

Eddisons Insurance Services Limited

Annual Report and Financial Statements

Year Ended

30 April 2016

Company Number 07292351



Eddisons Insurance Services Limited

**Report and financial statements
for the year ended 30 April 2016**

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Director

R W Traynor

Secretary

J A Humphrey

Registered office

Toronto Square, Toronto Street, Leeds, LS1 2HJ

Company number

07292351

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester
United Kingdom

Eddisons Insurance Services Limited

Director's Report for the year ended 30 April 2016

The director presents his annual report together with the audited financial statements for the year ended 30 April 2016.

The director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption under section 414B of the Companies Act 2006. The company is classified as small, and accordingly, a strategic report has not been prepared.

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year ended 30 April 2016. The comparative results are for the 13 month period ended 30 April 2015.

No ordinary dividend was paid during either year.

Principal activities

The company's principal activity is that of an insurance intermediary.

Director

The director of the company during the period was:

R W Traynor

Going Concern

Based on the assumptions outlined in note 1 to the financial statements, the director has concluded that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the director continues to adopt the going concern basis in preparing the financial statements.

Director's responsibilities

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including FRS 102 "The Financial Reporting Standard applicable to the UK and Republic of Ireland"). Under company law the director must not approve the financial statements unless he is 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 director is 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.

Eddisons Insurance Services Limited

Director's Report for the year ended 30 April 2016

Director's responsibilities (continued)

The director is 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. The director is 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

The director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

BDO LLP resigned as auditor during the year and Deloitte LLP were appointed. Deloitte LLP have expressed their willingness to be reappointed for another term and a resolution to reappoint them will be proposed at the next annual general meeting.

On behalf of the board



R W Traynor
Director

26 January 2017

Eddisons Insurance Services Limited

Independent auditor's report

To the member of Eddisons Insurance Services Limited

We have audited the financial statements of Eddisons Insurance Services Limited for the year ended 30 April 2016 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable to the UK and Republic of Ireland").

This report is made solely to the company's member 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 member 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 member, 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 director's responsibilities, the director is 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2016 and of its 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 director's report for the financial period for which the financial statements are prepared is consistent with the financial statements.

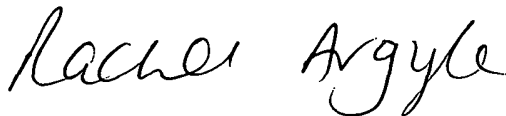
Eddisons Insurance Services Limited

Independent auditor's report (*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 director's 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 take advantage of the small companies exemption in preparing the Director's Report and from preparing a Strategic Report.



Rachel Argyle
Senior Statutory Auditor
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom

30 January 2017

Eddisons Insurance Services Limited

Profit and loss account for the year ended 30 April 2016

	Note	Year ended 30 April 2016 £	13 months ended 30 April 2015 £
Turnover	4	655,116	670,827
Administrative expenses		(243,679)	(305,187)
Operating profit	5	411,437	365,640
Other interest receivable and similar income		-	6
Profit on ordinary activities before taxation		411,437	365,646
Taxation on profit on ordinary activities	7	(82,689)	(77,464)
Profit on ordinary activities after taxation		328,748	288,182

All amounts relate to continuing activities.

All recognised gains and losses in the current year and prior period are included in the profit and loss account therefore no separate statement of comprehensive income has been presented..

Eddisons Insurance Services Limited

Balance sheet at 30 April 2016

Company number 07292351

	Note	30 April 2016 £	30 April 2015 £
Current assets			
Debtors	8	1,212,894	970,831
Cash at bank and in hand		26,831	26,303
		<u>1,239,725</u>	<u>997,134</u>
Creditors: amounts falling due within one year	9	(53,146)	(139,303)
Net assets		<u>1,186,579</u>	<u>857,831</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account		1,186,578	857,830
Shareholder's funds		<u>1,186,579</u>	<u>857,831</u>

The financial statements were approved by the director and authorised for issue on 26 January 2017.


R W Traynor
Director

Eddisons Insurance Services Limited

Statement of changes in equity at 30 April 2016

	Share capital £	Profit and loss account £	Total equity £
At 1 April 2014	1	569,648	569,649
Profit and other comprehensive income for the period	-	288,182	288,182
At 30 April 2015	1	857,830	857,831
Profit and other comprehensive income for the financial year	-	328,748	328,748
At 30 April 2016	1	1,186,578	1,186,579

Eddisons Insurance Services Limited

Notes forming part of the financial statements for the period ended 30 April 2016

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and preceding year. Details of the transition to FRS 102 can be found in note 14.

General information and basis of preparation

Eddisons Insurance Services Limited is incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on the contents page. The nature of the company's operations and its principal activities are set out in the director's report on page 1. The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The functional currency of Eddisons Insurance Services Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going concern

The director acknowledges the codified guidance on going concern issued by the Financial Reporting Council. In preparing these financial statements the directors have considered the financial position and trading of the company, the forecast financial performance for twelve months from the date of signing these financial statements, and the financial strength of the ultimate parent undertaking, Begbies Traynor Group plc.

After making these enquiries, the director has adopted the going concern basis in preparing these financial statements.

Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned as permitted by FRS 102 Section 33.

FRS102 exemption

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has taken advantage of available exemptions to not disclose:

- a) A statement of cash flows;
- b) Certain financial instrument disclosures on the basis that equivalent disclosures are included in the consolidated financial statements of the group in which the Company is consolidated; and
- c) Key management personnel compensation in total.

Turnover

Turnover represents commissions earned on insurance policies arranged and is recognised in the period in which the policy is inception.

