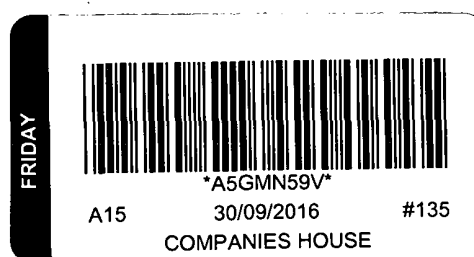


Registered number: 2890075

## **ABLE INSURANCE SERVICES LIMITED**

**Annual report and financial statements**

**for the year ended 31 December 2015**



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**ABLE INSURANCE SERVICES LIMITED**

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**Company Information**

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<b>DIRECTORS</b>	C M Price S D Clarke M Gabriel
<b>COMPANY SECRETARY</b>	M R Waters
<b>REGISTERED NUMBER</b>	2890075
<b>REGISTERED OFFICE</b>	Ellipse Ground Floor Padley Road Swansea SA1 8AN
<b>INDEPENDENT AUDITOR</b>	KPMG LLP 3 Assembly Square Britannia Quay Cardiff CF10 4AX

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**ABLE INSURANCE SERVICES LIMITED**

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## **ABLE INSURANCE SERVICES LIMITED**

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### **Strategic report for the year ended 31 December 2015**

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#### **INTRODUCTION**

The Company, which trades under the names of Gladiators and Admiral Van, is an insurance broker, primarily offering van insurance but also other products to individuals and small businesses.

#### **BUSINESS REVIEW**

The Company has been impacted by operational changes in 2015 which, together with a very competitive environment, has resulted in a reduction in turnover of 6% to £15.7m (2014: £16.6m). During the year the Company focused on growing the policy base and customer numbers increased from 143,900 to 146,600 at the end of 2015.

Profit before tax for 2015 was £468,301 (2014: £994,986).

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

Management expects the level of competition within the market to remain high and is confident that the Company will develop appropriate strategies to respond to this competitive environment.

This report was approved by the board on 25 May 2016 and signed on its behalf.



**M R Waters**  
Secretary

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**ABLE INSURANCE SERVICES LIMITED**

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**Directors' report  
for the year ended 31 December 2015**

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The Directors present their report and the financial statements for the year ended 31 December 2015.

**RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £371,374 (2014 - £794,708).

**DIRECTORS**

The Directors who served during the year were:

C M Price  
S D Clarke  
M Gabriel

**DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**POST BALANCE SHEET EVENTS**

There have been no significant events affecting the Company since the year end.

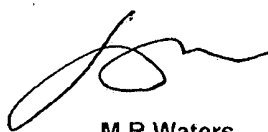
**AUDITORS**

In March 2015, Admiral Group's Audit Committee initiated a tender process in respect of audit services. The tender process involved inviting appropriately qualified audit firms to tender for the audit services for Admiral, including all statutory and regulatory audit work and the audits of Admiral's international businesses, from the 2016 financial year. A short-list of potential audit firms were invited to meet key members of management and the Audit Committee, before submitting a detailed proposal document and presenting to the Audit Committee.

The Audit Committee set specific selection criteria against which each audit firm was measured with the aim of appointing an external auditor to provide efficient and effective support, and independent advice to the Committee to ensure shareholders can be confident that the information provided to them is accurate, true and fair, and balanced and understandable.

In August 2015, the Audit Committee recommended to the Group Board, and the Board approved, the proposed appointment of Deloitte as auditor to the Company and its subsidiaries. Deloitte LLP will replace KPMG LLP with effect from the 2016 financial year. The appointment was approved by shareholders at the Admiral Group Annual General Meeting in April 2016.

This report was approved by the board on 25 May 2016 and signed on its behalf.



**M R Waters**  
Secretary

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**ABLE INSURANCE SERVICES LIMITED**

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**Directors' responsibilities statement  
for the year ended 31 December 2015**

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The Directors are responsible for preparing the Strategic report, the Directors' report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under Company law the Directors must not approve the financial statements unless 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

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## ABLE INSURANCE SERVICES LIMITED

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### Independent auditor's report to the shareholders of Able Insurance Services Limited

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We have audited the financial statements of Able Insurance Services Limited for the year ended 31 December 2015, set out on pages 5 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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

#### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 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.


#### OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

#### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Salim Tharani (Senior Statutory Auditor)**  
For and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
3 Assembly Square, Britannia Quay,  
Cardiff, CF10 4AX

27 May 2016

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**ABLE INSURANCE SERVICES LIMITED**

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**Statement of comprehensive income  
for the year ended 31 December 2015**

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	Note	2015 £	2014 £
Turnover		15,671,688	16,607,015
Administrative expenses		(15,267,619)	(15,641,220)
Operating profit		404,069	965,795
Interest receivable and similar income	5	64,232	29,191
Profit before tax		468,301	994,986
Tax on profit	6	(96,927)	(200,278)
Profit for the year		371,374	794,708
Total comprehensive income for the year		371,374	794,708



**ABLE INSURANCE SERVICES LIMITED**  
Registered number: 2890075

**Statement of financial position  
as at 31 December 2015**

	Note	2015 £	2014 £
Intangible assets	7	124,653	191,809
Tangible assets	8	40,205	79,300
Investments	9	-	1
		<u>164,858</u>	<u>271,110</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	16,028,399	17,540,936
Cash at bank and in hand	11	5,205,066	10,024,679
		<u>21,233,465</u>	<u>27,565,615</u>
Creditors: amounts falling due within one year	12	(10,497,578)	(17,465,214)
<b>Net current assets</b>		<u>10,735,887</u>	<u>10,100,401</u>
<b>Net assets</b>		<u><u>10,900,745</u></u>	<u><u>10,371,511</u></u>
<b>Capital and reserves</b>			
Called up share capital	14	1,000	1,000
Other reserves	15	361,968	204,108
Profit and loss account		10,537,777	10,166,403
		<u><u>10,900,745</u></u>	<u><u>10,371,511</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 May 2016.



**S D Clarke**  
Director

The notes on pages 9 to 24 form part of these financial statements.

**ABLE INSURANCE SERVICES LIMITED**

**Statement of changes in equity  
as at 31 December 2015**

	Share capital £	Other reserves £	Retained earnings £	Total equity £
At 1 January 2015	1,000	204,108	10,166,403	10,371,511
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	371,374	371,374
<b>Other comprehensive income for the year</b>				
	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	371,374	371,374
<b>Contributions by and distributions to owners</b>				
Deferred tax credit on share scheme charges	-	157,860	-	157,860
<b>Total transactions with owners</b>	-	157,860	-	157,860
<b>At 31 December 2015</b>	<b>1,000</b>	<b>361,968</b>	<b>10,537,777</b>	<b>10,900,745</b>

**ABLE INSURANCE SERVICES LIMITED**

**Statement of changes in equity  
as at 31 December 2014**

	Share capital £	Other reserves £	Retained earnings £	Total equity £
At 1 January 2014	1,000	88,802	9,371,695	9,461,497
<b>Comprehensive Income for the year</b>				
Profit for the year	-	-	794,708	794,708
<b>Other comprehensive income for the year</b>				
	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	794,708	794,708
<b>Contributions by and distributions to owners</b>				
Deferred tax credit on share scheme charges	-	115,306	-	115,306
<b>Total transactions with owners</b>	-	115,306	-	115,306
<b>At 31 December 2014</b>	<b>1,000</b>	<b>204,108</b>	<b>10,166,403</b>	<b>10,371,511</b>

The notes on pages 9 to 24 form part of these financial statements.

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## ABLE INSURANCE SERVICES LIMITED

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### Notes to the financial statements for the year ended 31 December 2015

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements of Able Insurance Services Limited for the year ended 31 December 2015 were authorised for issue by the board of directors on 25 May 2016 and the statement of financial position was signed on the board's behalf by Christopher Price, Director. Able Insurance Services Limited is a limited company incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The Company has transitioned to FRS 101 from previously extant UK Generally Accepted Accounting Practice for all periods presented. The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

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## ABLE INSURANCE SERVICES LIMITED

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### Notes to the financial statements for the year ended 31 December 2015

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.2 Financial reporting standard 101 - reduced disclosure exemptions

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position, financial performance and cash flows of the Company is provided in note 18.

The Company's parent undertaking, Admiral Group plc includes the Company in its consolidated financial statements. The consolidated financial statements of Admiral Group plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the Company Secretary at the registered office – Ty Admiral, David Street, Cardiff, CF10 2EH.

