

**Abraxas Insurance Administration Services Limited**

**Report and Financial Statements**

For the year ended 31 December 2016



## **Abraxas Insurance Administration Services Limited**

**Registered No: 02928787**

### **Directors**

Nigel Howard-Jones

Javier San Basilio

Jair Marrugo Rojas

Rafael Senen Garcia

Pablo Alvert Sanz

Asucion Carrasco Reija

David Parrondo Muriel

Alvaro Guitart Martin

(Resigned 1 January 2016)

(Resigned 2 March 2016)

(Resigned 20 June 2016)

(Appointed 30 September 2016, resigned 31 December 2016)

(Appointed 31 December 2016)

### **Secretary**

Quayseco Limited

One Glass Wharf

Bristol

BS2 0ZX

(Resigned 1 February 2016)

Richard Michael Thompson

One Victoria Street

Bristol Bridge

Bristol

BS1 6AA

(Appointed 1 February 2016, resigned 1 November 2016)

Caroline Louise Peattie

One Victoria Street

Bristol Bridge

Bristol

BS1 6AA

(Appointed 1 November 2016)

### **Auditors**

KPMG LLP

66 Queen Square

Bristol

BS1 4BE

### **Bankers**

The Royal Bank of Scotland

Bristol Clifton Branch

50-52a Whiteladies Road

Clifton

Bristol

BS8 2NH

### **Registered Office**

One Victoria Street

Bristol Bridge

Bristol

BS1 6AA

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## Strategic report

### Principal activities and review of the business

The principal activity of Abraxas Insurance Administration Services Limited (the Company) during the year was that of the sale of motor insurance products. The Company acts as a Third Party Administrator of Insurance (TPA) for Mapfre Asistencia Compañía Internacional De Seguros y Reaseguros (Mapfre Asistencia S.A.).

During the year the Company provided claims handling services in respect of motor guarantee products sold by dealership networks.

The products distributed are GAP insurance, vehicle warranty insurance, MOT insurance, tyre & wheel insurance, mishap insurance, income protection insurance and cosmetic repair insurance.

Acting as a TPA, the Company collects premiums from clients and customers and handles claims on behalf of the insurance company under delegated authority.

The principal business indicator employed has been the volume of policies sold during the year by type. Policies sold during the year were 188,424 (2015: 220,223) representing a decrease of 14.44% on the prior year. Income has decreased in line with this at 14.7% because we ceased trading with a loss making partners. The business was replaced at the end of 2016 with three major new partners, PSA, GMAC and RCI, that are expected to generate circa 100,000 policy sales in total in 2017.

Guarantee policies sold by the dealer during the year were 12,373 (2015: 4,470).

Despite market conditions remaining very competitive with limited opportunities to raise prices, the Company retained its position as one of the market leaders in the GAP insurance market within the UK.

### Future developments

The Company seeks to maintain and grow its existing market share. In order to achieve this goal the Company will diversify its product range by enlarging the current product portfolio within the current business lines, whilst increasing customer satisfaction. During the year the Company successfully bid and won contracts with large car manufacturers (Peugeot, Citroen, Renault and Vauxhall) which became live at the beginning of 2017. The financial results of these acquisitions will come to fruition in 2017 and subsequent years.

### Principal risks and uncertainties

In the view of the Directors, the Company is subject to the following principal risks:

#### 1. Credit risk

Credit risk is the risk of loss due to counterparties failing to meet all or part of their financial obligations in a timely fashion. The principal credit risk arises from exposure to counterparties through contracts and bank deposits. The Directors are satisfied there are adequate procedures in place to mitigate counterparty default. Any credit risk associated with debtor balances from group entities or other receivables are mitigated through support agreements from the ultimate parent undertaking to its subsidiaries.

#### 2. Competitive risk

The Company is reliant on certain major contracts, which are subject to periodic competitive tender. Renewal of these contracts is uncertain and based on financial and performance criteria as well as market conditions. To mitigate this the Company develops close partnerships with clients which includes employing staff exclusively dedicated to those clients, as well as providing systems, training and support which give the Company competitive advantages.

#### 3. Regulatory risk

The Company is subject to United Kingdom regulatory requirements. These requirements are subject to revision and any new regulatory requirements may have a material impact as failure to comply with regulatory requirements could materially affect the Company's reputation and financial position. The Company operates an effective compliance department to mitigate regulatory risks.

