

**REGISTERED NUMBER: 03139744 (England and Wales)**

**HOOD GROUP LIMITED**  
**Group Strategic Report,**  
**Report of the Directors and**  
**Consolidated Financial Statements**  
**For The Year Ended 31st December 2018**

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**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

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For The Year Ended 31st December 2018**

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**HOOD GROUP LIMITED**  
**Company Information**  
**For The Year Ended 31st December 2018**

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**DIRECTORS:**

E J Cater  
S A Hood  
B C Reid  
J M Wallis  
P R Firkins  
S M Milbourne  
M Hunter  
A C Homer

**SECRETARY:**

M Hunter

**REGISTERED OFFICE:**

Maitland House  
Warrior Square  
Southend-on-Sea  
Essex  
SS1 2JY

**REGISTERED NUMBER:**

03139744 (England and Wales)

**AUDITORS:**

Wilkins Kennedy Audit Services  
Statutory Auditor  
2nd Floor  
Regis House  
45 King William Street  
London  
EC4R 9AN

**BANKERS:**

Lloyds Bank Plc  
77 High Street  
Southend on Sea  
Essex  
SS1 1HT

**Group Strategic Report  
For The Year Ended 31st December 2018**

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The directors present their strategic report of the company and the group for the year ended 31st December 2018.

**REVIEW OF BUSINESS**

Following a reorganisation in 2015, much of the group's trading (previously carried out by various subsidiary companies) is now carried out by the parent company, Hood Group Limited. This company together with the following group companies continue to trade:

- Hood Group Administration Limited (formerly known as Plus One Services Limited) provides insurance services to external and internal clients acting as an Authorised Representative under the client's FCA registration.
- Hood Travel Limited continues to be responsible for the introduction and management of client and underwriter relationships, to generate travel policy sales in the affinity and partnership sectors, to support the travel insurance products provided by Hood Group Limited.

All trading companies within the group operate in the insurance sector.

The remaining four subsidiary companies are dormant and did not trade during the year under review.

Gross Written Premium handled by the Group increased by 19.7% and Turnover by 5.5% for the year.

During 2018 our travel insurance business has continued on its growth path boosting the amount of gross written premium handled by 311% and turnover by 161%.

The group's residential property insurance business demonstrated third party administration services for affinities and insurers continuing to show strong growth, assisted by the first full year of a new account secured at the end of the previous year. The account performed strongly and our strong service provision was recognised. A significant investment programme in insurance innovation initiatives continued from 2017 into 2018 which the Directors believe will enhance the company's reputation and profile in a competitive and increasingly technology driven market.

Once again, Hood Group strengthened its insurer panel with the introduction of two new insurers during the year and highlights the attraction of the company's Travel and Residential insurance products.

Continued investment in IT, innovation and telecoms solutions has contributed to a drop in profitability but it has positioned the business strongly to take advantage of future new business opportunities in 2019. The business reported a loss before tax for the financial year of £414,000 (2017: profit £101,316).

The Directors are confident that the group is well positioned to show healthy growth in the coming year and beyond.

**FUTURE DEVELOPMENTS**

Hood Group has secured two material new contracts at the end of 2018, including increasing its provision of third party administration services to insurers in a new niche market for the company. Current activity suggests that there are opportunities to increase our market share through new affinities as well as innovative utilisation of data and analytics which we believe will allow us to demonstrate new product differentiation in the market place. The directors believe that this, together with continued effective management of renewals, aggregator and direct sales channels will continue to improve customer journey and, ultimately, improve our margins.

**Group Strategic Report  
For The Year Ended 31st December 2018**

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**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board is responsible for identifying and managing the internal and external risks to which the company is exposed. The company maintains a risk register which assists in this process, is regularly updated, recording controls and actions necessary to mitigate these risks.

The principal risks and uncertainties identified by the Board are outlined below:-

**Key Employee Retention**

Retaining key personnel within the business, preserving existing and developing new client relationships are all vitally important to the company's future development and success. Effective succession and career planning at all levels of the organisation are regularly undertaken together with remuneration benchmarking to assist with maintaining good staff retention levels.

**Market Risk**

Despite improvements, market conditions within the insurance sector remain challenging. As a result, clients are faced with increased competition and lower premiums. In order to support our clients in meeting these challenges and remaining competitive, we continue to develop cost effective solutions to assist them in improving their revenues whilst controlling their policy servicing costs.

The continued focus on household spending will undoubtedly encourage many policyholders to seek cheaper insurance cover. The threat of raised cancellation rates therefore remains and could impact on our volumes and revenues. Gaining new business can help to mitigate this possibility together with differentiating our customer proposition by adding value to the customer, which in turn will lead to greater policy tenure.

In addition, there is a possibility that any insurer may withdraw from Residential Property or Travel insurance markets. Hood Group maintains relationships with a panel of insurers and is entirely independent of these. In the event of this occurrence, and using its established relationships with insurers, it would seek to swiftly negotiate the appointment of a replacement insurer or insurers.