This change in the basis of preparation has not materially altered the recognition and measurement requirements previously applied in accordance with UK GAAP. Consequently the principal accounting policies are unchanged from the prior year. The change in basis of preparation has enabled the Company to take advantage of some of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below. There have been no other material amendments to the disclosure requirements previously applied in accordance with UK GAAP.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- FRS 101.8 (g): the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements to produce a cash flow statement, a third balance sheet and to make an explicit and unreserved statement of compliance with IFRSs
- FRS 101.8 (h): the requirements of IAS 7 Statements of Cash Flows to produce a cash flow statement
- FRS 101.8 (i): the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to include a list of new IFRSs that have been issued but that have yet to be applied
- FRS 101.8 (k): the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to transaction is wholly owned by such a member
- FRS 101.8 (l): the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets to disclose details of valuation techniques and assumptions used for assets held at fair value less cost to sell categorised as Level 2 and Level 3 in accordance with the IFRS 13 fair value hierarchy (where equivalent disclosures are made in the group's consolidated financial statements)

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 balance sheet at 1 January 2014 for the purposes of the transition to FRS 101.

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## ABLE INSURANCE SERVICES LIMITED

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### Notes to the financial statements for the year ended 31 December 2015

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.3 Going concern

The financial statements have been prepared on a going concern basis. In considering the appropriateness of this assumption, the Board have reviewed the Company's projections for the next twelve months and beyond, including cash flow forecasts and regulatory capital surpluses. The Company has no debt.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

##### 1.4 Revenue

Turnover comprises the commission and related income on sales of small commercial vehicle insurance and ancillary products within the United Kingdom. Commission income is credited to the profit and loss account upon sale of the related underlying policy. Instalment income is credited to the profit and loss account over the period of the related underlying policy.

##### 1.5 Intangible assets

Software licences are classified as intangible assets, and stated in the balance sheet at cost less accumulated amortisation. Amortisation is provided to write off the cost of the licence over the licence term.

##### 1.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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## ABLE INSURANCE SERVICES LIMITED

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### Notes to the financial statements for the year ended 31 December 2015

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#### 1. ACCOUNTING POLICIES (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

The estimated useful lives range as follows:

Leasehold improvements	-	4	years
Fixtures and fittings	-	4	years
Office equipment	-	4	years
Computer equipment	-	4	years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

##### 1.7 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

Lease incentives received are recognised in the profit and loss account as an integral part of the total lease expense.

##### 1.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 1.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 1.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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## ABLE INSURANCE SERVICES LIMITED

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### Notes to the financial statements for the year ended 31 December 2015

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.11 Share based payments

Able Insurance Services Limited's ultimate parent undertaking, Admiral Group Plc, operates a number of equity settled compensation schemes for its employees. For schemes commencing 1 January 2004 and after, the fair value of the employee services received in exchange for the grant of free shares under the schemes is recognised as an expense, with a corresponding increase in equity.

The total charge expensed over the vesting period is determined by reference to the fair value of the free shares granted as determined at the grant date (excluding the impact of non-market vesting conditions). Non-market conditions such as profitability targets as well as staff attrition rates are included in assumptions over the number of free shares to vest under the applicable scheme. At each balance sheet date, the Group revises its assumptions on the number of shares to be granted with the impact of any change in the assumptions recognised through income.

Admiral Group Plc recharges the share scheme expenses to Able Insurance Services Limited, as Able Insurance Services Limited has received the benefit of the employees services.

##### 1.12 Interest income

Interest income is recognised in the Income statement using the effective interest method.

##### 1.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.



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ABLE INSURANCE SERVICES LIMITED

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Notes to the financial statements  
for the year ended 31 December 2015

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2. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	69,496	112,493
Amortisation of intangible assets, including goodwill	67,156	61,298
Operating lease rentals	<u>351,236</u>	<u>217,685</u>

During the year, no Director received any emoluments (2014 - £NIL).

3. AUDITORS' REMUNERATION

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company:

	2015 £	2014 £
Fees for the audit of the Company	15,000	11,927
	<u>15,000</u>	<u>11,927</u>

4. EMPLOYEES

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	5,584,799	4,870,312
Social security costs	430,883	356,791
Share scheme costs	1,254,821	1,064,235
	<u>7,270,503</u>	<u>6,291,338</u>

Directors are remunerated by another group company, EUI Limited. In the current and prior year, the Company did not make any payments to EUI Limited in respect of directors' services.