#### 4. Business risk

As mentioned above, the Company income is drawn from only one insurer, its parent company Mapfre Asistencia S.A. The risks associated with using one underwriter are limited by way of the relationship between Mapfre Asistencia S.A. and the Company being a 100% owned subsidiary. Underwriting agreements between the two parties further mitigate any risk. On this basis the Directors consider that the business risk is being managed such that income is likely to be maintained.

#### 5. Liquidity risk

Cash for policy sales is received directly from the customer into the Company's bank account. The income element relating to the Company is retained and the balance is transferred to the insurer, Mapfre Asistencia S.A. This results in minimal liquidity risk to the Company.

Jair Marrugo Rojas  
Director

29 September 2017

## **Directors' report**

The Directors present their report and financial statements for the year ended 31 December 2016.

### **Results and dividends**

The profit for the year after taxation was £212,560 (2015: £275,560).

No dividends were paid during either the current or prior year.

### **Directors**

The Directors who held office during the year are set out on page 2.

### **Employees**

Details of the number of employees and related costs can be found in note 6 to the financial statements.

### **Environment**

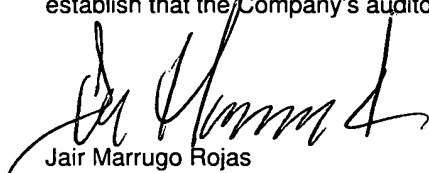
Mapfre Asistencia S.A., the Company's ultimate parent undertaking, recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The Company operates in accordance with group policies, which are described in the group's Annual Report which does not form part of this report. Initiatives designed to minimise the Company's impact on the environment include the safe disposal of waste, recycling and energy consumption.

### **Going concern**

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future (being 12 months from the date of this report). Accordingly, they adopt the going concern basis in preparing the annual report and accounts.

### **Disclosure of information to the auditors**

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the Company's auditor is unaware. Having made enquiries of fellow Directors, each Director has taken all the steps that he might reasonably be expected to take as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.



Jair Marrugo Rojas  
Director

27 September 2017

## **Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements**

The Directors are responsible for preparing the Strategic Report, Director's report and the financial statements in accordance with applicable UK 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 Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101 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 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;
- state whether applicable Financial Reporting 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.

## **Independent Auditor's Report**

**to the members of Abraxas Insurance Administration Services Limited**

We have audited the financial statements of Abraxas Insurance Administration Services Limited ("the company") for the year ended 31 December 2016 which comprise Profit and Loss Account, the Balance Sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101 and applicable law). 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on Page 6, 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. A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

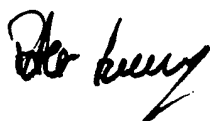
In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements. Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- In our opinion the information given in the strategic report and the directors' report for the financial year is consistent with the financial statements; and
- In our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **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.



*Peter Lomax (Senior Statutory Auditor)*

*for and on behalf of KPMG LLP, Statutory Auditor*

Date: 27 September 2017

**Abraxas Insurance Administration Services Limited**  
**Registered No: 02928787**  
**Annual Report and Financial Statements**

**Profit and Loss Account and Other Comprehensive Income**  
**For the year ended 31 December 2016**

		<i>Year ended 31 December 2016</i>	<i>Year ended 31 December 2015</i>
	<i>Note</i>	<i>£</i>	<i>£</i>
<b>Turnover</b>	2	3,675,240	4,281,658
Cost of sales		(319,505)	(228,023)
<b>Gross profit</b>		<u>3,355,735</u>	<u>4,053,635</u>
Administrative expenses		(3,079,144)	(3,681,857)
<b>Operating profit</b>	3	<u>276,591</u>	<u>371,778</u>
Interest receivable	4	1,040	2,114
Interest payable	5	(42,996)	(25,246)
<b>Profit on ordinary activities before taxation</b>		<u>234,635</u>	<u>348,646</u>
Tax on profit on ordinary activities	7	(22,075)	(73,086)
<b>Profit for the financial year</b>	13	<u>212,560</u>	<u>275,560</u>
Other comprehensive income for the year, net of income tax		-	-
<b>Total comprehensive income for the year</b>		<u>212,560</u>	<u>275,560</u>

The notes on pages 11 to 16 form part of these financial statements.



