

Carroll London Markets Limited
(previously John Holman and Sons Limited)

Financial Statements

for the year ended

30 June 2016



Registered Number 02858300

Carroll London Markets Limited

DIRECTORS & OFFICERS

Directors

N C Lenihan (appointed on 22nd April 2016)
B M Austin (appointed on 22nd April 2016)
P R Dwyer (appointed on 22nd April 2016)
D J Ezzard (appointed on 22nd April 2016)
Sami Saad Sulaiman (appointed on 22nd April 2016)

Company Number

2858300 (England and Wales)

Registered Office

3rd floor
48 Gracechurch Street
London
EC3V 0EJ

Auditors

Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

Carroll London Markets Limited

DIRECTORS' REPORT

On 22 April 2016, Insurance Holdings Limited purchased 100% of the share capital of John Holman & Sons (Holdings) Limited, which owns 100% of the shares in the Company. Only the key operating assets of the company were purchased ie the insurance broking divisions, and the non-key assets and staff were transferred out of the company prior to the purchase.

As the Company was already a Lloyd's registered broker, with its own income streams and markets, the key rationale behind the acquisition was to allow cross selling of products, as the majority of the customer base of the Company and its sister companies were different. This also provide the Company and the group as a whole, to gain buying power into the market, develop a level of shared resources and lead to cost savings and efficiencies.

Therefore whilst the Company was loss making for the year, it is anticipated that this will quickly turn to profit in 2017.

Directors

The following directors have held office since 1 July 2015:

P I Albon (resigned on 22nd April 2016)
B M Austin (appointed on 22nd April 2016)
G Beaumont (resigned on 22nd April 2016)
P R Dwyer (appointed on 22nd April 2016)
D J Ezzard (appointed on 22nd April 2016)
A M Holman-West (resigned on 22nd April 2016)
N C Lenihan (appointed on 22nd April 2016)
P E Presland (resigned on 22nd April 2016)
Sami Saad Sulaiman (appointed on 22nd April 2016)

Directors Indemnity Insurance

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the Company.

Appropriate directors' and officers' liability insurance cover is in place in respect of all the Company's directors.

Events since the end of the financial year

Following a reorganisation of the Insurance Holdings Limited Group, as of 1 July 2016, the Company ceased trading in its own right and the entire business, assets and liabilities of the Company were transferred to its fellow subsidiary, Carroll & Partners Limited.

Dividends

No dividend was paid during the year (2015: £Nil).

Auditors

The Company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with Section 386(1) of the Companies Act 2006. The auditors, Moore Stephens LLP, will therefore be deemed to be reappointed for each succeeding financial year.

Carroll London Markets Limited

Statement as to Disclosure of Information to Auditors

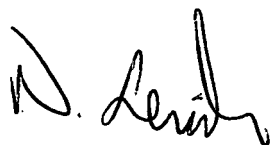
The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

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 2016.

This report was approved by the board of Directors on 31 October 2016 and signed on its behalf by

N C Lenihan
Director



DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgments and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. 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 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.

Carroll London Markets Limited

INDEPENDENT AUDITORS' REPORT

Independent Auditor's Report to the Members of Carroll London Markets Limited

We have audited the financial statements of the Company for the year ended 30 June 2016 which are set out on pages 8 to 22. 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 in the UK and Republic of Ireland".

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at Year End 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.

Carroll London Markets Limited


Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Thomas Reed, Senior Statutory Auditor

For and on behalf of Moore Stephens LLP, Statutory Auditor

150 Aldersgate Street
London
EC1A 4AB

7 November 2016

Carroll London Markets Limited

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2016

	<i>Notes</i>	2016	2015
		£	£
Turnover	4	2,422,896	2,533,945
Administrative expenses	5	(2,544,798)	(2,541,174)
Other interest receivable and similar income	6	14,425	17,083
(Loss) / profit on ordinary activities before taxation		(107,477)	9,854
Taxation (charge) / credit on (loss) / profit on ordinary activities	8	(35,226)	(16,576)
Loss from ordinary activities after taxation and profit for the financial year		(142,703)	(6,722)
Other comprehensive income		-	(7,000)
Total comprehensive income / (expense)		(142,703)	(13,722)

