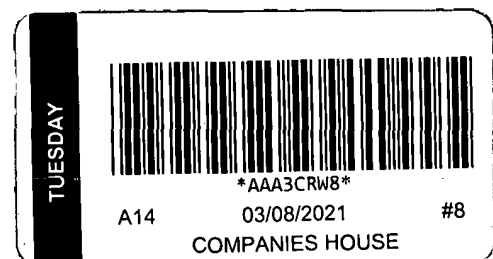

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	J H Dalton B R Fletcher G A Gibson E J B Hardaker K Helgesen W U Malik M P Milliner D C G Nichols M E Paterson S D Shaw (appointed 14 May 2021)
Registered number	08203205
Registered office	6-12 Capital Drive Linford Wood Milton Keynes Buckinghamshire MK14 6XT
Independent auditor	Nexia Smith and Williamson Chartered Accountants & Statutory Auditor 4th Floor Cumberland House 15-17 Cumberland Place Southampton Hampshire SO15 2BG

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

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INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

Principal activity

The principal activity of the Company is to provide information and services to the insurance industry to detect and prevent against organised and cross-industry fraud against insurers. The IFB team of experts draw on expertise from across the insurance, telecommunications, law enforcement, forensic computing and banking sectors and uses cutting edge analytical software capable of interrogating significant volumes of data and visualising the results to target organised fraudsters.

Results and dividends

The profit for the year, after taxation, amounted to £817,717 (2019: £764,648).

No dividends were paid or proposed during the year (2019: £Nil).

Directors

The directors who served during the year were:

J H Dalton
B R Fletcher
G A Gibson
E J B Hardaker (appointed 21 May 2020)
K Helgesen
W U Malik
M P Milliner
A J Morrish (appointed 30 January 2020, resigned 30 April 2021)
D C G Nichols
M E Paterson

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed 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 ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Nexia Smith and Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Small companies' note

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Karl Helgesen

Karl Helgesen [Jul 28, 2021 16:30 GMT+1]

K Helgesen
Director

Date: 26 July 2021

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

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 year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 for the Company's financial statements and then apply them consistently;
- 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 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 to 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSURANCE FRAUD BUREAU

Opinion

We have audited the financial statements of Insurance Fraud Bureau (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 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.

Basis for opinion

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

Conclusions relating to going concern

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.

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.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSURANCE FRAUD BUREAU
(CONTINUED)**

Other information

The other information comprises the information included in the Directors' Report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSURANCE FRAUD BUREAU
(CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

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

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:

We obtained a general understanding of the Company's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; the entity's policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Company's industry and regulation.

We understand that the Company complies with the framework through:

- Outsourcing accounts preparation and tax compliance to external experts.
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.
- Oversight of the board which conducts regular meetings, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations: which determine the form and content of the financial statements; which are central to the Company's ability to conduct its business; and where failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.
- General Data Protection Regulation (GDPR) relating to data protection and privacy for all individuals within the European Union (EU) and European Economic Area (EEA).

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.

The areas identified in this discussion were:

- Misstatement in the financial statements, particularly revenue, through the processing of fraudulent journal entries.
- Recognition of transactions in the incorrect financial reporting period.

The procedures we carried out to gain evidence in the above areas included:

- Substantive work on material areas of the financial statements.
- Testing manual journal entries, focussing particularly on postings to unexpected or unusual accounts, those posted at unusual times and those posted since the year end relating to the year under audit.
- Testing of transactions around the year end, obtaining supporting documentation to confirm that these transactions had been included in the correct period.

(A Company Limited by Guarantee)

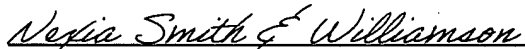
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSURANCE FRAUD BUREAU
(CONTINUED)**

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in dealing with companies with similar risks.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.


Nexia Smith & Williamson (Jul 28, 2021 17:09 GMT+1)

Julie Mutton (Senior Statutory Auditor)

for and on behalf of

Nexia Smith and Williamson

Chartered Accountants
Statutory Auditor

4th Floor Cumberland House
15-17 Cumberland Place
Southampton
Hampshire
SO15 2BG
Date: 28/07/2021

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Turnover		6,973,805	7,056,694
Gross profit		6,973,805	7,056,694
Administrative expenses		(6,239,247)	(6,387,473)
Other operating income	3	76,980	76,980
Operating profit	4	811,538	746,201
Interest receivable and similar income	6	7,629	22,774
Profit before tax		819,167	768,975
Tax on profit	7	(1,450)	(4,327)
Profit after tax		817,717	764,648
Retained earnings at the beginning of the year		3,294,064	2,529,416
Profit for the year		817,717	764,648
Retained earnings at the end of the year		4,111,781	3,294,064

The notes on pages 10 to 16 form part of these financial statements.

