

Financial and Credit Insurance Services Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 April 2020

Financial and Credit Insurance Services Limited

(Registration number: 02494622)
Balance Sheet as at 30 April 2020

	Note	2020	2019
		£	£
Fixed assets			
Tangible assets	4	970	4,160
Current assets			
Debtors	5	103,628	123,392
Cash at bank and in hand		215,882	191,839
		319,510	315,231
Creditors: Amounts falling due within one year	6	(110,604)	(123,661)
Net current assets		208,906	191,570
Net assets		209,876	195,730
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		208,876	194,730
Total equity		209,876	195,730

For the financial year ending 30 April 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 2 September 2020 and signed on its behalf by:

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R A Letheren
Director

Financial and Credit Insurance Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

80 Granville Road
Sevenoaks
Kent
TN13 1HA

These financial statements were authorised for issue by the Board on 2 September 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

This is the first year in which the financial statements have been prepared under Financial Reporting Standard FRS 102 Section 1A. Refer to note 10 for an explanation of the transition.

Revenue recognition

Turnover comprises net brokerage, commission income and fees receivable for services provided. Net brokerage and commission income is recognised when the policy placement has been completed and confirmed.

Where there is an expectation of future servicing requirements, an element of income is deferred to cover the associated contractual post placement obligations.

Government grants

Grants are accounted for under the accruals model as permitted by FRS 102. Revenue grants are recognised in the period in which the related cost was incurred and presented as part of other income.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date.

Financial and Credit Insurance Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2020 (continued)

2 Accounting policies (continued)

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets less their estimated residual value over their expected useful economic lives, as follows:

Asset class	Depreciation method and rate
Improvements to property	Over the term of the lease
Furniture and fittings	20% straight line
Archive storage	10% straight line
Computer equipment	20% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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Notes to the Unaudited Financial Statements for the Year Ended 30 April 2020 (continued)

2 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

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 reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

The company operates various defined contribution pension schemes. A separate self administered scheme, the FCIS Pension Fund, is also maintained for one director.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 7 (2019 - 7).

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Notes to the Unaudited Financial Statements for the Year Ended 30 April 2020 (continued)

4 Tangible assets

	Improvements to property £	Furniture and fittings £	Archive storage £	Computer equipment £	Total £
Cost or valuation					
At 1 May 2019	6,192	27,221	4,075	35,835	73,323
Disposals	-	-	-	(1,894)	(1,894)
At 30 April 2020	6,192	27,221	4,075	33,941	71,429
Depreciation					
At 1 May 2019	6,192	25,509	4,075	33,387	69,163
Charge for the year	-	1,712	-	1,099	2,811
Eliminated on disposal	-	-	-	(1,515)	(1,515)
At 30 April 2020	6,192	27,221	4,075	32,971	70,459
Carrying amount					
At 30 April 2020	-	-	-	970	970
At 30 April 2019	-	1,712	-	2,448	4,160

5 Debtors

	2020 £	2019 £
Trade debtors	78,040	100,471
Prepayments	19,025	22,300
Other debtors	6,563	621
	<u>103,628</u>	<u>123,392</u>

Financial and Credit Insurance Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2020 (continued)

6 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>7</u>	45,876	34,791
Trade creditors		16,161	14,935
Taxation and social security		14,969	32,609
Accruals and deferred income		32,298	39,116
Other creditors		1,300	2,210
		<u>110,604</u>	<u>123,661</u>

7 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank overdrafts	<u>45,876</u>	<u>34,791</u>

8 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet concerning pensions is £11,350 (2019 - £10,200).

9 Non adjusting events after the financial period

Since the beginning of 2020, the world economy has been significantly affected by the Coronavirus pandemic. From the company's perspective, this has created the need for different working practices both with staff and clients. To date the company has not seen any financial impact to its business.

Financial and Credit Insurance Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2020 (continued)

10 Transition to FRS 102

The financial information for the year ended 30 April 2020 has been prepared in accordance with Financial Reporting Standard 102 (FRS 102) Section 1A for the first time. The company's transition date to FRS 102 was 1 May 2018. The rules relating to the transition are set out in section 35 to the standard. The transitional rules require that the new financial reporting standard be adopted for the comparative period, that is the year to 30 April 2019, and therefore commences with the opening balance sheet as at 1 May 2018. The comparative figures have therefore been presented on the basis that FRS 102 Section 1A had been adopted for that period.

FRS 102 requires deferred tax to be recognised in respect of all timing differences at the reporting date. Under its previous financial reporting framework, Financial and Credit Insurance Services Ltd was not required to recognise deferred tax. FRS 102 also requires all short-term employee benefits to be recognised that are expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service. This includes paid annual leave that has accrued but not been taken at the reporting date.

The effect of these requirements is not considered material to the financial statements and as such there are no reported changes on transition to either the company's equity at 1 May 2018 and 30 April 2019 or its profit so determined in its most recent annual financial statements. Consequently no reconciliation of these figures is required.

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.