The average monthly number of employees, including the Directors, during the year was as follows:

	2015 No.	2014 No.
Support staff	<u>257</u>	<u>217</u>

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ABLE INSURANCE SERVICES LIMITED

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Notes to the financial statements  
for the year ended 31 December 2015

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5. INTEREST RECEIVABLE

	2015 £	2014 £
Bank and other interest receivable	64,232	29,191
	<u>64,232</u>	<u>29,191</u>

6. TAXATION

	2015 £	2014 £
<b>Corporation tax</b>		
Current tax on profits for the year	25,077	132,312
Adjustments in respect of previous periods	(5,689)	(9,482)
<b>Total current tax</b>	<u>19,388</u>	<u>122,830</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	77,539	77,915
Adjustments in respect of previous periods	-	(467)
<b>Total deferred tax</b>	<u>77,539</u>	<u>77,448</u>
<b>Taxation on profit on ordinary activities</b>	<u>96,927</u>	<u>200,278</u>

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ABLE INSURANCE SERVICES LIMITED

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Notes to the financial statements  
for the year ended 31 December 2015

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6. TAXATION (continued)

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.50%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	468,301	994,986
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.50%)	94,831	213,922
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,036	2,150
Adjustments to tax charge in respect of prior periods	(5,687)	(9,950)
Difference in tax rate on deferred tax	4,747	(5,844)
Total tax charge for the year	96,927	200,278

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

The UK corporation tax rate reduced from 21% to 20% on 1 April 2015. The average effective rate of tax for 2015 is 20.25% (2014: 21.50%). Further reductions to the main rate of corporation tax to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the Company's future current tax charge accordingly.

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ABLE INSURANCE SERVICES LIMITED

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Notes to the financial statements  
for the year ended 31 December 2015

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7. INTANGIBLE ASSETS

	Software £
<b>Cost</b>	
At 1 January 2015	714,589
<b>At 31 December 2015</b>	<u>714,589</u>
<b>Amortisation</b>	
At 1 January 2015	522,780
Charge for the year	67,156
<b>At 31 December 2015</b>	<u>589,936</u>
<b>Net book value</b>	
At 31 December 2015	124,653
At 31 December 2014	<u>191,809</u>

ABLE INSURANCE SERVICES LIMITED

Notes to the financial statements  
for the year ended 31 December 2015

8. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 January 2015	197,614	277,053	127,034	997,024	1,598,725
Additions	10,824	19,577	-	-	30,401
<b>At 31 December 2015</b>	<b>208,438</b>	<b>296,630</b>	<b>127,034</b>	<b>997,024</b>	<b>1,629,126</b>
<b>Depreciation</b>					
At 1 January 2015	196,078	262,954	110,437	949,956	1,519,425
Charge for the year	3,058	11,210	14,558	40,670	69,496
<b>At 31 December 2015</b>	<b>199,136</b>	<b>274,164</b>	<b>124,995</b>	<b>990,626</b>	<b>1,588,921</b>
<b>At 31 December 2015</b>	<b>9,302</b>	<b>22,466</b>	<b>2,039</b>	<b>6,398</b>	<b>40,205</b>
<i>At 31 December 2014</i>	<i>1,536</i>	<i>14,099</i>	<i>16,597</i>	<i>47,068</i>	<i>79,300</i>

9. INVESTMENTS

	Other fixed asset investments £
At 1 January 2015	1
Amounts written off	(1)
<b>At 31 December 2015</b>	<b>-</b>
<b>At 31 December 2015</b>	<b>-</b>
<i>At 31 December 2014</i>	<i>1</i>

**ABLE INSURANCE SERVICES LIMITED**

**Notes to the financial statements  
for the year ended 31 December 2015**

**10. DEBTORS**

	2015 £	2014 £
Trade debtors	15,555,487	16,790,855
Other debtors	260,060	680,827
Prepayments and accrued income	109,033	45,756
Deferred taxation	103,819	23,498
	<u>16,028,399</u>	<u>17,540,936</u>

**11. CASH AND CASH EQUIVALENTS**

	2015 £	2014 £
Cash at bank and in hand	5,205,066	10,024,679
	<u>5,205,066</u>	<u>10,024,679</u>

**12. CREDITORS: Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	4,039,760	4,441,517
Amounts owed to group undertakings	1,679,299	8,867,852
Corporation tax	25,077	132,311
Other creditors	3,214,649	2,439,586
Accruals and deferred income	1,538,793	1,583,948
	<u>10,497,578</u>	<u>17,465,214</u>

Included within other creditors is a indemnity claim provision balance for which a settlement amount has not been agreed at the date of signing. Given the size of this provision in the context of the Company's operating profit, a settlement amount that is significantly different from the amount provided may have a material impact on the operating profit and net asset position of the Company. No separate disclosure has been made of the provision as it is considered that this would seriously prejudice the position of the Company in the resolution of the case.

