

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021
FOR
CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

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**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

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FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**'CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their strategic report for the year ended 30 September 2021.

REVIEW OF BUSINESS

Turnover decreased by 0.7% from £6,429,856 in 2020 to £6,385,839 in 2021. Profit before tax increased from £1,270,917 in 2020 to £1,274,377 in 2021.

	2021	2020
	£'000	£'000
Turnover	6,386	6,430
Operating profit	1,299	1,281
Operating profit as a % of turnover	20.3%	19.9%
EBITDA	1,373	1,370

The balance sheet on page 12 shows shareholder funds increase to £ 2,512,577 (2020: £ 2,330,133)

Operational Statistics	2021	2020
Headcount	52	56
Income per head (£'000)	123	114
Operating profit per staff member	24,985	22,879
Retention rate (%)	95	95

Principal activities

During the year, the principal activity of the Company was that of Insurance broking.

Covid-19

Robust Business Continuity Planning, a strong technological platform and the resilience and flexibility of our staff, enabled us to respond well to the challenges presented by Covid-19. Post year-end we have continued to trade strongly against the budget set. The needs of our staff and clients are at the heart of our response, we continue to be responsive to the ever-changing situation. Exercising financial prudence and a risk assessed approach in all that we do, we feel we are well prepared technically, operationally and financially to deal with the difficult social, market and economic challenges that may lay ahead.

Brexit

The impact on the company as a result of the UK leaving the European Union is minimal. The majority of our client's Insurance placements have not been effected by the change. We are no longer able to administer a very small number of policies and this has had almost no effect on our income.

Corporate governance and oversight

Our risk governance framework allocates responsibility for the management of various business and regulatory risks, which resides with the operational management of the Company.

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

PRINCIPAL RISKS AND UNCERTAINTIES

The directors, management executive and senior employees are responsible on an ongoing basis for identifying and evaluating significant business and regulatory risks within their areas of responsibility, for developing suitable controls and for taking mitigating action where appropriate. They report regularly to the board of Directors to enable them to review the potential impact of these risks.

Liquidity risk

The Company manages its cash and borrowing requirements to ensure the company has sufficient liquid resources to meet the operating needs of the business.

Regulatory risks


The Company has a robust regulatory compliance regime that regularly assesses the Company's compliance with regulatory requirements and reports to the Board of Directors on these matters.

The Company is authorised and regulated by the Financial Conduct Authority ("FCA")

Credit risk

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The exposure to individual customers is regularly reviewed by the management executive. Investments of cash, surpluses and borrowings are made through banks and companies which must fulfil credit rating criteria approved by the Board.

ON BEHALF OF THE BOARD:



.....
N S Walton - Director

Date: 16th December 2021

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

The directors present their report with the financial statements of the company for the year ended 30 September 2021.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of 8.452 per share.

The total distribution of dividends for the year ended 30 September 2021 will be £845,217.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2020 to the date of this report.

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.


**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

AUDITORS

The auditors, UHY Hacker Young (East) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
N S Walton - Director

Date: 16th December 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CENTOR INSURANCE & RISK MANAGEMENT LIMITED

Opinion

We have audited the financial statements of Centor Insurance & Risk Management Limited (the 'company') for the year ended 30 September 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CENTOR INSURANCE & RISK MANAGEMENT LIMITED

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to holding client monies, fraud in relation to revenue recognition and management having the ability to override controls.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Completion of the client money audit, including the verification of funds movements, which is reported to the Company's regulator, the FCA.
- Design and execution of income testing from source records.
- Review of journals, searching for erroneous postings or entries that are indicative of fraudulent activity.

Our audit procedures in relation to fraud included but were not limited to:

- Discussion within the engagement team the risks of fraud and the need to remain vigilant;
- Making enquiries of management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Corroborating the basis for material accounting estimates;
- Addressing the risks of fraud through management override of controls by performing substantive and analytical transaction testing; and
- Obtaining support and reasonable explanation for any manual journal postings.

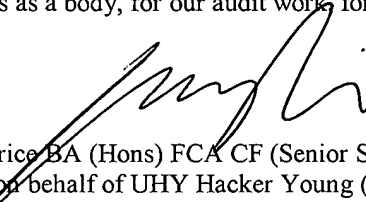
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.



James Price BA (Hons) FCA CF (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young (East) Limited
Chartered Accountants Registered Auditor
PO Box 501, The Nexus Building
Broadway
Letchworth Garden City
Hertfordshire
SG6 9BL

Date:7/1/22.....