The notes on pages 11 to 22 form part of these financial statements.
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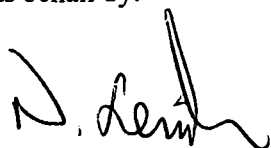
STATEMENT OF FINANCIAL POSITION 30 June 2016

	<i>Notes</i>	2016	2015
		£	£
Fixed assets			
Tangible fixed assets	9	36,687	55,098
Current assets			
Debtors	10	7,772,772	6,547,617
Investments	11	12,910	250,843
Cash at bank and in hand	12	2,492,905	1,865,874
Total current assets		10,278,587	8,664,334
Creditors: Amounts falling due within one year	13	9,486,578	7,609,533
Net current assets		792,009	1,054,801
Total assets less current liabilities		828,696	1,109,899
Creditors: Amounts falling due after one year	14	-	138,500
Net assets		828,696	971,399
Capital and reserves			
Called up share capital	15	500,000	500,000
Retained earnings	16	328,696	471,399
Total capital and reserves		828,696	971,399

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 31 July 2016 and are signed on its behalf by:

N C Lenihan
Director



The notes on pages 11 to 22 form part of these financial statements.

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Carroll London Markets Limited

STATEMENT OF CHANGES IN EQUITY

30 June 2016

Called up share capital	Called up share capital	Retained earnings	Total equity
	£	£	£
Balance at 1 July 2014	500,000	485,121	985,121
Comprehensive income / (expense)			
Profit and loss	-	(13,722)	(13,722)
Balance at 1 July 2015	500,000	471,399	971,399
Comprehensive income / (expense)			
Profit and loss	-	(142,703)	(142,703)
Balance at 30 June 2016	500,000	328,696	828,696

The notes on pages 11 to 22 form part of these accounts.

Registered Number 02858300

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

1.1. Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102") as issued by the Financial Reporting Council and in accordance with FRS 101's reduced disclosure framework.

Before 2015 the financial statements were prepared in accordance with UK GAAP applicable prior to the adoption of FRS 102, as issued by the Financial Reporting Council. There were no significant financial effects of the transition to FRS 102 as set out in note 20 below.

The financial statements have been prepared on the historical cost basis.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the Company. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates

The Company has not prepared a cash flow statement as permitted by FRS102 where 90% or more of the voting rights are controlled within the group, and consolidated financial statements in which the Company is included are publicly available. The cash flow statement for the Group is shown in the accounts of the ultimate parent company as disclosed in note 19.

1.2. Foreign currency translation

The Company has a presentation currency of Pound Sterling (GBP). The Company has determined that the Pound Sterling (GBP) is its functional currency, as this is the currency of the economic environment in which the Company predominantly operates.

Transactions in currencies other than GBP are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on exchange are included in profit or loss. The Company does not operate in a hyper-inflationary economy.

1.3. Revenue recognition

The Company generates revenue principally from brokerage, commissions and fees associated with placing new insurance and renewal insurance contracts through both the Lloyd's of London insurance market and other worldwide insurance markets. Commission income is recognised on the inception date that the cover is placed. Fee income is billed separately and recognised on the same date. Any adjustments to premiums, binding authorities and treaties are recognised on a periodic basis when the consideration due is confirmed by third parties.

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NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.3. Revenue recognition (continued)

Where contractual obligations exist for the performance of post placement activities, and the cost of these activities is not expected to be covered by future income, a relevant proportion of revenue due on placement is deferred and recognised over the period during which these activities are performed.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

1.4. Taxation

Tax expense represents the sum of the current tax and deferred tax.

The charge for current tax is based on the result for the year adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Current and deferred tax is recognised in the same component of the income statement, other comprehensive income or equity as the transaction or event that resulted in the tax expense or income.

Deferred tax is the tax expected to be payable or recoverable on differences between taxable profits and the total comprehensive income as reported in the financial statements.

Deferred tax liabilities are recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that have been enacted, or substantively enacted, and are expected to apply in the period when the liability is settled or the asset realised.

Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

A change in deferred tax assets and liabilities as a result of a change in the tax rates or laws are recognised in profit and loss or other comprehensive income to the extent that it relates to items previously recognised in other comprehensive income.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss.

The residual values and useful lives of tangible fixed assets are reviewed, and adjusted if appropriate, at the end of each reporting period. The carrying amount of an asset is written down immediately to its recoverable amount if the asset's carrying amount is assessed as greater than its estimated recoverable amount.

Depreciation is charged on assets so as to write off the cost or valuation of assets, over their estimated useful lives, less estimated residual value, using the straight-line method on the following bases:

Computer equipment	5 years (hardware) and 4 years (software)
Office furniture and equipment	3.33 years and 6.67 years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

1.6. Insurance Broking Debtors and Creditors

The company acts as an agent in broking the insurable risks of its clients and, generally, is not liable as a principal for premiums due to underwriters or for claims payable to clients. Notwithstanding the company's legal relationship with clients and underwriters and since in practice premium and claim monies are usually accounted for by the insurance intermediaries, it has followed generally accepted accounting practices by showing cash, debtors and creditors relating to insurance business as assets and liabilities of the company itself. In the ordinary course of insurance broking business, settlement is required to be made with certain markets, market settlement bureau or insurance intermediaries on the basis of the net balance due to the market, bureau or intermediary in question, rather than the amounts to or from individual third parties which it represents. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoice price, less any allowances for doubtful debts.

1.7. Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less. Cash and cash equivalents are measured at fair value.

1.8. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of taxation, from the proceeds.

1.9. Borrowings and borrowing costs

Borrowing costs are recognised in net profit or loss in the period in which they are incurred. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.10. Employee benefits

Retirement benefit obligations : The Company has a defined contribution plan. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.11. Leases

Leases are classified as finance leases when the terms of the lease transfer substantially all of the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases where the Company is the lessee are charged to income on a straight-line basis over the term of the relevant lease.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period relate to the claims handling provision, which is based upon the length time to complete claims. The current value ascribed to the claims handling reserve is £76,733 (2015 : £71,391).

3. FINANCIAL RISK MANAGEMENT

The Company reviews its exposure to the following risks from its use or non-use of financial instruments:

- Interest rate risk
- Liquidity risk
- Foreign currency risk
- Credit risk

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. There have been no changes to the Company's exposures to risk or the methods used to measure and manage these risks during the year.

3.1. Interest rate risk

The Company did not have any borrowings at the reporting date and does not foresee any likely requirement to take any on in the foreseeable future and as such is not currently exposed to any material interest rate risk.

Carroll London Markets Limited

NOTES TO THE FINANCIAL STATEMENTS

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2. Liquidity risk

The Company manages liquidity risk by forecasting and monitoring cash flows and by maintaining an appropriate level of undistributed reserves to ensure cash flow requirements are fully funded.

3.3. Foreign currency risk

The Company generates the vast majority of its turnover in GBP and the Company also incurs nearly all its expenses in GBP. As such the Company has minimal exposure to fluctuations in rates of exchange.

3.4. Credit risk

Potential material areas of credit risk consist of trade accounts receivable. Trade accounts receivable derive from a widespread client base. The Company monitors the concentration of its counterparties on an ongoing basis whilst the granting of agent status is controlled by application and regular reviews are made of the Company's outstanding debtors listing with appropriate follow up. An allowance is made for specific bad debts if applicable and at the reporting date management did not consider there to be any additional material credit risk exposure.

4. TURNOVER

The Company's turnover is all derived from its principal activity wholly undertaken in the United Kingdom.