**Abraxas Insurance Administration Services Limited**

Registered No: 02928787

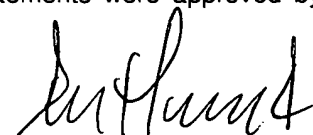
**Annual Report and Financial Statements****Balance Sheet  
as at 31 December 2016**

		Year ended 31 December 2016 £	Year ended 31 December 2015 £
	Notes		
<b>Fixed assets</b>			
Tangible assets	8	14,350	41,060
		<u>14,350</u>	<u>41,060</u>
<b>Current assets</b>			
Debtors	9	6,245,217	7,279,317
Cash at bank and in hand		158,665	37,485
		<u>6,403,882</u>	<u>7,316,802</u>
<b>Creditors:</b> amounts falling due within one year	10	(4,188,123)	(5,340,313)
<b>Net current assets</b>		<u>2,215,759</u>	<u>1,976,489</u>
<b>Total Assets less Current Liabilities</b>		<u>2,230,109</u>	<u>2,017,549</u>
<b>Capital and reserves</b>			
Called up share capital	12	2	2
Profit and loss account	13	2,230,107	2,017,547
<b>Shareholder's funds</b>	13	<u>2,230,109</u>	<u>2,017,549</u>

The notes on pages 11 to 16 form part of these financial statements.

The financial statements were approved by the Directors on 27 September 2017 and are signed on their behalf by:

Jair Marrugo Rojas  
Director:



**Abraxas Insurance Administration Services Limited****Registered No: 02928787****Annual Report and Financial Statements****Statement of Changes in Equity  
as at 31 December 2016**

	Called up share capital £	Profit and loss account £	Total equity £
Balance as 1 January 2015	2	1,741,987	1,741,989
Profit and loss	-	275,560	275,560
Balance at 31 December 2015	<u>2</u>	<u>2,017,547</u>	<u>2,017,549</u>
Profit and loss	-	212,560	212,560
Balance at 31 December 2016	<u><u>2</u></u>	<u><u>2,230,107</u></u>	<u><u>2,230,109</u></u>

The notes on pages 11 to 16 form part of these financial statements.

**Notes to the financial statements**  
**For the year ended 31 December 2016**

**1 Principal Accounting Policies**

Abraxas Insurance Administration Services Limited (the Company) is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). 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.

**Basis of Preparation**

The Company's ultimate parent undertaking, Mapfre Asistencia S.A, includes the Company in its consolidated financial statements. The consolidated financial statements of Mapfre Asistencia S.A are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Carr. de Pozuelo, 52, Edificio 1 Anexo, 28222 Majadahonda, Madrid, Spain.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the reclassification of items in the financial statements;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of Mapfre Asistencia S.A include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Disclosures required by IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flows of discontinued operations;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

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 IFRS balance sheet at 1 January 2014 for the purposes of the transition to FRS 101.

**Measurement convention**

The financial statements are prepared on the historical cost basis.

**Employee benefits**

**Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

**Turnover**

Turnover represents net commission income on insurance policies sold during the year and administration fees for guarantee products. Part of the turnover relating to insurance policies is deferred in line with the length of the insurance. Where the Company is contracted to perform further services in respect of these policies an appropriate proportion of income is deferred and included in creditors.

**Expenses**

**Operating lease payments**

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit and loss account as an integral part of the total lease expense.

**Interest Receivable and Interest Payable**

Interest income and interest payable are recognised in profit and loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed

IT equipment	4 years
Software development	3 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

**Notes to the financial statements**  
**For the year ended 31 December 2016**

**1 Principal Accounting Policies (continued)**

**Impairment excluding deferred tax assets**

Financial assets (including trade and other debtors).

The financial assets, are reviewed at the reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

**Going Concern**

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.

**Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

**2 Turnover**

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Motor Insurance Products	3,675,240	4,281,658
Total turnover	<u>3,675,240</u>	<u>4,281,658</u>
	Year ended 31 December 2016 £	Year ended 31 December 2015 £
By activity:		
Net commission income	3,513,165	4,278,070
Administration fee income	162,075	3,588
	<u>3,675,240</u>	<u>4,281,658</u>
By geographical market:		
UK	3,675,240	4,281,658
	<u>3,675,240</u>	<u>4,281,658</u>

**Notes to the financial statements**  
**For the year ended 31 December 2016**

**3 Operating profit**

This is stated after charging:

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Depreciation of owned fixed assets	26,775	28,504
Loss on disposal of fixed assets	65	-
Operating lease - land & buildings	-	35,698
Operating lease - vehicles	11,308	17,090
Audit of these financial statements	83,411	72,632
Audit of financial statements of the parent of the company	8,249	8,249

**4 Interest receivable**

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Bank interest receivable	1,040	2,114

**5 Interest payable**

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Interest payable and similar charges	42,996	25,246

**6 Staff costs and numbers**

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Wages and salaries	1,672,220	2,204,840
Social security costs	188,279	196,666
Pension costs	73,102	72,007
Other staff costs	10,285	12,411
	<u>1,943,886</u>	<u>2,485,924</u>

The Directors' remuneration for the year of £52,138 (2015: £306,205) was paid to the UK based Directors.

The Directors based in Spain are also Directors of the holding company. They are remunerated directly by the holding company and no allocation is made to the UK subsidiaries, as their contribution to those subsidiaries is not significant in the context of their overall services to the group.

There is 1 non-executive Director with remuneration for the year of £10,000 (2015: £20,000). This relates to services provided to the Company.

The average number of staff employed by the Company during the financial year was:

	Year ended 31 December 2016 No.	Year ended 31 December 2015 No.
Managerial	5	12
Administration	78	106
Total	<u>83</u>	<u>118</u>

**Notes to the financial statements**  
**For the year ended 31 December 2016**

**7 Taxation**

**(a) Recognised in the profit and loss account**

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
<b>UK Corporation Tax</b>		
Adjustment in respect of prior years	23,089	18,153
Group relief claimed from fellow group companies	51,931	74,766
<b>Total Current Tax</b>	<b>75,020</b>	<b>92,919</b>
<b>Deferred tax (See note 11)</b>		
Current year	(17,800)	(4,098)
Adjustment in respect of previous periods	(44,765)	(16,905)
Effect of changes in tax rates	9,620	1,170
<b>Total deferred tax</b>	<b>(52,945)</b>	<b>(19,833)</b>
<b>Tax charge for the year</b>	<b>22,075</b>	<b>73,086</b>

**(b) Reconciliation of effective tax rate**

The tax charge for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below.

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Profit on ordinary activities before tax	234,635	348,646
Tax on profit at standard UK tax rate of 20.00% (2015: 20.25%)	46,927	70,601
Effect of:		
Expenses not deductible for tax purposes	1,029	67
Rate change adjustment	9,618	1,170
Current tax prior year adjustment	-	18,153
Deferred tax prior year adjustment	-	(16,905)
Adjustments in respect of prior years	(21,676)	-
Income not taxable	(13,823)	-
<b>Total tax charge</b>	<b>22,075</b>	<b>73,086</b>

**(c) Factors affecting the tax charge in the future**

The Company has a deferred tax asset of £74,210 (2015: £21,264).

The Company profits are taxable in the UK under the standard rate of corporation tax being 20%(2015 20.25%) for the year ended 31 December 2016. A reduction in the corporation tax to 20% from 1 April 2015 was enacted during 2013 with further reductions to 19% (from 1 April 2017) and 17% from (1 April 2020) enacted by 31 December 2016. The closing recognised deferred tax liability and recognised deferred tax assets reflect the enacted future changes in the corporation tax rate.