Revenue is recognised to the extent that the economic benefits will flow to the Company and the revenue can be reliably measured.

The following criteria must also be met before revenue is recognised:

- ☐ The amount of revenue can be measured reliably;
- ☐ It is probable that the company will receive the consideration under the contract;
- ☐ The stage of completion of the contract at the end of the reporting year can be measured reliably; and
- ☐ The costs incurred and the costs to complete can be measured reliably.

Eddisons Insurance Services Limited

Notes forming part of the financial statements for the period ended 30 April 2016

1 Accounting policies (continued)

Insurance broking assets and liabilities

Insurance brokers usually act as agents in placing insurable risk of their clients with insurers and, as such, generally are not liable as principals for amounts arising from such transactions.

In recognition of this relationship, debtors from insurance broking transactions are not included as an asset of the company. Other than the receivable for brokerage not yet received for fees and commissions earned on a transaction, no recognition of the insurance transaction occurs.

In certain circumstances, the company advances premiums, refunds or claims to insurance underwriters or clients prior to collection. These advances are reflected in the balance sheet as part of debtors.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the period in which they become payable.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and on-demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade debtors

Trade debtors are stated at amortised cost less allowances for estimated irrecoverable amounts.

Trade creditors

Trade creditors are stated at their amortised cost.

Eddisons Insurance Services Limited

Notes forming part of the financial statements for the period ended 30 April 2016

1 Accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs.

Bank borrowings

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an amortised cost basis to the consolidated statement of comprehensive income using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

2 Statement of Compliance

The financial statements of Eddisons Insurance Services Limited have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102"), and the Companies Act 2006.

3 Critical Accounting Judgements and Estimation Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical judgements in applying the Company's accounting policies

The directors do not consider there to be any critical accounting judgements that must be applied.

(ii) Key accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The directors do not consider there to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 Turnover

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

Eddisons Insurance Services Limited

Notes forming part of the financial statements for the period ended 30 April 2016

5 Operating Profit

	Year ended 30 April 2016 £	13 months ended 30 April 2015 £
This is arrived at after charging:		
Operating lease charges	12,466	14,636
Fees payable to the company's auditor for the auditing of the company's annual accounts	3,500	3,250
	<u>15,966</u>	<u>17,886</u>

No non-audit fees were paid to the auditor during the current year. In 2015, £2,600 was paid to BDO LLP for other assurance services.

6 Staff costs

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	143,939	194,802
Social security costs	13,795	19,627
Other pension costs	13,270	7,159
	<u>171,004</u>	<u>221,588</u>

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

	2016 No.	2015 No.
Administration	<u>2</u>	<u>2</u>

During the year, the director did not receive any emoluments (2015: same) as the remuneration is borne by other group entities and not recharged (2015: same).

Eddisons Insurance Services Limited

Notes forming part of the financial statements
for the period ended 30 April 2016

7 Taxation on profit on ordinary activities

	Year Ended 30 April 2016 £	13 months ended 30 April 2015 £
<i>UK Corporation tax</i>		
Current tax on profits of the year	82,689	77,464

The difference between the total tax charge shown below and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	Year ended 30 April 2015 £	13 months ended 30 April 2015 £
Profit on ordinary activities before tax	411,437	365,646
Profit on ordinary activities at the standard rate of corporation tax in the UK of 20% (2015: 20.92%)	82,287	76,493
Effect of:		
Expenses not deductible for tax purposes	402	971
Tax charge for the period/year	82,689	77,464

8 Debtors

	30 April 2016 £	30 April 2015 £
Amounts owed by group undertakings	1,212,894	970,831

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

Eddisons Insurance Services Limited

Notes forming part of the financial statements
for the period ended 30 April 2016 (continued)

9 Creditors: amounts falling due within one year

	30 April 2016 £	30 April 2015 £
Amounts owed to group undertakings	-	46,387
Corporation tax	53,146	77,464
Accruals and deferred income	-	15,452
	<u>53,146</u>	<u>139,303</u>

All amounts included in creditors due within one year are unsecured and repayable on demand.

10 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £13,270 (2015: £7,159). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

11 Share capital

	30 April 2016 £	30 April 2015 £
<i>Allotted, called up and not fully paid</i>		
1 Ordinary A share of £1 each	<u>1</u>	<u>1</u>

12 Related party disclosures

As the company is a wholly owned subsidiary of Begbies Traynor Group plc it has taken advantage of the exemption conferred by FRS 102 not to disclose transactions with Begbies Traynor Group plc or other wholly owned subsidiaries within the group.

13 Parent company and ultimate controlling party

The company is a subsidiary of Eddisons Commercial (Holdings) Ltd. The ultimate parent undertaking is Begbies Traynor Group plc, a company registered in England and Wales.

The largest and smallest group in which the results of the company are consolidated is that headed by Begbies Traynor Group plc, incorporated in England and Wales. The registered office is 340 Deansgate, Manchester, M3 4LY. Consolidated accounts of this company are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. No other group accounts include the results of the company.

Eddisons Insurance Services Limited

Notes forming part of the financial statements for the period ended 30 April 2016 (*continued*)

14 Explanation of transition to FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the 13 months ended 30 April 2015 and the date of transition to FRS 102 was therefore 1 April 2014.

There are no adjustments to opening equity at 1 April 2014, and no adjustments to equity or profit in 2015.

Approval of reduced disclosure

Eddisons Insurance Services Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in these financial statements in relation to share-based payments, presentation of a cash flow statement and remuneration of key management personnel.

The Company's shareholders have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The Company also intend to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the Company by its shareholders.