**Financial Risk**

The Board analyses and reviews monthly financial performance against budgets and forecasts to ensure compliance with capital adequacy requirements and sufficient liquidity to fund current and future projects. It maintains a framework of authorisation and other internal controls to assist with ensuring that company assets are safeguarded.

**Technology Risk**

The company has a disaster recovery plan covering operational continuity, technological platform availability, security and data integrity and other aspects. Agreed third party supplier service level agreements are in place and suitability regularly reviewed.

**Competition risk**

The actions of some of our competitors, who use aggressive pricing to secure volume in the short term, continues to present challenges as we seek to win new business and retain existing business. Investing in innovative ideas and initiatives will demonstrate how Hood Group's solutions based approach continues to evolve and present our clients with the best possible ways to increase their own sales volumes.

The increasing tendency of consumers to use price comparison websites to purchase their insurance products continues to present both challenges and opportunities to existing and new business revenue streams. We will seek to mitigate the challenges by maximising the strength of our partner brands to achieve sustainable growth through price comparison websites, whilst continuing our investment in digital marketing resource to efficiently acquire new customers directly.

**Regulatory Risk**

The company is regulated by the Financial Conduct Authority and mitigates against the risk of non-compliance. It maintains and utilises Risk & Compliance, Learning & Development and Quality Assurance teams to ensure the effective management of our services to the customer and efficient handling of any customer complaints.

**Group Strategic Report  
For The Year Ended 31st December 2018**

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**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'M Hunter', is positioned above the printed name.

M Hunter - Secretary

5th August 2019

**Report of the Directors  
For The Year Ended 31st December 2018**

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The directors present their report with the financial statements of the company and the group for the year ended 31st December 2018.

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of a group of trading and non-trading companies in the insurance sector.

**DIVIDENDS**

During the current and prior year the directors did not pay interim dividends.

**RESEARCH AND DEVELOPMENT**

The group has over the last few years invested in research and development, aimed at providing efficient and innovative insurance solutions and systems that will provide a commercial advantage to the business and its clients and partners. This investment will continue in 2019 and beyond.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st January 2018 to the date of this report.

E J Cater  
S A Hood  
B C Reid  
J M Wallis  
P R Firkins  
S M Milbourne  
M Hunter

Other changes in directors holding office are as follows:

A C Homer - appointed 1st January 2018

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group 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 the group and of the profit or loss of the group 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 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Report of the Directors  
For The Year Ended 31st December 2018**

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**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 group'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 group's auditors are aware of that information.

**AUDITORS**

The auditors, Wilkins Kennedy Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



M Hunter - Secretary

5th August 2019



## **Report of the Independent Auditors to the Members of Hood Group Limited**

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### **Opinion**

We have audited the financial statements of Hood Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31st December 2018 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated 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 group's and of the parent company affairs as at 31st December 2018 and of the group's loss 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 group 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Group 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 Group 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 Hood Group Limited**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 five, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

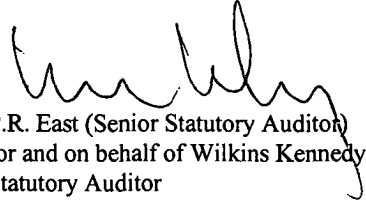
### **Auditors' responsibilities for the audit of the financial statements**

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.

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](http://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 parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.



P.R. East (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy Audit Services  
Statutory Auditor  
2nd Floor  
Regis House  
45 King William Street  
London  
EC4R 9AN

5th August 2019

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)****Consolidated Income Statement  
For The Year Ended 31st December 2018**

		<b>2018</b>	<b>2017</b>
	<b>Notes</b>	<b>£</b>	<b>as restated £</b>
<b>TURNOVER</b>		<b>10,436,719</b>	<b>9,889,704</b>
Administrative expenses		<b>10,772,689</b>	<b>9,717,931</b>
<b>OPERATING (LOSS)/PROFIT</b>	<b>4</b>	<b>(335,970)</b>	<b>171,773</b>
Interest receivable and similar income		<b>14,709</b>	<b>21,757</b>
		<b>(321,261)</b>	<b>193,530</b>
Interest payable and similar expenses	<b>5</b>	<b>92,739</b>	<b>92,214</b>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		<b>(414,000)</b>	<b>101,316</b>
Tax on (loss)/profit	<b>6</b>	<b>10,495</b>	<b>(442,624)</b>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<b>(424,495)</b>	<b>543,940</b>
(Loss)/profit attributable to:			
Owners of the parent		<b>(438,681)</b>	<b>543,940</b>
Non-controlling interests		<b>14,186</b>	<b>-</b>
		<b>(424,495)</b>	<b>543,940</b>

The notes form part of these financial statements

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Consolidated Other Comprehensive Income  
For The Year Ended 31st December 2018**