**Notes to the financial statements**  
**For the year ended 31 December 2016**

**8 Tangible fixed assets**

	IT Equipment £	Software Development £	TOTAL £
<b>Cost:</b>			
At 1 <sup>st</sup> January 2016	26,017	82,352	108,369
Additions in 2016	-	-	-
Disposals in 2016	(619)	(82,352)	(82,971)
<b>At 31<sup>st</sup> December 2016</b>	<b>25,398</b>	<b>-</b>	<b>25,398</b>
<b>Accumulated Depreciation and Impairment</b>			
At 1 <sup>st</sup> January 2016	1,226	66,083	67,309
Charge for the Period	10,506	16,269	26,775
Disposals in 2016	(684)	(82,352)	(83,036)
<b>At 31<sup>st</sup> December 2016</b>	<b>11,048</b>	<b>-</b>	<b>11,048</b>
<b>Net Book Value</b>			
<b>At 31<sup>st</sup> December 2016</b>	<b>14,350</b>	<b>-</b>	<b>14,350</b>
<i>At 31<sup>st</sup> December 2015</i>	<i>24,791</i>	<i>16,269</i>	<i>41,060</i>

**9 Debtors**

	31 December 2016 £	31 December 2015 £
Trade debtors	5,483,092	6,886,724
Amounts owed by group undertakings	646,312	320,871
Amounts owed by parent undertakings	-	-
Prepayments and accrued income	24,041	50,112
Other debtors	17,562	343
Deferred tax asset (note 11)	74,210	21,267
	<b>6,245,217</b>	<b>7,279,317</b>

Trade receivables, which generally have 30 days terms, are recognised and carried at the lower of their original invoices value and recoverable amount.

Loans to group and parent undertakings are unsecured, interest free and have no defined repayment date.

**10 Creditors: amounts falling due within one year**

	31 December 2016 £	31 December 2015 £
Trade creditors	2,818,590	3,766,047
Accruals and deferred income	601,115	646,347
Amounts owed to group undertakings	585,559	806,377
PAYE & National Insurance	58,650	75,969
Other creditors	116,664	38,772
VAT creditor	7,545	6,801
	<b>4,188,123</b>	<b>5,340,313</b>

Trade payables, which generally have 30 days terms, are recognised and carried at the lower of their original invoices value and recoverable amount.

**Notes to the financial statements**  
**For the year ended 31 December 2016**

**11 Deferred tax assets**

	31 December 2016 £	31 December 2015 £
The deferred tax included in the balance sheet is as follows:		
Included in debtors (note 9)	74,210	21,267
Accelerated capital allowances	-	17,388
Unpaid pension contribution	-	3,879
Provision at start of period	21,267	-
Adjustment in respect of prior years	44,765	-
Deferred tax charge to I/S for the period	8,178	-
Provision for deferred tax	74,210	21,267

**12 Share capital**

	31 December 2016 No	31 December 2015 No
<i>Allotted, called up and fully paid:</i>		
Ordinary shares of £1 each	2	2

**13 Reconciliation of shareholder's funds and movements on reserves**

	Called up share capital £	Profit and loss account £	Shareholder's funds £
Balance as at 1 January 2015	2	1,741,987	1,741,989
Profit for the year	-	275,560	275,560
Balance as at 1 January 2016	2	2,017,547	2,017,549
Profit for the year	-	212,560	212,560
Balance at 31 December 2016	2	2,230,107	2,230,109

**14 Related party transactions**

The Company has taken advantage of the exemption given by FRS 101 in respect of the following disclosures:

- Disclosures in respect of transactions with wholly owned subsidiaries ;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

**15 Parent undertaking and controlling party**

Abraxas Insurance Administration Services Limited is a wholly owned subsidiary of Mapfre Abraxas Software Limited, a company incorporated in England and Wales. Mapfre Abraxas Software Limited is a wholly owned subsidiary of Mapfre Asistencia S.A., a company incorporated in Spain. Mapfre Asistencia S.A. is a wholly owned subsidiary of Mapfre S.A., a company incorporated in Spain. The ultimate controlling party as at 31 December 2015 was Fundación Mapfre. The financial statements of Fundación Mapfre are available from 23 Paseo de Recoletos, 28004, Madrid, Spain.

**16 Financial commitments**

The Company was committed to making the following payments under non-cancellable operating leases in the next year.

	2016 Other £	2016 Motor Vehicles £	2016 Total £
Operating leases which expire:			
Within one year	-	119,448	119,448
In the second to fifth years	-	105,154	105,154
At 31 <sup>st</sup> December 2016	-	224,602	224,602
	2015 Other £	2015 Motor Vehicles £	2015 Total £
Operating leases which expire:			
Within one year	6,306	16,172	22,478
In the second to fifth years	10,736	322,395	333,131
At 31 <sup>st</sup> December 2015	17,042	338,567	355,609