited

Report of the independent auditors

Independent auditor's report to the members of Equity Release Assured Limited

We have audited the financial statements of Equity Release Assured Limited for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet 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 Auditing Practices Board's (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Equity Release Assured Limited

Report of the independent auditors (*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, or
- the directors were not entitled to prepare the financial statements and the directors report in accordance with the small companies regime



Julien Rye (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Manchester
Date 28 March 2013

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

Equity Release Assured Limited

Profit and loss account for the year ended 31 December 2012

	Note	2012 £	2011 £
Turnover	2	196,991	19,521
Cost of sales		-	-
Gross profit		196,991	19,521
Administrative expenses		(164,901)	(18,535)
Profit on ordinary activities before taxation	5	32,090	986
Taxation on profit on ordinary activities	6	(6,418)	(193)
Profit on ordinary activities after taxation	10	25,672	793

All amounts relate to continuing activities

There are no recognised gains or losses in the current or prior year other than those recorded in the profit and loss account

The notes on pages 7 to 11 form part of these financial statements

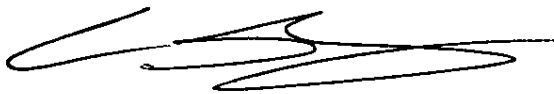
Equity Release Assured Limited

Company number 6673809

Balance sheet at 31 December 2012

	Note	2012 £	2012 £	2011 £	2011 £
Current assets					
Debtors	7	-		5,695	
Cash at bank and in hand		102,083		22,281	
		<u>102,083</u>		<u>27,976</u>	
Creditors' amounts falling due within one year	8	<u>(79,000)</u>		<u>(30,565)</u>	
Net current assets/(liabilities)			23,083		(2,589)
Total assets less current liabilities			<u>23,083</u>		<u>(2,589)</u>
Net assets/(liabilities)			<u>23,083</u>		<u>(2,589)</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account	10		23,081		(2,591)
Shareholders' funds/(deficit)	11		<u>23,083</u>		<u>(2,589)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27/3/2013



C Taylor
Director

The notes on pages 7 to 11 form part of these financial statements

Equity Release Assured Limited

Notes forming part of the financial statements for the year ended 31 December 2012

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards

Basis of preparation

These financial statements have been prepared on the going concern basis. The provision of financial support to the company by a fellow group undertaking for a period of at least twelve months from the date of approval of these financial statements, the directors consider the going concern basis of preparation to be appropriate.

The following principal accounting policies have been applied:

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales. Turnover is recognised at various stages as the client goes through the lending process. Turnover incorporates commissions and packaging fees from equity release providers and arrangement and administration fees from customers. The revenue for administration fees due from customers is recognised at the point of the equity release arrangement being written. Commission and packaging fees from equity release providers and arrangement fees from customers are all recognised as part of the revenue at the point of the completion of the arrangement.

Cash flow statement

Under the provisions of Financial Reporting Standard No 1, the company has not prepared a cash flow statement because its intermediate parent undertaking, KRS Investment Holdings Limited, which is incorporated in England and Wales, has prepared consolidated financial statements which include the financial statements of the company for the year and contain a consolidated cash flow statement.

Taxation

The charge for taxation is based on the profit for the year and taking into account taxation deferred.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except for deferred tax assets which are only recognised to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Equity Release Assured Limited

Notes forming part of the financial statements
for the year ended 31 December 2012 (*Continued*)

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom

3 Employees

	2012 £	2011 £
Staff costs consist of		
Wages and salaries	47,403	-
Social security costs	4,311	-
	<hr/>	<hr/>
	51,714	-
	<hr/>	<hr/>

The average number of employees analysed by category were

	2012 No	2011 No
Sales	2	-
	<hr/>	<hr/>
	2	-
	<hr/>	<hr/>

4 Directors remuneration

The directors of the company were employed during the current and prior period and are remunerated by KRS Services Limited, a fellow group company

5 Operating profit

Audit fees are borne by KRS Services Limited, a fellow group company

Equity Release Assured Limited

Notes forming part of the financial statements
for the year ended 31 December 2012 (*Continued*)

6 Taxation on profit on ordinary activities

	2012 £	2011 £
<i>Current tax</i>		
UK corporation tax on profit of the year	6,418	193
	<u> </u>	<u> </u>
Total current tax	6,418	193
	<u> </u>	<u> </u>

The tax assessed for the period is lower than the standard rate of corporation tax in the UK The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	32,090	986
	<u> </u>	<u> </u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 20% (2011 – 20 25%)	6,418	200
Effects of		
Utilisation of tax losses and other deductions	-	(7)
	<u> </u>	<u> </u>
Current tax charge for period	6,418	193
	<u> </u>	<u> </u>

7 Debtors

	2012 £	2011 £
Amounts due from group undertakings	-	5,695
	<u> </u>	<u> </u>
	-	5,695
	<u> </u>	<u> </u>

All amounts shown under debtors fall due for payment within one year

Equity Release Assured Limited

Notes forming part of the financial statements
for the year ended 31 December 2012 (Continued)

8 Creditors amounts falling due within one year

	2012 £	2011 £
Trade creditors	2,256	2,011
Amounts due to group undertakings	56,598	28,241
Corporation tax	6,418	193
Other taxation and social security	228	120
Accruals	13,500	-
	<u>79,000</u>	<u>30,565</u>

9 Share capital

	Allotted, called up and fully paid			
	2012 Number	2011 Number	2012 £	2011 £
Ordinary shares of £1 each	2	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

10 Reserves

	Profit and loss account £
At 1 January 2012	(2,591)
Profit for the year	25,672
As at 31 December 2012	<u>23,081</u>

11 Reconciliation of movements in shareholders' funds/(deficit)

	2012 £	2011 £
Profit for the period	25,672	793
Opening shareholders' deficit	(2,589)	(3,382)
Closing shareholders' funds/(deficit)	<u>23,083</u>	<u>(2,589)</u>

Equity Release Assured Limited

Notes forming part of the financial statements for the year ended 31 December 2012 (*Continued*)

12 Related Party transactions

The company has taken advantage of the related party transaction disclosure exemption available to it under Financial Reporting Standard 8. Under Financial Reporting Standard 8, in the financial statements of subsidiary undertakings, 100 per cent of whose voting rights are controlled within the group, transactions with entities that are part of the group or investees of the group qualifying as related parties do not require disclosure, provided that the consolidated financial statements in which that subsidiary is included are publicly available.

As the results of the company are consolidated into those of KRS Investment Holdings Limited, the company's intermediate parent company, which are publicly available, the company has taken advantage of this exemption.

13 Ultimate parent company

At 31 December 2012 the company's ultimate parent company was Cabot Square Partners Holdings Limited which is the parent of the largest group of which the company is a member.

KRS Investment Holdings Limited is the parent of the smallest group of which the company is a member.

The company's immediate parent is Key Retirement Solutions Limited.