		2018	2017
	Notes	£	as restated £
<b>(LOSS)/PROFIT FOR THE YEAR</b>		<b>(424,495)</b>	543,940
<b>OTHER COMPREHENSIVE INCOME</b>			
Increase in capital contribution reserve		4,707	7,885
Part-disposal of subsidiary undertaking		98,122	-
Income tax relating to components of other comprehensive income		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<b>102,829</b>	7,885
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(321,666)</b>	551,825
Prior year adjustment	Note 8	<b>(83,924)</b>	(55,178)
<b>TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT</b>		<b>(405,590)</b>	496,647
Total comprehensive income attributable to:			
Owners of the parent		<b>(324,459)</b>	496,647
Non-controlling interests		<b>(81,131)</b>	-
		<b>(405,590)</b>	496,647

The notes form part of these financial statements

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Consolidated Balance Sheet  
31st December 2018**

		<b>2018</b>		<b>2017</b> as restated	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	9		2,616,388		2,677,189
Tangible assets	10		363,943		324,897
Investments	11		-		-
			<u>2,980,331</u>		<u>3,002,086</u>
<b>CURRENT ASSETS</b>					
Debtors	12	4,196,838		4,103,441	
Cash at bank		887,797		1,763,901	
		<u>5,084,635</u>		<u>5,867,342</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	2,575,785		2,339,743	
<b>NET CURRENT ASSETS</b>			<u>2,508,850</u>		<u>3,527,599</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			5,489,181		6,529,685
<b>CREDITORS</b>					
Amounts falling due after more than one year	14		(832,978)		(1,468,766)
<b>PROVISIONS FOR LIABILITIES</b>	18		<u>(12,267)</u>		<u>-</u>
<b>NET ASSETS</b>			<u><u>4,643,936</u></u>		<u><u>5,060,919</u></u>


The notes form part of these financial statements

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Consolidated Balance Sheet - continued  
31st December 2018**

		2018		2017 as restated	
	Notes	£	£	£	£
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		48,100		48,100
Share premium	20		15,010		15,010
Capital redemption reserve	20		2,050		2,050
Capital contribution reserve	20		49,129		44,422
Retained earnings	20		4,610,778		4,951,337
			<u>4,725,067</u>		<u>5,060,919</u>
<b>SHAREHOLDERS' FUNDS</b>			4,725,067		5,060,919
<b>NON-CONTROLLING INTERESTS</b>	21		(81,131)		-
			<u>(81,131)</u>		<u>-</u>
<b>TOTAL EQUITY</b>			<u>4,643,936</u>		<u>5,060,919</u>

The financial statements were approved by the Board of Directors on 5th August 2019 and were signed on its behalf by:



S A Hood - Director



M Hunter - Director

The notes form part of these financial statements

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Company Balance Sheet  
31st December 2018**

		<b>2018</b>		<b>2017</b> as restated	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	9		2,336,596		2,239,273
Tangible assets	10		363,943		324,897
Investments	11		2,132,166		2,134,971
			<u>4,832,705</u>		<u>4,699,141</u>
<b>CURRENT ASSETS</b>					
Debtors	12	3,993,482		4,359,423	
Cash at bank		643,287		1,290,545	
		<u>4,636,769</u>		<u>5,649,968</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	4,069,508		3,064,484	
<b>NET CURRENT ASSETS</b>			<u>567,261</u>		<u>2,585,484</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>5,399,966</u>		<u>7,284,625</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	14		(832,978)		(1,468,766)
<b>PROVISIONS FOR LIABILITIES</b>	18		(13,837)		-
<b>NET ASSETS</b>			<u><u>4,553,151</u></u>		<u><u>5,815,859</u></u>

The notes form part of these financial statements

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Company Balance Sheet - continued  
31st December 2018**

		2018		2017 as restated	
	Notes	£	£	£	£
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		<b>48,100</b>		48,100
Share premium	20		<b>15,010</b>		15,010
Capital redemption reserve	20		<b>2,050</b>		2,050
Capital contribution reserve	20		<b>49,129</b>		44,422
Retained earnings	20		<b>4,438,862</b>		5,706,277
<b>SHAREHOLDERS' FUNDS</b>			<b>4,553,151</b>		<b>5,815,859</b>
Company's (loss)/profit for the financial year			<b>(1,267,415)</b>		<b>505,904</b>

The financial statements were approved by the Board of Directors on 5th August 2019 and were signed on its behalf by:

  
S A Hood - Director

  
M Hunter - Director

The notes form part of these financial statements



**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Consolidated Statement of Changes in Equity  
For The Year Ended 31st December 2018**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Share premium £</b>	<b>Capital redemption reserve £</b>
<b>Balance at 1st January 2017</b>	48,100	4,462,575	15,010	2,050
Prior year adjustment	-	(55,178)	-	-
<b>As restated</b>	<u>48,100</u>	<u>4,407,397</u>	<u>15,010</u>	<u>2,050</u>
<b>Changes in equity</b>				
Total comprehensive income	-	627,864	-	-
<b>Balance at 31st December 2017</b>	<u>48,100</u>	<u>5,035,261</u>	<u>15,010</u>	<u>2,050</u>
Prior year adjustment	-	(83,924)	-	-
<b>As restated</b>	<u>48,100</u>	<u>4,951,337</u>	<u>15,010</u>	<u>2,050</u>
<b>Changes in equity</b>				
Total comprehensive income	-	(340,559)	-	-
<b>Balance at 31st December 2018</b>	<u>48,100</u>	<u>4,610,778</u>	<u>15,010</u>	<u>2,050</u>
	<b>Capital contribution reserve £</b>	<b>Total £</b>	<b>Non-controlling interests £</b>	<b>Total equity £</b>
<b>Balance at 1st January 2017</b>	36,537	4,564,272	-	4,564,272
Prior year adjustment	-	(55,178)	-	(55,178)
<b>As restated</b>	<u>36,537</u>	<u>4,509,094</u>	<u>-</u>	<u>4,509,094</u>
<b>Changes in equity</b>				
Total comprehensive income	7,885	635,749	-	635,749
<b>Balance at 31st December 2017</b>	<u>44,422</u>	<u>5,144,843</u>	<u>-</u>	<u>5,144,843</u>
Prior year adjustment	-	(83,924)	-	(83,924)
<b>As restated</b>	<u>44,422</u>	<u>5,060,919</u>	<u>-</u>	<u>5,060,919</u>
<b>Changes in equity</b>				
Total comprehensive income	4,707	(335,852)	(81,131)	(416,983)
<b>Balance at 31st December 2018</b>	<u>49,129</u>	<u>4,725,067</u>	<u>(81,131)</u>	<u>4,643,936</u>

The notes form part of these financial statements

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Company Statement of Changes in Equity  
For The Year Ended 31st December 2018**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Share premium £</b>
<b>Balance at 1st January 2017</b>	48,100	5,255,551	15,010
Prior year adjustment	-	(55,178)	-
As restated	48,100	5,200,373	15,010
<b>Changes in equity</b>			
Total comprehensive income	-	589,828	-
<b>Balance at 31st December 2017</b>	48,100	5,790,201	15,010
Prior year adjustment	-	(83,924)	-
As restated	48,100	5,706,277	15,010
<b>Changes in equity</b>			
Total comprehensive loss	-	(1,267,415)	-
<b>Balance at 31st December 2018</b>	48,100	4,438,862	15,010
	<b>Capital redemption reserve £</b>	<b>Capital contribution reserve £</b>	<b>Total equity £</b>
<b>Balance at 1st January 2017</b>	2,050	36,537	5,357,248
Prior year adjustment	-	-	(55,178)
As restated	2,050	36,537	5,302,070
<b>Changes in equity</b>			
Total comprehensive income	-	7,885	597,713
<b>Balance at 31st December 2017</b>	2,050	44,422	5,899,783
Prior year adjustment	-	-	(83,924)
As restated	2,050	44,422	5,815,859
<b>Changes in equity</b>			
Total comprehensive loss	-	4,707	(1,262,708)
<b>Balance at 31st December 2018</b>	2,050	49,129	4,553,151

The notes form part of these financial statements

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)****Consolidated Cash Flow Statement  
For The Year Ended 31st December 2018**

		<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>as restated £</b>
<b>Cash flows from operating activities</b>	<b>Notes</b>		
Cash generated from operations	1	873,630	1,758,424
Interest paid		(72,010)	(63,536)
Interest element of hire purchase payments paid		(5,998)	(5,338)
Taxation refund		192,142	162,282
<b>Net cash from operating activities</b>		<b>987,764</b>	<b>1,851,832</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(894,167)	(1,609,583)
Purchase of tangible fixed assets		(111,160)	(142,671)
Sale of fixed asset investments		2,805	-
Sale of investment property		-	1,701
Interest received		14,709	21,757
<b>Net cash from investing activities</b>		<b>(987,813)</b>	<b>(1,728,796)</b>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(799,606)	(858,678)
Capital repayments in year		(76,449)	(55,139)
<b>Net cash from financing activities</b>		<b>(876,055)</b>	<b>(913,817)</b>
<b>Decrease in cash and cash equivalents</b>		<b>(876,104)</b>	<b>(790,781)</b>
<b>Cash and cash equivalents at beginning of year</b>	2	<b>1,763,901</b>	<b>2,554,682</b>
<b>Cash and cash equivalents at end of year</b>	2	<b>887,797</b>	<b>1,763,901</b>

The notes form part of these financial statements

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Notes to the Consolidated Cash Flow Statement  
For The Year Ended 31st December 2018**

**1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>as restated £</b>
(Loss)/profit before taxation	<b>(414,000)</b>	101,316
Depreciation charges	<b>1,118,561</b>	1,019,303
Loss/(profit) on disposal of fixed assets	<b>850</b>	(1,395)
Finance costs	<b>92,739</b>	92,214
Finance income	<b>(14,709)</b>	(21,757)
	<b>783,441</b>	1,189,681
(Increase)/decrease in trade and other debtors	<b>(327,335)</b>	516,165
Increase in trade and other creditors	<b>417,524</b>	52,578
<b>Cash generated from operations</b>	<b>873,630</b>	<b>1,758,424</b>