**ABLE INSURANCE SERVICES LIMITED**

**Notes to the financial statements  
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**13. DEFERRED TAXATION**

	Deferred tax £
At 1 January 2015	23,498
Charged to the profit or loss	(77,539)
Charged to other reserves	157,860
<b>At 31 December 2015</b>	<b>103,819</b>

The deferred tax asset is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	48,611	45,702
Share schemes	53,208	(24,204)
Other timing differences	2,000	2,000
	<u>103,819</u>	<u>23,498</u>

**14. SHARE CAPITAL**

	2015 £	2014 £
Authorised, allotted, called up and fully paid 1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

**15. RESERVES**

**Other reserves**

Other reserves relate to deferred tax credits on share schemes. See the statement of changes in equity.

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**16. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2015 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
Not later than 1 year	320,386	320,386
Later than 1 year and not later than 5 years	1,073,041	1,181,825
Later than 5 years	846,406	1,058,007
<b>Total</b>	<b>2,239,833</b>	<b>2,560,218</b>

**17. CONTROLLING PARTY**

The Company's immediate and ultimate parent undertaking is Admiral Group plc, a Company registered in England & Wales. The consolidated accounts of Admiral Group plc are the only accounts in which the results of the Company are included. Copies of the Admiral Group plc financial statements can be obtained from the Company Secretary, at Ty Admiral, David Street, Cathays, Cardiff, CF10 2EH.



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ABLE INSURANCE SERVICES LIMITED

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Notes to the financial statements  
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**18. FIRST TIME ADOPTION OF FRS 101**

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 101.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 2015, the comparative information presented in these financial statements for the year ended 2014 and in the preparation of an opening FRS 101 balance sheet at 2014 (the Company's date of transition).

In preparing its FRS 101 balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to FRS 101 has affected the Company's financial position and financial performance is set out in the following tables and the notes that accompany the tables.

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Notes to the financial statements  
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18. FIRST TIME ADOPTION OF FRS 101 (continued)

	Note	As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	FRS 101 (as restated) 1 January 2014 £	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 101 (as restated) 31 December 2014 £
Fixed assets	1	228,901	-	228,901	271,110	-	271,110
Current assets	2	20,761,898	(97,389)	20,664,509	27,555,910	9,705	27,565,615
Creditors: amounts falling due within one year		(11,431,913)	-	(11,431,913)	(17,465,214)	-	(17,465,214)
<b>Net assets</b>		<u>9,558,886</u>	<u>(97,389)</u>	<u>9,461,497</u>	<u>10,361,806</u>	<u>9,705</u>	<u>10,371,511</u>
Capital and reserves	2	<u>9,558,886</u>	<u>(97,389)</u>	<u>9,461,497</u>	<u>10,361,806</u>	<u>9,705</u>	<u>10,371,511</u>
<b>Shareholder's funds</b>		<u>9,558,886</u>	<u>(97,389)</u>	<u>9,461,497</u>	<u>10,361,806</u>	<u>9,705</u>	<u>10,371,511</u>

ABLE INSURANCE SERVICES LIMITED

Notes to the financial statements  
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18. FIRST TIME ADOPTION OF FRS 101 (continued)

		As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 101 (as restated) 31 December 2014 £
Turnover		16,607,015	-	16,607,015
Administrative expenses		(15,641,220)	-	(15,641,220)
Operating profit		965,795	-	965,795
Interest receivable and similar income		29,191	-	29,191
Taxation	2	(192,066)	(8,212)	(200,278)
Profit on ordinary activities after taxation and for the financial year		802,920	(8,212)	794,708

Explanation of changes to previously reported profit and equity:

- 1 As the Company's software assets are not considered integral to computer hardware there has been a change in the classification of these assets from tangible to intangible assets under FRS 101. As at 31 December 2014 these assets had a remaining net book value of £191,809 and there has been no change in the valuation of these assets as a result of the change in categorisation. As a result, the total value of fixed assets on the balance sheet is unchanged from that under previous UK GAAP.
- 2 As a result of conversion to FRS 101 there has been a change in the accounting for deferred tax on share schemes. This has the effect of increasing the 2014 deferred tax asset by £9,705, with £194,404 of this movement going through the income statement tax charge and £204,108 being a deferred tax credit on share schemes in reserves.