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)
REGISTERED NUMBER:08203205

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	8	21,211	38,121
		<u>21,211</u>	<u>38,121</u>
Current assets			
Debtors: amounts falling due within one year	9	7,797,610	4,320,510
Cash at bank and in hand	10	4,471,846	6,929,131
		<u>12,269,456</u>	<u>11,249,641</u>
Creditors: amounts falling due within one year	11	(8,145,547)	(7,629,276)
Net current assets		<u>4,123,909</u>	<u>3,620,365</u>
Provisions for liabilities			
Other provisions	12	(33,339)	(364,422)
Net assets		<u>4,111,781</u>	<u>3,294,064</u>
Capital and reserves			
Retained earnings		4,111,781	3,294,064
		<u>4,111,781</u>	<u>3,294,064</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Karl Helgesen
Karl Helgesen (Jul 28, 2021 16:30 GMT+1)

K Helgesen
Director

Date: 26 July 2021

The notes on pages 10 to 16 form part of these financial statements.

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Insurance Fraud Bureau is a private company, limited by guarantee, domiciled and incorporated in England and Wales (registered number: 08203205). The registered office address is 6-12 Capital Drive, Linford Wood, Milton Keynes, Buckinghamshire, MK14 6XT.

The Company's functional and presentational currency is GBP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

Cash flow projections have been reviewed and it has been concluded that the Company has adequate resources to continue its activities for the foreseeable future, that is for at least 12 months from the date of approval of these financial statements. The directors consider that there is no material uncertainty over the Company's status as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Turnover

Turnover includes contributions received or receivable from members and has been recognised during the period based on the amount the Company is entitled to invoice out by way of levy which in turn is based on the costs incurred by the Company (paid and accrued). This reflects the Articles of Association, under which the Company is entitled to recharge all costs in relation to its principal activities on to members.

Turnover also comprises the amounts received for supplying information to purchasers in relation to checks and searches utilising the Insurance Fraud Register. This element of turnover is recognised when the service is provided.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 15% straight line
Office equipment	- 3 years straight-line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.8 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

The tax charge relates exclusively to interest income as membership income is not taxable.

3. Other operating income

	2020 £	2019 £
Expenses recharged	<u>76,980</u>	<u>76,980</u>

4. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	16,910	25,856
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	11,450	11,230
Other operating lease rentals	<u>116,890</u>	<u>116,890</u>

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019: £Nil).

6. Interest receivable

	2020 £	2019 £
Other interest receivable	7,629	22,774

7. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	1,450	4,327

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2019: 19%).

Taxation relates exclusively to interest income.

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 January 2020	47,266	143,298	190,564
At 31 December 2020	<u>47,266</u>	<u>143,298</u>	<u>190,564</u>
Depreciation			
At 1 January 2020	15,320	137,123	152,443
Charge for the year	10,735	6,175	16,910
At 31 December 2020	<u>26,055</u>	<u>143,298</u>	<u>169,353</u>
Net book value			
At 31 December 2020	<u>21,211</u>	-	<u>21,211</u>
At 31 December 2019	<u>31,946</u>	<u>6,175</u>	<u>38,121</u>

9. Debtors

	2020 £	2019 £
Trade debtors	7,410,514	3,998,914
Other debtors	-	10,707
Prepayments and accrued income	387,096	310,889
	<u>7,797,610</u>	<u>4,320,510</u>

10. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	4,471,846	6,929,131
	<u>4,471,846</u>	<u>6,929,131</u>

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	492,007	293,272
Corporation tax	1,450	4,327
Other taxation and social security	882,312	951,818
Other creditors	-	2,457
Accruals and deferred income	6,769,778	6,377,402
	<u>8,145,547</u>	<u>7,629,276</u>

12. Provisions

	Onerous lease £
At 1 January 2020	364,422
Credited to profit or loss	(331,083)
At 31 December 2020	<u>33,339</u>

13. Company status

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1,000 towards the assets of the Company in the event of liquidation.

14. Commitments under operating leases

At 31 December the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	12,810	116,890
Later than 1 year and not later than 5 years	-	12,810
	<u>12,810</u>	<u>129,700</u>

INSURANCE FRAUD BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Controlling party

Given the fact that the Company is limited by guarantee, there is no controlling party.