**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 31st December 2018**

	<b>31/12/18</b>	<b>1/1/18</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<b>887,797</b>	<b>1,763,901</b>

**Year ended 31st December 2017**

	<b>31/12/17</b>	<b>1/1/17</b>
	<b>as restated £</b>	<b>£</b>
Cash and cash equivalents	<b>1,763,901</b>	<b>2,554,682</b>

The notes form part of these financial statements

**Notes to the Consolidated Financial Statements  
For The Year Ended 31st December 2018**

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**1. STATUTORY INFORMATION**

Hood Group 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 General Information page.

**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.

In the opinion of the directors, it remains appropriate to continue to adopt the going concern basis of accounting.

**Turnover**

Credit is taken for net commission on premiums receivable on insurance policies placed during the accounting period.

Credit is taken for administration fees billed to clients in the period in which they are earned. Other income is credited to the profit and loss account as it is received.

Profit share payments are received, from time to time, from some insurance underwriters based on the underlying performance of the books of insurance underwritten on the company's behalf by those underwriters. These payments are regarded as contingent commissions and are recognised as revenue once the calculation has been agreed with the underwriter and the cash has been received from the underwriter.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of shares in The Select & Protect Program Limited in 2013 and 2014, is being amortised evenly over its useful life of ten years.

Goodwill, being the amount paid in connection with the acquisition of a book of business in 2016, is being amortised evenly over its estimated useful life of five years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

System development costs are being amortised evenly over their estimated useful lives of three, five or seven years depending on the projected longevity of the systems in place.

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

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**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

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

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost
Motor vehicles	- 20% on cost

At each reporting date, fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment is recognised immediately in profit or loss.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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.

**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.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**2. ACCOUNTING POLICIES - continued**

**Trade and other receivables**

Trade and other receivables are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest. Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

**Trade and other payables**

Trade and other payables are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Financial instruments**

Debt instruments which are not subject to a market rate of interest are measured at amortised cost using an effective interest rate for a similar loan product. Differences between the liability on initial recognition and the carrying value are recognised as a capital contribution within reserves.

**3. EMPLOYEES AND DIRECTORS**

	2018	2017 as restated
	£	£
Wages and salaries	5,915,782	5,502,777
Other pension costs	230,640	234,567
	<u>6,146,422</u>	<u>5,737,344</u>

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

	2018	2017 as restated
Directors	8	7
Administration	167	157
	<u>175</u>	<u>164</u>

Wages and salaries includes gross payments made to staff plus national insurance contributions, expenses and benefits.

	2018	2017 as restated
	£	£
Directors' remuneration	1,012,846	929,845
Directors' pension contributions to money purchase schemes	72,334	105,318
	<u>1,085,180</u>	<u>1,035,163</u>

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

	2018	2017
Money purchase schemes	<u>6</u>	<u>6</u>

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)****Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018****3. EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

	2018	2017 as restated
	£	£
Emoluments etc	260,834	216,989
Pension contributions to money purchase schemes	3,214	38,578

**4. OPERATING (LOSS)/PROFIT**

The operating loss (2017 - operating profit) is stated after charging/(crediting):

	2018	2017 as restated
	£	£
Depreciation - owned assets	89,053	67,065
Depreciation - assets on hire purchase contracts	74,540	59,940
Loss/(profit) on disposal of fixed assets	850	(1,395)
Goodwill amortisation	220,511	220,511
Computer software amortisation	734,457	671,787
Auditors' remuneration	27,424	33,616
Auditors' remuneration for non audit work	7,050	5,185
Operating leases - Rental and service charges	332,288	289,359
Operating leases - Hire/Lease of equipment	49,991	30,677

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2018	2017 as restated
	£	£
Bank loan interest	63,010	63,536
Other interest payable	9,000	-
Hire purchase	5,998	5,338
Financial liability interest	14,731	23,340
	92,739	92,214



**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**6. TAXATION**

**Analysis of the tax charge/(credit)**

The tax charge/(credit) on the loss for the year was as follows:

	2018	2017 as restated
	£	£
Current tax:		
UK corporation tax	60,275	148,425
Over provision in prior years	(103,843)	(514,732)
Total current tax	(43,568)	(366,307)
Deferred tax	54,063	(76,317)
Tax on (loss)/profit	<u>10,495</u>	<u>(442,624)</u>