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	2021 £	2020 £
TURNOVER	3	6,385,839	6,429,856
Cost of sales		<u>790,711</u>	<u>848,965</u>
GROSS PROFIT		5,595,128	5,580,891
Administrative expenses		<u>4,297,913</u>	<u>4,375,014</u>
		1,297,215	1,205,877
Other operating income		<u>1,999</u>	<u>75,357</u>
OPERATING PROFIT	5	1,299,214	1,281,234
Interest receivable and similar income		<u>218</u>	<u>9,377</u>
		1,299,432	1,290,611
Interest payable and similar expenses	6	<u>25,055</u>	<u>19,694</u>
PROFIT BEFORE TAXATION		1,274,377	1,270,917
Tax on profit	7	<u>246,716</u>	<u>251,470</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>1,027,661</u></u>	<u><u>1,019,447</u></u>

The notes form part of these financial statements

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		1,027,661	1,019,447
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>1,027,661</u></u>	<u><u>1,019,447</u></u>

The notes form part of these financial statements

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

**BALANCE SHEET
30 SEPTEMBER 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	9	159,650	209,451
CURRENT ASSETS			
Debtors	10	6,717,169	6,509,241
Cash at bank and in hand		<u>3,615,797</u>	<u>3,299,765</u>
		10,332,966	9,809,006
CREDITORS			
Amounts falling due within one year	11	<u>7,753,131</u>	<u>7,656,805</u>
NET CURRENT ASSETS		<u>2,579,835</u>	<u>2,152,201</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,739,485	2,361,652
CREDITORS			
Amounts falling due after more than one year	12	(204,167)	(2,891)
PROVISIONS FOR LIABILITIES	16	<u>(22,741)</u>	<u>(28,628)</u>
NET ASSETS		<u>2,512,577</u>	<u>2,330,133</u>
CAPITAL AND RESERVES			
Called up share capital	17	100,000	100,000
Retained earnings	18	<u>2,412,577</u>	<u>2,230,133</u>
SHAREHOLDERS' FUNDS		<u>2,512,577</u>	<u>2,330,133</u>

The financial statements were approved by the Board of Directors and authorised for issue on 16th December 2021 and were signed on its behalf by:

.....
N S Walton - Director

The notes form part of these financial statements

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 October 2019	100,000	1,982,388	2,082,388
Changes in equity			
Dividends	-	(771,702)	(771,702)
Total comprehensive income	-	<u>1,019,447</u>	<u>1,019,447</u>
Balance at 30 September 2020	<u>100,000</u>	<u>2,230,133</u>	<u>2,330,133</u>
Changes in equity			
Dividends	-	(845,217)	(845,217)
Total comprehensive income	-	<u>1,027,661</u>	<u>1,027,661</u>
Balance at 30 September 2021	<u><u>100,000</u></u>	<u><u>2,412,577</u></u>	<u><u>2,512,577</u></u>

The notes form part of these financial statements

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	1,321,694	1,597,414
Interest paid		(24,559)	(18,565)
Interest element of hire purchase payments paid		(496)	(1,129)
Tax paid		<u>(305,091)</u>	<u>(151,216)</u>
Net cash from operating activities		<u>991,548</u>	<u>1,426,504</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(24,093)	(28,250)
Sale of tangible fixed assets	1	-	-
Loan to group company		(114,704)	(104,353)
Interest received		<u>218</u>	<u>9,377</u>
Net cash from investing activities		<u>(138,578)</u>	<u>(123,226)</u>
Cash flows from financing activities			
New loans in year		254,358	15,895
Capital repayments in year		(5,740)	(19,022)
Amount introduced by directors		74,633	33,979
Amount withdrawn by directors		(14,972)	(84,425)
Equity dividends paid		<u>(845,217)</u>	<u>(771,702)</u>
Net cash from financing activities		<u>(536,938)</u>	<u>(825,275)</u>
Increase in cash and cash equivalents		<u>316,032</u>	<u>478,003</u>
Cash and cash equivalents at beginning of year	2	<u>3,299,765</u>	<u>2,821,762</u>
Cash and cash equivalents at end of year	2	<u><u>3,615,797</u></u>	<u><u>3,299,765</u></u>

The notes form part of these financial statements

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021 £	2020 £
Profit before taxation	1,274,377	1,270,917
Depreciation charges	73,730	88,285
Loss on disposal of fixed assets	163	-
Finance costs	25,055	19,694
Finance income	(218)	(9,377)
	<u>1,373,107</u>	<u>1,369,519</u>
Increase in trade and other debtors	(78,252)	(59,519)
Increase in trade and other creditors	<u>26,839</u>	<u>287,414</u>
Cash generated from operations	<u><u>1,321,694</u></u>	<u><u>1,597,414</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 September 2021