5. EXPENSES BY CATEGORY

	2016	2015
	£	£
Administrative expenses	<u>2,544,798</u>	<u>2,541,174</u>
Included in expenses are the following :		
	£	£
Depreciation of tangible assets:- owned assets	33,293	38,299
Provision for bad debts	(44,721)	(12,191)
Operating lease rentals:		
Land and buildings	144,520	83,819
Loss \ (Profit) on foreign exchange transactions	16,384	(4,767)
Auditors' remuneration for the audit of the accounts	29,300	28,960
Remuneration receivable for audit related assurance services	<u>5,700</u>	<u>5,605</u>

Carroll London Markets Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

6. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2016	2015
	£	£
Bank interest	2,605	2,818
Net accrued interest	1,590	87
Dividends received from investments	-	2,019
Profit on disposals of investments	7,230	12,159
	<u>14,425</u>	<u>17,083</u>

7. EMPLOYEE BENEFIT EXPENSES

	2016	2015
	No.	No.
The average monthly number of persons (including directors) employed by the Company during the year was:		
Management and administration	<u>37</u>	<u>41</u>

	2016	2015
	£	£
Employee costs comprise :		
Wages and salaries	1,519,489	1,784,338
Social security costs	176,766	197,390
Other pension costs	119,718	137,135
	<u>1,815,973</u>	<u>2,118,863</u>

Directors' Remuneration

	2016	2015
	£	£
Remuneration received for qualifying services	187,170	251,487
Company pension contributions to money purchase scheme	46,783	56,140
	<u>233,953</u>	<u>307,627</u>

The Directors are deemed to be the key management for the purposes of accounts information disclosure. The number of directors for whom retirement benefits accrued under money purchase schemes during the year amounted to 3 (2015: 3) and the number of directors for whom retirement benefits accrued under defined benefit schemes during the year amounted to Nil (2015: Nil).

Carroll London Markets Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

7. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

Aggregate emoluments disclosed above include the following amounts paid to the highest paid director:

	2016	2015
	£	£
Emoluments for qualifying services	80,038	106,617
Company pension contributions to money purchase schemes	27,300	32,760

8. TAXATION

Domestic current year tax:

UK corporation tax

Payment/(Receipt) for Group relief

Current tax charge/(credit)

	2016	2015
	£	£
	27,168	1,522
	-	-
	27,168	1,522

Deferred tax:

Deferred tax charge/(credit) in current year (Note 10)

	8,058	15,054
	35,226	16,576

Factors affecting the tax charge for the year:

	2016	2015
	£	£
(Loss) / Profit on ordinary activities before taxation	(107,477)	9,854

(Loss) / Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 20 % (2015: 20%)

	(21,495)	1,971
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Effects of:

Non-deductible expenses

Depreciation less than capital allowances

Non-taxable expenses/(income)

Chargeable gains

Tax losses carried forward

Dividends & distributions received

Payment to/(from) Group Companies for Group relief

Current tax charge/(credit)

	5,615	4,961
	(9,615)	(3,951)
	-	2,162
	(33,334)	355
	(1,618)	(3,577)
	27,716	(399)
	-	-
	-	(449)
		1,522

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NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

8. TAXATION (CONTINUED)

If provisions were to be made for deferred taxation on the basis of the full potential liability, the tax charge for the year would increase by £nil (2015: £nil).

The Company has estimated carried forward trading losses of £2,112,917 (2015: £1,861,335) and capital losses of £10,689 (2015:£nil) which are available for offset in future years.

The Company has recognised a deferred tax asset in respect of its trading losses of £110,151 (2015: £110,151) as set out in note 10.

The FRS 102 S.29 "Income Tax" reconciliation above reconciles the actual tax charge in the financial statements to that computed on the Company's corporation tax returns as submitted to HM Revenue and Customs. The disclosed losses above are also those based on the Company's corporation tax returns.

9. TANGIBLE FIXED ASSETS

	<i>Computer equipment</i>	<i>Office furniture & equipment</i>	<i>Total</i>
	£	£	£
Cost			
1 July 2015	822,240	113,779	936,019
Additions	42,021	1,043	43,064
Disposals	(235,294)	(91,858)	(327,152)
30 June 2016	628,967	22,964	651,931
Depreciation			
1 July 2015	770,109	110,812	880,921
Charge in the year	31,192	2,101	33,293
Disposal	(208,695)	(90,275)	(298,970)
30 June 2016	592,606	22,638	615,244
Net book value			
30 June 2016	36,361	326	36,687
30 June 2015	52,131	2,967	55,098

Carroll London Markets Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

10. DEBTORS	2016	2015
	£	£
Trade debtors	7,252,807	5,837,604
Other debtors	277,841	497,776
Prepayments and accrued income	15,481	66,463
Amounts owed by parent and fellow subsidiary undertakings	88,927	-
Deferred tax asset	137,716	145,774
	<u>7,772,772</u>	<u>6,547,617</u>

Included within other debtors is an amount for £95,550 (2015: £185,428) due after more than one year and £nil (2015: £173,804) due from a related party. Trade debtors and trade creditors in the prior year were both netted down by £4,918,680 under the accounting policy of the prior Group. This has now been restated in line with the accounting policy of the current Group there being no profit and loss impact.