**Reconciliation of total tax charge/(credit) 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:

	2018	2017 as restated
	£	£
(Loss)/profit before tax	<u>(414,000)</u>	<u>101,316</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19%)	(78,660)	19,250
Effects of:		
Expenses not deductible for tax purposes	4,704	5,482
Depreciation in excess of capital allowances	162,078	152,220
Utilisation of tax losses	(21,040)	(41,311)
Penalties, fines and interest	9,918	-
Deferred tax movement	54,063	(69,574)
Financial liability interest	2,799	4,435
Change in tax rate	-	1,871
Profit on disposal of assets	162	(265)
R & D refunds	(103,843)	(514,732)
Prior year adjustment	<u>(19,686)</u>	<u>-</u>
Total tax charge/(credit)	<u>10,495</u>	<u>(442,624)</u>

**Tax effects relating to effects of other comprehensive income**

	2018	
	Gross £	Tax £
Increase in capital contribution reserve	4,707	-
Part-disposal of subsidiary undertaking	98,122	-
	<u>102,829</u>	<u>-</u>
		<u>102,829</u>

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**6. TAXATION - continued**

	Gross £	2017 Tax £	Net £
Increase in capital contribution reserve	<u>7,885</u>	<u>-</u>	<u>7,885</u>

**7. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**8. PRIOR YEAR ADJUSTMENT**

The prior year adjustment relates to previously unrecognised input tax on cross-border supplies received from EU member states identified by the directors during the year. As such, it has been necessary to increase creditors: amounts falling due within one year by £103,610 and the recognition of a deferred tax asset of £19,686 at 1 January 2018. The Income Statement comparative figures have been restated to reflect increased administrative costs for the year ended 31 December 2017 of £35,488 and a corresponding reduction of tax of £6,743. The impact on retained earnings for periods prior to 31 December 2017 are set out below:

	Group retained earnings £	Company retained earnings £
Balance at 31 December 2015 as previously stated	4,361,309	4,838,678
Increase in administrative expenses	(21,844)	(21,844)
Tax effect	4,150	4,150
Balance at 31 December 2015 as restated	<u>4,343,615</u>	<u>4,820,984</u>
Balance at 31 December 2016 as previously stated	4,462,575	5,255,551
Prior year adjustment	(17,694)	(17,694)
Increase in administrative expenses	(46,277)	(46,277)
Tax effect	8,793	8,793
Balance at 31 December 2016 as restated	<u>4,407,397</u>	<u>5,200,373</u>

Periods prior to 31 December 2015 are not affected.

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**9. INTANGIBLE FIXED ASSETS**

**Group**

	<b>Goodwill £</b>	<b>Computer software £</b>	<b>Totals £</b>
<b>COST</b>			
At 1st January 2018	1,371,003	5,545,146	6,916,149
Additions	-	894,167	894,167
	<u>1,371,003</u>	<u>6,439,313</u>	<u>7,810,316</u>
At 31st December 2018			
<b>AMORTISATION</b>			
At 1st January 2018	492,209	3,746,751	4,238,960
Amortisation for year	220,511	734,457	954,968
	<u>712,720</u>	<u>4,481,208</u>	<u>5,193,928</u>
At 31st December 2018			
<b>NET BOOK VALUE</b>			
At 31st December 2018	<u>658,283</u>	<u>1,958,105</u>	<u>2,616,388</u>
At 31st December 2017	<u>878,794</u>	<u>1,798,395</u>	<u>2,677,189</u>

**Company**

	<b>Goodwill £</b>	<b>Computer software £</b>	<b>Totals £</b>
<b>COST</b>			
At 1st January 2018	834,133	5,022,961	5,857,094
Additions	-	894,167	894,167
	<u>834,133</u>	<u>5,917,128</u>	<u>6,751,261</u>
At 31st December 2018			
<b>AMORTISATION</b>			
At 1st January 2018	264,139	3,353,682	3,617,821
Amortisation for year	166,824	630,020	796,844
	<u>430,963</u>	<u>3,983,702</u>	<u>4,414,665</u>
At 31st December 2018			
<b>NET BOOK VALUE</b>			
At 31st December 2018	<u>403,170</u>	<u>1,933,426</u>	<u>2,336,596</u>
At 31st December 2017	<u>569,994</u>	<u>1,669,279</u>	<u>2,239,273</u>

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**10. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>				
At 1st January 2018	38,112	299,703	543,807	881,622
Additions	5,892	98,375	99,223	203,490
Disposals	(981)	-	(3,880)	(4,861)
At 31st December 2018	43,023	398,078	639,150	1,080,251
<b>DEPRECIATION</b>				
At 1st January 2018	26,784	111,004	418,937	556,725
Charge for year	6,086	74,540	82,967	163,593
Eliminated on disposal	(817)	-	(3,193)	(4,010)
At 31st December 2018	32,053	185,544	498,711	716,308
<b>NET BOOK VALUE</b>				
At 31st December 2018	10,970	212,534	140,439	363,943
At 31st December 2017	11,328	188,699	124,870	324,897

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Motor vehicles £</b>
<b>COST</b>	
At 1st January 2018	299,703
Additions	98,375
At 31st December 2018	398,078
<b>DEPRECIATION</b>	
At 1st January 2018	111,004
Charge for year	74,540
At 31st December 2018	185,544
<b>NET BOOK VALUE</b>	
At 31st December 2018	212,534
At 31st December 2017	188,699