	30.9.21 £	1.10.20 £
Cash and cash equivalents	<u><u>3,615,797</u></u>	<u><u>3,299,765</u></u>

Year ended 30 September 2020

	30.9.20 £	1.10.19 £
Cash and cash equivalents	<u><u>3,299,765</u></u>	<u><u>2,821,762</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.20 £	Cash flow £	At 30.9.21 £
Net cash			
Cash at bank and in hand	<u>3,299,765</u>	<u>316,032</u>	<u>3,615,797</u>
	<u>3,299,765</u>	<u>316,032</u>	<u>3,615,797</u>
Debt			
Finance leases	(8,630)	5,740	(2,890)
Debts falling due within 1 year	-	(45,833)	(45,833)
Debts falling due after 1 year	-	(204,167)	(204,167)
	<u>(8,630)</u>	<u>(244,260)</u>	<u>(252,890)</u>
Total	<u><u>3,291,135</u></u>	<u><u>71,772</u></u>	<u><u>3,362,907</u></u>

The notes form part of these financial statements

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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" 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

The directors have reviewed the business for the impact of COVID-19 to determine the basis on which the accounts should be prepared. The company's clients have been significantly affected by COVID-19, lockdowns and social distancing measures put in place by the Government. Although the COVID pandemic has had an impact on the company's income, the company has reduced its costs. The company has also taken advantage of some of the relevant government schemes along with obtaining a CIBLs loan. This has placed the company in a strong financial position allowing the company to have 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 2021**

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.

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2021	2020
	£	£
Commissions receivable	6,167,992	6,238,422
Rendering of services	<u>217,847</u>	<u>191,434</u>
	<u>6,385,839</u>	<u>6,429,856</u>

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 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.

Income relates to the company's principal activity which is carried out in the United Kingdom.

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

4. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	2,650,970	2,725,609
Social security costs	331,425	344,045
Other pension costs	<u>127,134</u>	<u>131,619</u>
	<u>3,109,529</u>	<u>3,201,273</u>

The average number of employees during the year was as follows:

	2021	2020
Sales	35	38
Administration	<u>17</u>	<u>18</u>
	<u>52</u>	<u>56</u>

The pensions paid during the year were paid into a defined contribution pension scheme.

	2021	2020
	£	£
Directors' remuneration	655,243	630,008
Directors' pension contributions to money purchase schemes	<u>14,913</u>	<u>14,738</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2021	2020
Money purchase schemes	<u>2</u>	<u>2</u>

Information regarding the highest paid director is as follows:

	2021	2020
	£	£
Emoluments etc	<u>168,344</u>	<u>181,255</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2021	2020
	£	£
Depreciation - owned assets	73,730	88,285
Loss on disposal of fixed assets	163	-
Auditors' remuneration	17,100	16,500
Foreign exchange differences	<u>2,099</u>	<u>951</u>

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank interest	-	266
Other interest paid	23,754	18,299
Corporation tax interest	805	-
Hire purchase	496	1,129
	<u>25,055</u>	<u>19,694</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	252,603	258,911
Deferred tax	(5,887)	(7,441)
Tax on profit	<u>246,716</u>	<u>251,470</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021	2020
	£	£
Profit before tax	<u>1,274,377</u>	<u>1,270,917</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	242,132	241,474
Effects of:		
Expenses not deductible for tax purposes	25,187	30,493
Income not taxable for tax purposes	(12,490)	(9,994)
Capital allowances in excess of depreciation	(5,887)	(7,441)
Adjustments to tax charge in respect of previous periods	(32)	122
Group relief	(2,194)	(3,184)
Total tax charge	<u>246,716</u>	<u>251,470</u>

8. DIVIDENDS

	2021	2020
	£	£
Ordinary shares of £1 each		
Final	<u>845,217</u>	<u>771,702</u>

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

9. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Totals £
COST			
At 1 October 2020	155,784	735,716	891,500
Additions	-	24,093	24,093
Disposals	-	(78,252)	(78,252)
At 30 September 2021	<u>155,784</u>	<u>681,557</u>	<u>837,341</u>
DEPRECIATION			
At 1 October 2020	102,054	579,995	682,049
Charge for year	19,464	54,266	73,730
Eliminated on disposal	-	(78,088)	(78,088)
At 30 September 2021	<u>121,518</u>	<u>556,173</u>	<u>677,691</u>
NET BOOK VALUE			
At 30 September 2021	<u>34,266</u>	<u>125,384</u>	<u>159,650</u>
At 30 September 2020	<u>53,730</u>	<u>155,721</u>	<u>209,451</u>

Included in the above is equipment held under finance leases:

	2021	2020
	£	£
Cost	14,016	23,238
Accumulated depreciation	10,892	13,648

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	3,965,672	3,912,627
Amounts owed by group undertakings	2,154,633	2,039,929
Other debtors	61,963	64,690
Directors' current accounts	376,388	361,416
Prepayments	<u>158,513</u>	<u>130,579</u>
	<u>6,717,169</u>	<u>6,509,241</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 £3,965,327 (2020: £3,911,754).

