

REGISTERED NUMBER: 01151611 (England and Wales)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

FOR

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED (REGISTERED NUMBER: 01151611)**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

DIRECTORS:

N S Walton
P W Field
W M Garnett
R Grainger
K Smith
P Kennedy
G Crisp

SECRETARY:

Miss K Smith

REGISTERED OFFICE:

17 Dominion Street
London
EC2M 2EF

REGISTERED NUMBER:

01151611 (England and Wales)

AUDITORS:

UHY Hacker Young (East) Limited
Chartered Accountants Registered Auditor
PO Box 501, The Nexus Building
Broadway
Letchworth Garden City
Hertfordshire
SG6 9BL

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED (REGISTERED NUMBER: 01151611)**

**BALANCE SHEET
30 SEPTEMBER 2019**

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Tangible assets	4		269,486		274,939
CURRENT ASSETS					
Debtors	5	6,274,954		5,251,679	
Cash at bank and in hand	6	<u>2,821,762</u>		<u>2,077,427</u>	
		9,096,716		7,329,106	
CREDITORS					
Amounts falling due within one year	7	<u>7,239,431</u>		<u>5,513,744</u>	
NET CURRENT ASSETS			<u>1,857,285</u>		<u>1,815,362</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,126,771		2,090,301
CREDITORS					
Amounts falling due after more than one year	8		(8,314)		(17,209)
PROVISIONS FOR LIABILITIES			<u>(36,069)</u>		<u>(36,069)</u>
NET ASSETS			<u>2,082,388</u>		<u>2,037,023</u>
CAPITAL AND RESERVES					
Called up share capital	11		100,000		100,000
Retained earnings			<u>1,982,388</u>		<u>1,937,023</u>
SHAREHOLDERS' FUNDS			<u>2,082,388</u>		<u>2,037,023</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 on 26 February 2020 and were signed on its behalf by:

N S Walton - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

1. STATUTORY INFORMATION

Centor Insurance & Risk Management 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 (£).

The financial statements have been rounded to the nearest £.

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.

The preparation of financial statements in conformity with FRS 102 requires management to exercise its judgement in the process of applying accounting policies. It also requires the use of certain critical accounting estimates and assumptions. 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 each relevant note.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover represents brokerage and fees earned during the year in respect of the placement and servicing of insurance risks.

Brokerage and fees are recognised as income on the date of issue of a debit note to the client. This always pre-dates or is on the inception date of the policy. Alterations in brokerage arising from return and additional premiums and adjustments are taken into account as and when these occur.

Tangible fixed assets

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

Land and buildings - over the life of the lease

Plant and machinery etc - over the life of 2.08 years to 10 years

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 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 statement, 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..

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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.

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 or deferred taxation assets and liabilities are not discounted.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. Rentals paid under operating leases are charged to the profit and loss on a straight line basis over the period of the lease.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 54 (2018 - 49) .

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 October 2018	150,284	630,006	780,290
Additions	5,500	79,026	84,526
Disposals	-	(1,566)	(1,566)
At 30 September 2019	<u>155,784</u>	<u>707,466</u>	<u>863,250</u>
DEPRECIATION			
At 1 October 2018	63,414	441,937	505,351
Charge for year	19,176	70,249	89,425
Eliminated on disposal	-	(1,012)	(1,012)
At 30 September 2019	<u>82,590</u>	<u>511,174</u>	<u>593,764</u>
NET BOOK VALUE			
At 30 September 2019	<u>73,194</u>	<u>196,292</u>	<u>269,486</u>
At 30 September 2018	<u>86,870</u>	<u>188,069</u>	<u>274,939</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

4. TANGIBLE FIXED ASSETS - continued

Included in the above is equipment held under finance leases:

		2019	2018
	£		
Cost		84,818	72,368
Accumulated depreciation		52,769	28,413

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	3,856,788	2,809,345
Amounts owed by group undertakings	1,935,576	1,834,032
Other debtors	482,590	608,302
	<u>6,274,954</u>	<u>5,251,679</u>

Included within other debtors are rent deposits amounting to £59,459, made up of £54,809 in respect of the lease of the premises at 17 Dominion Street, London and £4,650 in respect of the lease of the premises at The Old Grain Store, Much Hadham.

Included in debtors are amounts the company collects on behalf of insurers of £3,859,059 (2018: £2,808,946).

6. CASH AT BANK AND IN HAND

Cash at bank includes funds held for insurers and clients of £1,634,291 (2018: £1,225,848).

