Registered number: 02774470

CARROLL INSURANCE GROUP LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

COMPANY INFORMATION

Directors	P R Carroll N C Lenihan S S Sulaiman (appointed 27 January 2023)
Company secretary	S Goldstone
Registered number	02774470
Registered office	Mezzanine Floor 75 King William Street London EC4N 7BE

CONTENTS

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

The Directors present their report and the financial statements for the year ended 30 June 2022.

Principal activity

The Company's principal activities are those of an insurance broker.

Directors

The Directors who served during the year were:

P R Carroll
N C Lenihan
S S Sulaiman (appointed 27 January 2023)

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 on 8 March 2023 and signed on its behalf.

N C Lenihan
Director

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 £	*2021* *£*
Turnover		**1,221,449**	*1,422,012*
Gross profit		**1,221,449**	*1,422,012*
Administration Expenses		**(1,190,700)**	*(1,224,091)*
Other operating income		**-**	*1,330*
Operating profit		**30,749**	*199,251*
Interest receivable and similar income		**43**	*48*
Interest payable and similar expenses		**-**	*(454)*
Profit before tax		**30,792**	*198,845*
Tax on profit	5	**(57,402)**	*(12,638)*
(Loss)/profit for the financial year		**(26,610)**	*186,207*

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 6 to 14 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note		2022 £		2021 £
Current assets					
Other financial assets- trust cash	6	**1,110,865**		-	
Debtors: amounts falling due within one year	7	**3,019,606**		*3,568,872*	
Cash at bank and in hand	8	**3,309**		*23,901*	
		4,133,780		*3,592,773*	
Creditors: amounts falling due within one year	9	**(1,153,564)**		*(585,947)*	
Net current assets			**2,980,216**		*3,006,826*
Total assets less current liabilities			**2,980,216**		*3,006,826*
Net assets			**2,980,216**		*3,006,826*
Capital and reserves					
Called up share capital			**327,000**		*327,000*
Profit and loss account			**2,653,216**		*2,679,826*
			2,980,216		*3,006,826*

For the year ending 30 June 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 on 8 March 2023.

N. Lenihan

N C Lenihan
Director

The notes on pages 6 to 14 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2020	**327,000**	**2,493,619**	**2,820,619**
Total comprehensive income for the year	**-**	**186,207**	**186,207**
At 1 July 2021	**327,000**	**2,679,826**	**3,006,826**
Comprehensive income for the year			
Loss for the year	**-**	**(26,610)**	**(26,610)**
Total comprehensive income for the year	**-**	**(26,610)**	**(26,610)**
At 30 June 2022	**327,000**	**2,653,216**	**2,980,216**

The notes on pages 6 to 14 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. General information

Carroll Insurance Group Limited ('the Company') is a private company limited by shares, incorporated in England and Wales. Its registered company number is 02774470. The address of its registered office is Mezzanine Floor, 75 King William Street, London, EC4N 7BE.

The Company's principal activities are those of an insurance broker.

Monetary amounts in these financial statements have been rounded to the nearest £ sterling.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of PSC Insurance Group Limited as at 30 June 2022 and these financial statements may be obtained from its registered office, 96 Wellington Parade, East Melbourne, Victoria, 3002, Australia.

2.3 Going concern

The Company meets its day-to-day working capital requirements through its cash reserves and ongoing cash generation and has no borrowings. The current economic conditions continue to create uncertainty.The Company's forecasts and projections, taking account of realistic possible changes in trading performance, show that the Company has adequate financial resources to continue its operations for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

The Company generates revenue from commissions and fees associated with placing insurance contracts. Revenues are recognised at the point at which placement services are substantially complete. Revenues from profit commissions and fees on adjustment to minimum premiums are recognised when the revenue is confirmed by third parties.

Where there is a customer expectation that services will be provided by the Company in the future in respect of policies written up to the balance sheet date, that element of commissions and fees that relates to the Company's obligations to provide those services is estimated at the end of the period. The revenue identified is deferred over the life of the insurance policies to which it relates.

