

Company Registration No. 04201623 (England and Wales)

1 ANSWER INSURANCE SERVICES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018
PAGES FOR FILING WITH REGISTRAR

1 ANSWER INSURANCE SERVICES LIMITED

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1 ANSWER INSURANCE SERVICES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	3		-		62,500
Tangible assets	4		101,252		116,017
Investments	5		300		300
			<u>101,552</u>		<u>178,817</u>
Current assets					
Debtors	6	1,591,385		1,121,300	
Cash at bank and in hand		555,446		854,618	
		<u>2,146,831</u>		<u>1,975,918</u>	
Creditors: amounts falling due within one year	7	<u>(1,910,822)</u>		<u>(1,988,896)</u>	
Net current assets/(liabilities)			<u>236,009</u>		<u>(12,978)</u>
Total assets less current liabilities			<u>337,561</u>		<u>165,839</u>
Provisions for liabilities			<u>(12,806)</u>		<u>(14,515)</u>
Net assets			<u><u>324,755</u></u>		<u><u>151,324</u></u>
Capital and reserves					
Called up share capital	8		1,000		1,000
Profit and loss reserves			323,755		150,324
Total equity			<u><u>324,755</u></u>		<u><u>151,324</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

1 ANSWER INSURANCE SERVICES LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2018

The financial statements were approved by the board of directors and authorised for issue on 14 December 2018 and are signed on its behalf by:

Mr T D Cutts
Director

Company Registration No. 04201623

1 ANSWER INSURANCE SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 1 April 2016	1,000	242,119	243,119
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	87,637	87,637
Dividends	-	(179,432)	(179,432)
	<u>1,000</u>	<u>150,324</u>	<u>151,324</u>
Balance at 31 March 2017	1,000	150,324	151,324
Year ended 31 March 2018:			
Profit and total comprehensive income for the year	-	381,380	381,380
Dividends	-	(207,949)	(207,949)
	<u>1,000</u>	<u>323,755</u>	<u>324,755</u>
Balance at 31 March 2018	<u>1,000</u>	<u>323,755</u>	<u>324,755</u>

1 ANSWER INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

1 Answer Insurance Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit A1 Chaucer Business Park, Dittons Road, Polegate, BN26 6JF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1 ANSWER INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	10% straight line
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Computer equipment	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1 ANSWER INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 ANSWER INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies (Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end 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 asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1 ANSWER INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 113 (2017 - 109).

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2017 and 31 March 2018	250,000
Amortisation and impairment	
At 1 April 2017	187,500
Amortisation charged for the year	62,500
At 31 March 2018	250,000
Carrying amount	
At 31 March 2018	-
At 31 March 2017	62,500

4 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 April 2017	43,467	242,551	286,018
Additions	-	14,201	14,201
At 31 March 2018	43,467	256,752	300,219
Depreciation and impairment			
At 1 April 2017	11,728	158,272	170,000
Depreciation charged in the year	4,347	24,620	28,967
At 31 March 2018	16,075	182,892	198,967
Carrying amount			
At 31 March 2018	27,392	73,860	101,252
At 31 March 2017	31,738	84,279	116,017

1 ANSWER INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

5	Fixed asset investments	2018	2017
		£	£
	Shares in group undertakings and participating interests	300	300
		<u>300</u>	<u>300</u>

Fixed asset investments are valued at cost.

Movements in fixed asset investments

		Shares in group undertakings and participating interests
		£
Cost or valuation		
At 1 April 2017 & 31 March 2018		300
		<u>300</u>
Carrying amount		
At 31 March 2018		300
		<u>300</u>
At 31 March 2017		300
		<u>300</u>

6	Debtors	2018	2017
		£	£
	Amounts falling due within one year:		
	Trade debtors	50,692	5,127
	Corporation tax recoverable	47,804	-
	Other debtors	1,492,889	1,116,173
		<u>1,591,385</u>	<u>1,121,300</u>

7	Creditors: amounts falling due within one year	2018	2017
		£	£
	Bank loans and overdrafts	-	192,422
	Trade creditors	104,732	109,116
	Corporation tax	140,282	26,904
	Other taxation and social security	98,682	79,338
	Other creditors	1,567,126	1,581,116
		<u>1,910,822</u>	<u>1,988,896</u>

1 ANSWER INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8	Called up share capital	2018	2017
		£	£
	Ordinary share capital		
	Issued and fully paid		
	49,000 Ordinary A shares of 1p each	490	490
	26,000 Ordinary B shares of 1p each	260	260
	11,000 Ordinary C shares of 1p each	110	110
	10,000 Ordinary D shares of 1p each	100	100
	4,000 Ordinary E shares of 1p each	40	40
		<u>1,000</u>	<u>1,000</u>

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2018	2017
£	£
390,125	462,542

1 ANSWER INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

10 Related party transactions

During the year the company received amounts of £24,000 (2017 - £24,000) in respect of rent, £58,454 (2017 - £64,246) in respect of cost recharges and £48,000 (2017 - £86,000) in respect of consultancy charges from 1 Answer Network Limited, a company in which Mr P E Muir and Mr T D Cutts are both directors and shareholders. The company also paid amounts of £388,725 (2017 - £419,942) in respect of services provided and £22,438 (2017 - £16,296) in respect of recharged costs to 1 Answer Network Limited. At the balance sheet date an amount of £64,205 (2017 - £10,732 debtor) was owed to 1 Answer Network Limited.

During the year the company received £21,840 (2017 - £21,840) in respect of cost recharges from The Introducer Limited, a company in which Mr P E Muir and Mr T D Cutts are both directors and shareholders. The company also paid £27,341 (2017 - £27,341) in respect of cost recharges and £Nil (2017 - £1,000) in respect of rent to The Introducer Limited. At the balance sheet date an amount of £233,023 (2017 - £153,709) was owed from The Introducer Limited.

During the year an amount of £36,000 (2017 - £36,000) was paid to The Introducer Limited in respect of rent recharged.

An amount of £50,416 (2017 - £50,416) was owed from Paul Muir Limited, a company controlled by Mr P E Muir, at the balance sheet date.

During the year the company paid £9 (2017 - £37) in respect of cost recharges to Riviera Insurance Services Limited, a company in which Mr P E Muir and Mr T D Cutts were directors. The company also received £11,450 (2017 - £25,018) in respect of cost recharges from Riviera Insurance Services Limited. At the balance sheet date an amount of £845 (2017 - £4,719 creditor) was owed from Riviera Insurance Services Limited.

During the year the company received £9,000 (2017 - £Nil) in respect of consultancy charges and £270 (2017 - £Nil) in respect of cost recharges from All Broker Services Limited, a company in which Mr P E Muir and Mr T D Cutts are directors and shareholders. At the balance sheet date an amount of £173 (2017 - £Nil) was owed from All Broker Services Limited.

During the year the company recharged costs of £3,350 (2017 - £1,538) to All Sport Insurance Services Limited, a company in which Mr P E Muir and Mr T D Cutts were directors. At the balance sheet date an amount of £2,346 (2017 - £Nil) was owed from All Sport Insurance Services Limited.

1 ANSWER INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

11 Directors' transactions

Dividends totalling £207,949 (2017 - £179,432) were paid in the year in respect of shares held by the company's directors.

The directors received interest bearing loans during the year. The movement on these loans are as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Director 1	3.00	38,267	23,727	(16,276)	45,718
Director 2	3.00	116,446	50,955	(67,401)	100,000
		<u>154,713</u>	<u>74,682</u>	<u>(83,677)</u>	<u>145,718</u>

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.