The benefit of the deferred tax asset will accrue to the Company after more than one year.

Deferred tax	2016	2015
	£	£
Balance at 1 July 2015	145,774	160,828
Profit and loss account	(8,058)	(15,054)
Balance at 30 June 2016	<u>137,716</u>	<u>145,774</u>

	2016	2015
	£	£
Accelerated capital allowances	27,565	28,481
Short term timing differences	-	7,142
Tax losses available	<u>110,151</u>	<u>110,151</u>
	<u>137,716</u>	<u>145,774</u>

The financial statements include a deferred tax asset of £137,716 (2015: £145,774), of which £110,151 (2015: £110,151) arises as a result of previous trading losses incurred by the Company.

In accordance with the requirements of FRS 102 S.29 'Income Tax', the Directors have considered the likely recovery of this deferred tax asset. The directors have reviewed future trading projections which have been prepared taking into account changes in the strategic direction of the business. The Directors expect future periods to be profitable and that this will be sustained.

Accordingly, the Directors have satisfied themselves that it is appropriate to recognise the above deferred tax asset.

Carroll London Markets Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

11. CURRENT ASSET INVESTMENTS

	Cost	Market Value
	£	£
At 1 July 2015	250,843	250,843
Amendment of comparative to market value	-	23,278
At 1 July 2015 (restated)	250,843	274,121
Additions	22,200	22,200
Disposals	(272,859)	(267,358)
Revaluation to market value	-	(16,053)
At 30 June 2016	184	12,910

The market value of listed investments at 30 June 2016 was £12,910. These assets are readily realisable being listed investments. This asset was included at cost in the prior year hence the adjustment above.

12. CASH AND CASH EQUIVALENTS

The Company is regulated by the Financial Conduct Authority ("FCA"). As required by the FCA, client monies are held in non-statutory trust client bank accounts. The use and governance of the balances held within these accounts are determined by trust deeds and by the FCA's client asset rules source book (CASS). The cash at bank and in hand as at 30 June 2016 includes £2,044,699 (2015: £1,601,251) of client monies held in non-statutory trust client bank accounts.

13. CREDITORS: AMOUNTS FALLING DUE IN LESS THAN ONE YEAR

	2016	2015
	£	£
Trade payables	9,160,975	7,074,570
Social security and other taxes	2,025	9,536
Other creditors	89,061	277,931
Accrued expenses and deferred income	234,517	247,496
	9,486,578	7,609,533

Trade payables in the prior accounts were netted down as explained in note 10. The Company has financial risk management policies in place to ensure all payables are paid within the agreed credit terms.

14. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

The Company repaid an unsecured subordinated loan in the sum of £138,500 from its former parent company in the prior period.

15. CALLED UP SHARE CAPITAL

	2016	2015
	£	£
Allotted, issued and fully paid:		
50,000,000 Ordinary Shares of 1p each	500,000	500,000

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Carroll London Markets Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

16. OTHER RESERVES

	<i>Profit and Loss account</i>
	£
1 July 2015	471,399
Retained loss after taxation for the year	(142,703)
30 June 2016	<u>328,696</u>

17. OPERATING LEASE ARRANGEMENTS

The Company had annual commitments under non-cancellable operating leases as follows:

	2016	2015
	£	£
Land and buildings		
Expiring in less than one year	-	153,128
Expiring in the second to fifth year	26,488	30,855
	<u>26,488</u>	<u>183,983</u>

18. POST EMPLOYMENT BENEFIT PLANS

Defined Benefit Pension Scheme

Up until 23rd March 2016, the Company operated a defined benefit pension scheme in the United Kingdom in the name of John Holman & Sons Limited and Associated and Subsidiary Companies Retirement Benefit Scheme ("the scheme"). The Company was the principal employer and contributions were made by this Company and Sheraton Systems Limited. The scheme closed to future accrual with effect from 31 May 2013.