2.6 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.

2.7 Interest income

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. *Accounting policies (continued)*

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Impairment of debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment is raised when there is objective evidence that the Company will not be able to collect amounts originally recognised as receivable. Indicators that receivables may be impaired include significant financial difficulties or financial restructuring of the debtor and delinquency in payments (more than 9 months overdue). The impairment recognised is the difference between the asset's carrying amount and the value of estimated attributable future cash flows, discounted at an appropriate effective interest rate where cash flows are expected to extend into future periods.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.14 Trade debtors, trade creditors and trust cash: insurance assets and liabilities

Insurance debtors included as part of trade debtors represent commissions and fees earned from clients that had not been received by the balance sheet date, less an allowance for specific bad debts where deemed appropriate by Company management.

As an insurance broker, the Company acts as an agent in placing the insurable risks of its clients with insurers and consequently the Company is generally not liable as principal for amounts arising from such transactions. Amounts invoiced to clients by the Company include premiums charged by underwriters and commission earned by the Company. Since the premium element of these transactions does not constitute a contractual right of the Company to receive cash or other financial benefits for its own account in future, it does not qualify for recognition as an asset of the Company except where a client-agreed premium has been pre-paid to the insurer by the Company and the client has a constructive obligation to reimburse.

Insurance creditors, included within trade creditors, represent liabilities to insurers in respect of premiums received from clients but not yet paid to the insurer or amounts owed to clients in respect of settled claims and returned premiums.

Amounts owed to underwriters for premiums due but not yet paid do not represent obligations of the Company to transfer cash or other benefits to the underwriter, and do not therefore meet the definition of liabilities of the Company, except where cash has been received by the Company in respect of those premiums from clients and the Company has a resulting obligation to remit the cash to insurers. Where cash has been received from clients, corresponding obligations to insurers are classified as part of trade creditors.

The Company has fiduciary and regulatory responsibilities in respect of cash received from clients to meet premium obligations to insurers and cash received on behalf of clients in respect of settled claims and returned premiums. Cash received in this way is held in separate trust accounts and may be used by the Company only for a limited number of purposes and not generally for the Company's own account. It is therefore not considered as cash and equivalents of the Company but is classified as "other financial assets - trust cash".

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

2. Accounting policies (continued)

2.15 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying accounting policies. Management continually evaluates estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates given the subjectivity involved in making them. Management has identified the following critical accounting estimates and key judgements:

Revenue recognition
Management exercises judgement in identifying, quantifying and deferring the element of commission and other revenues attributable to services such as claims handling likely to be made by clients after the balance sheet date under insurance policies written up to that date.

4. Employees

The Company has no employees other than the Directors, who did not receive any remuneration *(2021 - £NIL)*.

The average monthly number of employees, including directors, during the year was 0 *(2021 - 0)*.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

5. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	6,840	38,422
Adjustments in respect of previous periods	50,379	(25,784)
	57,219	12,638
Total current tax	57,219	12,638
Deferred tax		
Adjustment to tax expense on recognition of prior losses	183	-
Total deferred tax	183	-
Taxation on profit on ordinary activities	57,402	12,638

Factors affecting tax charge for the year

The tax assessed for the year is the same as the standard rate of corporation tax in the UK of 19% *(2021 - 19%)*. The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	30,792	198,845
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	5,850	37,781
Effects of:		
Other non-allowable items	1,173	641
Capitalised costs deductible for tax	183	-
Transfer to deferred tax	(183)	-
Over provision for income tax in prior years	50,379	(25,784)
Total tax charge for the year	57,402	12,638

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

6. Other financial assets- trust cash

	2022 £	2021 £
Other financial assets - trust cash	**1,110,865**	-
	1,110,865	-

7. Debtors

	2022 £	2021 £
Trade debtors	**174**	*2,108*
Amounts owed by group undertakings	**3,014,867**	*2,995,533*
Other debtors	**3,412**	*43,120*
Prepayments and accrued income	**319**	-
Deferred taxation	**834**	*1,017*
Grants receivable	-	*527,094*
	3,019,606	*3,568,872*