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**10. TANGIBLE FIXED ASSETS - continued**

<b>Company</b>	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>				
At 1st January 2018	38,111	299,703	535,678	873,492
Additions	5,892	98,375	99,223	203,490
Disposals	(981)	-	(3,880)	(4,861)
At 31st December 2018	43,022	398,078	631,021	1,072,121
<b>DEPRECIATION</b>				
At 1st January 2018	26,784	111,004	410,807	548,595
Charge for year	6,086	74,540	82,967	163,593
Eliminated on disposal	(817)	-	(3,193)	(4,010)
At 31st December 2018	32,053	185,544	490,581	708,178
<b>NET BOOK VALUE</b>				
At 31st December 2018	10,969	212,534	140,440	363,943
At 31st December 2017	11,327	188,699	124,871	324,897

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Motor vehicles £</b>
<b>COST</b>	
At 1st January 2018	299,703
Additions	98,375
At 31st December 2018	398,078
<b>DEPRECIATION</b>	
At 1st January 2018	111,004
Charge for year	74,540
At 31st December 2018	185,544
<b>NET BOOK VALUE</b>	
At 31st December 2018	212,534
At 31st December 2017	188,699

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**11. FIXED ASSET INVESTMENTS**

**Company**

	<b>Shares in group undertakings £</b>
<b>COST</b>	
At 1st January 2018	2,134,971
Disposals	(2,805)
	<hr/>
At 31st December 2018	2,132,166
	<hr/>
<b>NET BOOK VALUE</b>	
At 31st December 2018	2,132,166
	<hr/>
At 31st December 2017	2,134,971
	<hr/>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiaries**

**The Select and Protect Program Limited**

Registered office: Maitland House, Warrior Square, Southend-on-Sea, Essex, SS1 2JY

Nature of business: Insurance services

	%		
Class of shares:	holding		
Ordinary	100.00		
		<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
Aggregate capital and reserves		<u><b>344,847</b></u>	<u><b>344,847</b></u>

**Plus One Administration Services Limited**

Registered office: Maitland House, Warrior Square, Southend-on-Sea, Essex, SS1 2JY

Nature of business: Insurance services

	%		
Class of shares:	holding		
Ordinary	100.00		
		<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
Aggregate capital and reserves		<u><b>25,000</b></u>	<u><b>25,000</b></u>

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)****Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018****11. FIXED ASSET INVESTMENTS - continued****Hood Group Administration Limited (formerly Plus one Services Ltd)**

Registered office: Maitland House, Warrior Square, Southend-on-Sea, Essex, SS1 2JY

Nature of business: Insurance services

	% holding	2018	2017
Class of shares:		£	£
Ordinary	100.00		
Aggregate capital and reserves		<b>1,129,556</b>	385,781
Profit for the year		<b>743,775</b>	27,376

**Hood Direct Limited**

Registered office: Maitland House, Warrior Square, Southend-on-Sea, Essex, SS1 2JY

Nature of business: Insurance services

	% holding	2018	2017
Class of shares:		£	£
Ordinary	100.00		
Aggregate capital and reserves		<b>95,990</b>	95,990

**Select & Protect Limited**

Registered office: Maitland House, Warrior Square, Southend-on-Sea, Essex, SS1 2JY

Nature of business: Non-trading

	% holding	2018	2017
Class of shares:		£	£
Ordinary	100.00		
Preference	100.00		
Aggregate capital and reserves		<b>110,000</b>	110,000

**Hood Travel Limited**

Registered office: Mainland House, Warrior Square, Southend-on-Sea, Essex, SS1 2JY

Nature of business: Insurance services

	% holding	2018	2017
Class of shares:		£	£
Ordinary	89.00		
5% redeemable preference	100.00		
Aggregate capital and reserves		<b>(737,558)</b>	(890,389)
Profit for the year		<b>152,831</b>	64,347

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**12. DEBTORS**

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>as restated</b>	<b>£</b>	<b>as restated</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts falling due within one year:				
Trade debtors	728,452	644,018	585,818	597,449
Amounts owed by group undertakings	-	-	-	354,795
Other debtors	3,468,386	3,225,485	3,407,664	3,192,066
Tax	-	192,142	-	192,142
Deferred tax asset	-	38,511	-	19,686
	<u>4,196,838</u>	<u>4,100,156</u>	<u>3,993,482</u>	<u>4,356,138</u>
Amounts falling due after more than one year:				
Deferred tax asset	-	3,285	-	3,285
	<u>-</u>	<u>3,285</u>	<u>-</u>	<u>3,285</u>
Aggregate amounts	<u>4,196,838</u>	<u>4,103,441</u>	<u>3,993,482</u>	<u>4,359,423</u>

