

**REGISTERED NUMBER: 12483858 (England and Wales)**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022**

**FOR**

**THE INSTALLATION ASSURANCE  
AUTHORITY LIMITED**

**THE INSTALLATION ASSURANCE  
AUTHORITY LIMITED (REGISTERED NUMBER: 12483858)**

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for the Year Ended 30 April 2022**

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**THE INSTALLATION ASSURANCE  
AUTHORITY LIMITED**

**COMPANY INFORMATION  
for the Year Ended 30 April 2022**

**DIRECTORS:**

E Coates  
H F Davics  
A Hardiman  
N Ralph  
D F Robson  
S D Stevenson

**SECRETARY:**

A T Rees

**REGISTERED OFFICE:**

Ciga House  
3 Vimy Court  
Vimy Road  
Leighton Buzzard  
Bedfordshire  
LU7 1FG

**REGISTERED NUMBER:**

12483858 (England and Wales)

**AUDITORS:**

Ad Valorem Audit Services Limited  
2 Manor Farm Court  
Old Wolverton Road  
Old Wolverton  
Milton Keynes  
Buckinghamshire  
MK12 5NN

**THE INSTALLATION ASSURANCE  
AUTHORITY LIMITED (REGISTERED NUMBER: 12483858)**

**BALANCE SHEET  
30 April 2022**

|  | Notes | 30.4.22<br>£     | £                | 30.4.21<br>£   | £             |
|--|-------|------------------|------------------|----------------|---------------|
| <b>FIXED ASSETS</b>                          |       |                  |                  |                |               |
| Tangible assets                              | 4     |                  | 40,025           |                | 34,237        |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |                |               |
| Debtors                                      | 5     | 386,178          |                  | 90,233         |               |
| Cash at bank                                 |       | <u>1,310,234</u> |                  | <u>241,478</u> |               |
|  |       | 1,696,412        |                  | 331,711        |               |
| <b>CREDITORS</b>                             |       |                  |                  |                |               |
| Amounts falling due within one year          | 6     | <u>653,542</u>   |                  | <u>258,576</u> |               |
| <b>NET CURRENT ASSETS</b>                    |       |                  | <u>1,042,870</u> |                | <u>73,135</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                  | 1,082,895        |                | 107,372       |
| <b>PROVISIONS FOR LIABILITIES</b>            | 7     |                  | <u>207,357</u>   |                | <u>26,961</u> |
| <b>NET ASSETS</b>                            |       |                  | <u>875,538</u>   |                | <u>80,411</u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                  |                |               |
| Called up share capital                      | 8     |                  | 1,000            |                | 1,000         |
| Retained earnings                            |       |                  | <u>874,538</u>   |                | <u>79,411</u> |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                  | <u>875,538</u>   |                | <u>80,411</u> |

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 30 January 2023 and were signed on its behalf by:

D F Robson - Director

**THE INSTALLATION ASSURANCE  
AUTHORITY LIMITED (REGISTERED NUMBER: 12483858)**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 30 April 2022**

**1. STATUTORY INFORMATION**

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

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Adequacy of guarantee funds**

The principal activity of the company is to provide a uniform and dependable independent guarantee for the insulation industry. The Council of Management's primary objective is to review on an annual basis that the company will have sufficient resources to ensure that guarantee claims, both notified to it at the year end and those that may arise in the future, can be met as they fall due.

In doing so the Council considers the sum of the deferred income reserve, the provision for notified claims and the provision for unexpired risk to assess whether this overall 'guarantee reserve' is sufficient to meet the claims that are likely to arise based on current projections of claim rates over the unexpired guarantee period and the anticipated expenditure on settling claims as adjusted for anticipated inflation.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Turnover**

Turnover is stated after allocating part of the guarantee fee received from the installer on the completion of each insulation to deferred income. This deferred income is allocated to turnover in equal annual instalments over the lifetime of the IAA guarantee.

**Tangible fixed assets**

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

|                       |                           |
|-----------------------|---------------------------|
| Fixtures and fittings | - 25% on reducing balance |
| Computer equipment    | - 25% on reducing balance |

**Taxation**

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

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

**THE INSTALLATION ASSURANCE  
AUTHORITY LIMITED (REGISTERED NUMBER: 12483858)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2022**

**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

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

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

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

**Deferred income**

In order to accumulate guarantee funds the company allocates part of the guarantee fee received from the installer on the completion of each insulation to deferred income. An annual judgement is made as to what percentage of the guarantee fee is allocated straight to turnover and the balance to deferred income, based on market conditions and claims history.

This deferred income is allocated to the profit and loss account in equal instalments over the lifetime of the IAA guarantee commensurate with the expected incidence of claims. In reaching its assessment of the pattern of claims the company makes reference to past experience. The deferred income represents the proportion of the guarantee fee issued in the year and in previous years that relate to the unexpired risk period of the guarantees in issue.