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Hire purchase contracts (see note 9)	19,338	20,454
Trade creditors	5,667,925	4,187,299
Amounts owed to group undertakings	632,248	571,792
Taxation and social security	223,217	374,089
Other creditors	696,703	360,110
	<u>7,239,431</u>	<u>5,513,744</u>

The hire purchase contracts are secured on the assets concerned.

Included in creditors are amounts due to insurers and clients of £5,493,350 (2018: £4,034,795).

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Hire purchase contracts (see note 9)	<u>8,314</u>	<u>17,209</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

9. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019	2018
	£	£
Net obligations repayable:		
Within one year	19,338	20,454
Between one and five years	<u>8,314</u>	<u>17,209</u>
	<u>27,652</u>	<u>37,663</u>
	Non-cancellable operating leases	
	2019	2018
	£	£
Within one year	127,695	121,630
Between one and five years	970,316	1,175,933
In more than five years	-	23,637
	<u>1,098,011</u>	<u>1,321,200</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Hire purchase contracts	<u>27,652</u>	<u>37,663</u>

The hire purchase contracts are secured on the assets concerned.

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

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

The Report of the Auditors was unqualified.

James Price BA (Hons) FCA CF (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young (East) Limited

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

13. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following loans (to)/from directors subsisted during the year ended 30 September 2019 and 2018:

	2019	2018
	£	£
Mr N Walton		
Balance outstanding at start of year	(373,458)	(370,942)
Balance outstanding at end of year	(278,317)	(373,458)
Maximum balance outstanding during year	<u>(588,327)</u>	<u>(750,765)</u>
Mr R Grainger		
Balance outstanding at start of year	(24,608)	(201)
Balance outstanding at end of year	(12,684)	(24,608)
Maximum balance outstanding during year	<u>(24,608)</u>	<u>(28,105)</u>

All loans are interest free and repayable on demand. These loans will be repaid within nine months of the year end.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

14. RELATED PARTY DISCLOSURES

The following loans from directors subsisted during the year ended 30 September 2019 and 2018:

	2019	2018
	£	£
Mr P Field		
Balance outstanding at start of year	46,990	80,010
Balance outstanding at end of year	48,984	46,990
Maximum balance outstanding during year	<u>98,202</u>	<u>86,271</u>
Miss K Smith		
Balance outstanding at start of year	15	490
Balance outstanding at end of year	-	15
Maximum balance outstanding during year	<u>15</u>	<u>1,050</u>

All loans are interest free and repayable on demand.

During the year, dividends totalling £787,674 (2018: £861,872) were paid to Centor Investments Limited.

At the balance sheet date there was an amount due from the company of £632,248 (2018: £571,792) to Centor Investments Limited.

At the balance sheet date there was an amount due to the company of £1,935,576 (2018: £1,834,032) from Revolutionary Services Limited.

The company has a bank overdraft secured by way of a cross guarantee and debenture by and between Centor Investments Limited, Revolutionary Services Limited and the company.

The ultimate parent company, Revolutionary Services Limited, has a bank loan secured by way of a personal guarantee from the director, N S Walton, limited to £500,000 supported by a legal charge over his investment property, and a cross guarantee and debenture by and between Centor Investments Limited, Revolutionary Services Limited and the company.

On 3 May 2013, Revolutionary Services Limited, the ultimate parent company, granted share options to Mr Grainger under an approved Employee Management Incentives scheme. The number of shares over which Mr Grainger will be able to exercise his options will vary based on group performance but cannot exceed 29,151 and the option price has been set at £5.64 per share. 9,722 of the share options were exercisable in whole or part on or after 1 January 2015. The option over a further 4,953 became exercisable in whole or part on or after 1 January 2019. On 17 July 2019, Mr R Grainger exercised part of this option and 4,083 shares at an exercise price of £5.64 were issued to him. The total share options exercised at the balance sheet date was 8,043. The total number of unexercised options as at 30 September 2019 were 7,856.

As at the balance sheet date, the company owed C Walton, the spouse of the director, N S Walton £300,000 (2018: £nil). Interest on this loan is charged at 6% per annum and the loan is repayable on demand.

15. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Centor Investments Limited, a company registered in England and Wales. Centor Investments Limited is a wholly owned subsidiary of Revolutionary Services Limited, a company registered in England and Wales.

16. ULTIMATE CONTROLLING PARTY

The company is under the control of N S Walton, the director and majority shareholder of Revolutionary Services Limited, its ultimate parent company.

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.