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 13)	45,833	-
Hire purchase contracts (see note 14)	2,890	5,739
Trade creditors	6,152,699	6,073,276
Amounts owed to group undertakings	652,501	648,143
Tax	141,921	194,409
Social security and other taxes	116,668	131,940
Other creditors	37,685	50,375
Other loans	300,000	300,000
Directors' current accounts	143,586	68,953
Accrued expenses	159,348	183,970
	<u>7,753,131</u>	<u>7,656,805</u>

The hire purchase contracts are secured on the assets concerned.

Included in creditors are amounts due to insurers and clients of £6,051,743 (2020: £5,898,528).

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

	2021	2020
	£	£
Bank loans (see note 13)	204,167	-
Hire purchase contracts (see note 14)	-	2,891
	<u>204,167</u>	<u>2,891</u>

13. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>45,833</u>	<u>-</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>50,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>154,167</u>	<u>-</u>

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

14. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	2,890	5,739
Between one and five years	-	2,891
	<u>2,890</u>	<u>8,630</u>

	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	314,444	336,062
Between one and five years	<u>319,811</u>	<u>634,255</u>
	<u>634,255</u>	<u>970,317</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Hire purchase contracts	<u>2,890</u>	<u>8,630</u>

The hire purchase contracts are secured on the assets concerned.

16. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax	<u>22,741</u>	<u>28,628</u>
		Deferred tax
		£
Balance at 1 October 2020		28,628
Movement		<u>(5,887)</u>
Balance at 30 September 2021		<u>22,741</u>

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1	2021	2020
Number:	Class:		£	£
100,000	Ordinary		<u>100,000</u>	<u>100,000</u>

18. RESERVES

	Retained earnings £
At 1 October 2020	2,230,133
Profit for the year	1,027,661
Dividends	<u>(845,217)</u>
At 30 September 2021	<u>2,412,577</u>

19. 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. Revolutionary Services Limited is controlled by the director, N S Walton.

20. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following loans (to)/from directors subsisted during the year ended 30 September 2021 and 2020:

	2021 £	2020 £
Mr N Walton		
Balance outstanding at start of year	(361,415)	(278,317)
Balance outstanding at end of year	(376,389)	(361,415)
Maximum balance outstanding during year	<u>(747,883)</u>	<u>(757,072)</u>

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

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

21. RELATED PARTY DISCLOSURES

The following loans from/(to) directors subsisted during the year ended 30 September 2021 and 2020:

	2021 £	2020 £
Mr P Field		
Balance outstanding at start of year	50,536	48,984
Balance outstanding at end of year	93,260	50,536
Maximum balance outstanding during year	<u>132,972</u>	<u>96,896</u>
Mr R Grainger		
Balance outstanding at start of year	18,417	(12,684)
Balance outstanding at end of year	50,326	18,417
Maximum balance outstanding during year	<u>68,979</u>	<u>33,622</u>

All loans are interest free and repayable on demand.

During the year, dividends totalling £845,217 (2020: £771,702) were paid to Centor Investments Limited.

At the balance sheet date there was an amount due from the company of £652,501 (2020: £648,143) to Centor Investments Limited.

At the balance sheet date there was an amount due to the company of £2,154,633 (2020: £2,039,929) 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. Annually every 1st January, further options have become exercisable in whole or part, with a total of 7,422 further options becoming exercisable in whole or part from 1 January 2016 to 1 January 2021 inclusive.

On 29 July 2021, Mr R Grainger exercised part of this option and 1,245 shares at an exercise price of £5.64 were issued to him. The total share options exercised at the balance sheet date was 10,512. The total number of unexercised options as at 30 September 2021 were 6,632.

As at the balance sheet date, the company owed C Walton, the spouse of the director, N S Walton £300,000 (2020: £300,000). Interest on this loan is charged at 6% per annum and the loan is repayable on demand.

22. 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.

**CENTOR INSURANCE & RISK MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

23. 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.