**Guarantee claims paid**

Guarantee claims incurred comprise claims and related expenses paid in the year, together with the movement on the provision for outstanding claims notified but not settled at the year end date and the provision for unexpired risk on guarantee claims in issue.

**Pension costs and other post-retirement benefits**

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

**THE INSTALLATION ASSURANCE  
AUTHORITY LIMITED (REGISTERED NUMBER: 12483858)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2022**

**2. ACCOUNTING POLICIES - continued**

**General provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and are subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are disclosed in the profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

**Provision for notified claims**

A provision is made in respect of all claims notified to the company by guarantee holders as at the year end date. In estimating the cost of notified but not settled claims, the Council of Management has regard to the claim circumstances as reported and the cost of settling claims with similar characteristics in previous periods.

**Provision for unexpired risk**

An unexpired risk provision is made where the estimated cost of claims and related expenses exceed the unearned fee, after taking account of future investment income and cost inflation. An assessment is made at the year-end for the estimated cost of claims which may arise during the unexpired period of each guarantee in force at the balance sheet date.

The provisions are inevitably subject to inherent uncertainties because of the range of factors which could give rise to potential claims over the 25 year guarantee period. The time expected to elapse between the inception of the guarantee, the manifestation of events giving rise to claims and the notification to and settlement by the company of such claims accentuate these uncertainties.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 16 (2021 - 1) .

**4. TANGIBLE FIXED ASSETS**

|                       | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Totals<br>£   |
|-----------------------|----------------------------------|----------------------------|---------------|
| <b>COST</b>           |                                  |                            |               |
| At 1 May 2021         | 27,780                           | 17,870                     | 45,650        |
| Additions             | 19,130                           | -                          | 19,130        |
| At 30 April 2022      | <u>46,910</u>                    | <u>17,870</u>              | <u>64,780</u> |
| <b>DEPRECIATION</b>   |                                  |                            |               |
| At 1 May 2021         | 6,945                            | 4,468                      | 11,413        |
| Charge for year       | 13,342                           | -                          | 13,342        |
| At 30 April 2022      | <u>20,287</u>                    | <u>4,468</u>               | <u>24,755</u> |
| <b>NET BOOK VALUE</b> |                                  |                            |               |
| At 30 April 2022      | <u>26,623</u>                    | <u>13,402</u>              | <u>40,025</u> |
| At 30 April 2021      | <u>20,835</u>                    | <u>13,402</u>              | <u>34,237</u> |

**THE INSTALLATION ASSURANCE  
AUTHORITY LIMITED (REGISTERED NUMBER: 12483858)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2022**

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 30.4.22        | 30.4.21       |
|------------------------------------|----------------|---------------|
|                                    | £              | £             |
| Trade debtors                      | 43,639         | 77,427        |
| Amounts owed by group undertakings | 341,295        | -             |
| Other debtors                      | 1,244          | 12,806        |
|                                    | <u>386,178</u> | <u>90,233</u> |

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 30.4.22        | 30.4.21        |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| Trade creditors                    | 153,861        | 8,478          |
| Amounts owed to group undertakings | 291,478        | 229,696        |
| Taxation and social security       | 120,274        | 20,402         |
| Other creditors                    | 87,929         | -              |
|                                    | <u>653,542</u> | <u>258,576</u> |

**7. PROVISIONS FOR LIABILITIES**

|                                | 30.4.22        | 30.4.21       |
|--------------------------------|----------------|---------------|
|                                | £              | £             |
| Deferred tax                   |                |               |
| Accelerated capital allowances | 7,605          | 6,505         |
| Other provisions               | 199,752        | 20,456        |
|                                | <u>207,357</u> | <u>26,961</u> |

|                          | Deferred tax | Deferred guarantee income |
|--------------------------|--------------|---------------------------|
|                          | £            | £                         |
| Balance at 1 May 2021    | 6,505        | 20,456                    |
| Provided during year     | 1,100        | 179,296                   |
| Balance at 30 April 2022 | <u>7,605</u> | <u>199,752</u>            |

The deferred tax provision all relates to accelerated capital allowances.

**8. CALLED UP SHARE CAPITAL**

| Allotted, issued and fully paid: |          |                | 30.4.22      | 30.4.21      |
|----------------------------------|----------|----------------|--------------|--------------|
| Number:                          | Class:   | Nominal value: | £            | £            |
| 1,000                            | Ordinary | £1             | <u>1,000</u> | <u>1,000</u> |

**9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Darren Kerins FCCA (Senior Statutory Auditor)  
for and on behalf of Ad Valorem Audit Services Limited



This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.