During the year other financial assets – trust cash £1,110,865 were reclassified from Debtors above to other financial assets – trust cash on the balance sheet (2021: £527,094)

8. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	**3,309**	*23,901*
	3,309	*23,901*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

9. Creditors: Amounts falling due within one year

	2022	*2021*
	£	*£*
Trade creditors	**1,112,131**	*528,305*
Corporation tax	**30,137**	-
Accruals and deferred income	**11,296**	*57,642*
	1,153,564	*585,947*

Amounts owed to group undertakings attract no interest and are repayable on demand.

10. Pension commitments

The Company made contributions to a defined contribution pension plan for Directors and staff during the year. The assets of this plan are separate from those of the Company. Amounts charged to income in respect of contributions made during the period amounted to £Nil (2021: £37,880).

11. Commitments under operating leases

The Company had no commitments under non-cancellable operating leases at the reporting date.

12. Related party transactions

The Company has taken advantage of the exemption conferred by section 1AC.35 of FRS 102 not to disclose transactions with other group entities whose voting rights are 100% controlled within the same group. There were no other reportable related party transactions.

13. Controlling party

The Company's immediate parent is Carroll Insurance Brokers Limited, a company incorporated in England and Wales. The ultimate controlling party is PSC Insurance Group Limited, a publicly traded company incorporated in Australia.

PSC Insurance Group Limited is the largest and smallest group undertaking for which consolidated financial statements are prepared. Its registered office where group accounts can be obtained is 96 Wellington Parade, East Melbourne, Victoria, 3002, Australia.

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2022

	2022 £	2021 £
Turnover	**1,221,449**	*1,422,012*
Gross profit	**1,221,449**	*1,422,012*
Gross profit %	**100.0 %**	*100.0 %*
Other operating income	**-**	*1,330*
Less: overheads		
Administration expenses	**(1,190,700)**	*(1,224,091)*
Operating profit	**30,749**	*199,251*
Interest receivable	**43**	*48*
Interest payable	**-**	*(454)*
Tax on profit on ordinary activities	**(57,402)**	*(12,638)*
(Loss)/Profit for the year	**(26,610)**	*186,207*

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	£	£
Turnover		
Commissions receivable - Domestic	**1,221,449**	*1,421,586*
Fees receivable - Domestic	-	*426*
	1,221,449	*1,422,012*

	2022	2021
	£	£
Other operating income		
Other operating income	-	*1,330*
	-	*1,330*

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022 £	2021 £
Administration expenses		
Staff salaries	-	590,075
Staff private health insurance	157	18,993
Staff national insurance	-	72,124
Staff pension costs - defined contribution schemes	-	37,880
Staff welfare	423	816
Entertainment	6,171	3,376
Hotels, travel and subsistence	2,734	2,068
Consultancy	-	39,355
Printing and stationery	44	50
Postage	350	48
Telephone and fax	1,026	5,889
Computer costs	36,743	46,172
General office expenses	389,996	285,219
Subscriptions and regulatory fee	7,549	18,083
Charity donations	-	50
Legal and professional	(653)	1,752
Auditors' remuneration	16,158	-
Accountancy fees	7,860	9,672
Equipment leasing (operational)	-	322
Bank charges	55,744	53,325
Bad debts	(342)	517
Difference on foreign exchange	(8,508)	11,491
Sundry expenses	-	15,602
Cleaning	-	98
Insurances	2,820	7,969
Repairs and maintenance	-	124
Group management recharge	672,428	-
Profit/loss on sale of tangible assets	-	3,021
	1,190,700	1,224,091

	2022 £	2021 £
Interest receivable		
Other interest receivable	43	48
	43	48

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	£	£
Interest payable		
Bank overdraft interest payable	-	454
	-	454