Following legal, actuarial and financial advice, with effect from 23rd March 2016, the Company transferred principal employer status to Holdfield Group Limited who accepted the obligations of funding the scheme on behalf of this Company. This Company then withdrew from the scheme and ceased to be a sponsoring employer. Consequently no asset or liability falls to be disclosed in the Company's accounts after 23rd March 2016. Full details of the scheme and the FRS17 asset as at 30 June 2015 can be found in the accounts of this Company for the prior year.

Defined Contribution Scheme

The Company also operates a defined contribution pension plan for employees and makes regular contributions. The assets of the schemes are held separately from those of the Company in independently administered funds. The pension cost charge represents contributions payable by the Company to the funds and amounted to £109,683 (2015: £125,838). Contributions totaling £nil (2015: £nil) were payable to the fund at the balance sheet date.

Carroll London Markets Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

19. ULTIMATE PARENT UNDERTAKING AND RELATED PARTIES

The immediate parent of the Company is Carroll London Markets Holdings Limited, a company registered in England. Carroll London Markets Holdings Limited changed its name from John Holman & Sons (Holdings) Limited on 24th June 2016. As a wholly-owned subsidiary company details of group transactions and balances are not separately disclosed. Up until 22nd April 2016, the immediate parent company was wholly owned by Mr A M Holman-West.

The intermediate parent and Group consolidating company is Insurance Holdings Limited, a company registered in England. This company acquired John Holman & Sons (Holdings) Limited from Mr A M Holman-West on 22nd April 2016.

The ultimate parent undertaking and controlling party is PSC Insurance Group Ltd, a publicly quoted entity registered in Australia whose registered address is 3 Whitfield Street, Darwin, Northern Territory.

Related party transactions during the year were as follows :

Mr A M Holman-West; Included within other debtors is an amount due from a former director, Mr A M Holman-West, amounting to £ (2015: £Nil). The maximum amount due from Mr A M Holman-West during the year was £1,041 (2015: £1,226). The loan was given free of interest for both periods.

Mr G Beaumont; Included within other debtors is an amount due from a former director, Mr G Beaumont, amounting to £nil (2015: £1,487). The maximum amount due from Mr G Beaumont during the year was £2,227 (2015: £2,045). The interest free loan was a season ticket loan provided on the same terms as are available to all employees.

John Holman Holdings Limited; The Company re-charged administrative and accounting cost totaling £63,794 (2015: £207,323) to John Holman Holdings Limited, a company in which Mr A M Holman-West has an equity interest. There were no amounts due from the above entity at each respective year end.

Sheraton Systems Limited; The Company re-charged administrative and accounting cost totaling £152,262 (2015: £186,333) and rent of £65,061 (2015: £59,310) to Sheraton Systems Limited, a company in which Mr A M Holman-West has an equity interest. There were no amounts due from the above entity at each respective year end.

Holdfield Group Limited; The Company re-charged administrative and accounting cost totaling £7,344 (2015: £7,216) to Holdfield Group Limited, a company in which Mr A M Holman-West has an equity interest. There were no amounts due from the above entity at each respective year end.

The Directors are satisfied that there are no other material related party transactions requiring disclosure under Section 33 of FRS102.

20. TRANSITION TO FRS 102

These financial statements for the year ended 30 June 2016 are the Company's first financial statements that comply with the FRS 102. The Company's date of transition to FRS 102 is 1 July 2014. The Company's last financial statements prepared in accordance with the UK GAAP were for the year ended 30 June 2015.

There were no material differences between the equity and profit or loss presented under UK GAAP and the amounts presented under FRS 102 for the reporting period ended at 30 June 2015 (i.e. comparative information), or concerning the equity presented in the opening statement of financial position (i.e. at 1 July 2014).

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