Deferred tax asset

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>as restated</b>	<b>£</b>	<b>as restated</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred tax	-	41,796	-	22,971
	<u>-</u>	<u>41,796</u>	<u>-</u>	<u>22,971</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>as restated</b>	<b>£</b>	<b>as restated</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 15)	500,000	500,000	500,000	500,000
Other loans (see note 15)	186,677	330,357	186,677	330,357
Hire purchase contracts (see note 16)	65,921	60,154	65,921	60,154
Trade creditors	775,117	650,698	629,651	607,494
Amounts owed to group undertakings	-	-	1,941,123	956,446
Tax	104,856	148,425	42,216	146,059
Social security and other taxes	167,640	150,030	167,640	150,030
VAT	161,907	103,610	-	-
Other creditors	613,667	396,469	536,280	313,944
	<u>2,575,785</u>	<u>2,339,743</u>	<u>4,069,508</u>	<u>3,064,484</u>



**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)****Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018****14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017 as restated</b>	<b>2018</b>	<b>2017 as restated</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans (see note 15)	<b>750,000</b>	1,250,000	<b>750,000</b>	1,250,000
Other loans (see note 15)	-	145,902	-	145,902
Hire purchase contracts (see note 16)	<b>82,978</b>	72,864	<b>82,978</b>	72,864
	<b><u>832,978</u></b>	<u>1,468,766</u>	<b><u>832,978</u></b>	<u>1,468,766</u>

**15. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017 as restated</b>	<b>2018</b>	<b>2017 as restated</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:				
Bank loans	<b>500,000</b>	500,000	<b>500,000</b>	500,000
Other loans	<b>186,677</b>	330,357	<b>186,677</b>	330,357
	<b><u>686,677</u></b>	<u>830,357</u>	<b><u>686,677</u></b>	<u>830,357</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<b>750,000</b>	500,000	<b>750,000</b>	500,000
Other loans - 1-2 years	-	145,902	-	145,902
	<b><u>750,000</u></b>	<u>645,902</u>	<b><u>750,000</u></b>	<u>645,902</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	-	750,000	-	750,000
	<u>-</u>	<u>750,000</u>	<u>-</u>	<u>750,000</u>

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**16. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	<b>Hire purchase contracts</b>	
	<b>2018</b>	<b>2017</b>
		as restated
	£	£
Net obligations repayable:		
Within one year	<b>65,921</b>	60,154
Between one and five years	<b>82,978</b>	72,864
	<u><b>148,899</b></u>	<u>133,018</u>

**Company**

	<b>Hire purchase contracts</b>	
	<b>2018</b>	<b>2017</b>
		as restated
	£	£
Net obligations repayable:		
Within one year	<b>65,921</b>	60,154
Between one and five years	<b>82,978</b>	72,864
	<u><b>148,899</b></u>	<u>133,018</u>

**Group**

	<b>Non-cancellable operating leases</b>	
	<b>2018</b>	<b>2017</b>
	£	£
Within one year	380,203	397,815
Between one and five years	623,308	916,150
	<u>1,003,511</u>	<u>1,313,965</u>

**Company**

	<b>Non-cancellable operating leases</b>	
	<b>2018</b>	<b>2017</b>
	£	£
Within one year	380,203	397,815
Between one and five years	623,308	916,150
	<u>1,003,511</u>	<u>1,313,965</u>

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Company</b>	
	<b>2018</b>	<b>2017</b>
		as restated
	<b>£</b>	<b>£</b>
Bank loans	<b><u>1,250,000</u></b>	<b><u>1,750,000</u></b>

There is an unlimited guarantee and letter of set off in place between The Select & Protect Program Ltd, Hood Direct Limited, Hood Group Administration Limited, Plus One Administration Services Limited, Hood Group Limited and Augmentum Management Limited in relation to any credit balances with the company's bankers.

Bank loans are secured by way of a fixed charge over the company's contracts, book debts, intellectual property, cash at bank and in hand and goodwill and a floating charge over all of the company's undertakings and assets.

**18. PROVISIONS FOR LIABILITIES**

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
		as restated		as restated
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred tax	<b><u>12,267</u></b>	<b><u>-</u></b>	<b><u>13,837</u></b>	<b><u>-</u></b>
<b>Group</b>				
				<b>Deferred tax</b>
				<b>£</b>
Balance at 1st January 2018				
As previously reported				<b>(22,110)</b>
Prior year adjustment				<b><u>(19,686)</u></b>
As restated				<b>(41,796)</b>
Movement in the year				<b><u>54,063</u></b>
Balance at 31st December 2018				<b><u>12,267</u></b>
<b>Company</b>				
				<b>Deferred tax</b>
				<b>£</b>
Balance at 1st January 2018				<b>(22,971)</b>
Movement in year				<b><u>36,808</u></b>
Balance at 31st December 2018				<b><u>13,837</u></b>

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**19. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2018	2017 as restated
Number:	Class:		£	£
48,100	Ordinary	£1.00	<u>48,100</u>	<u>48,100</u>

**20. RESERVES**

**Group**

	Retained earnings £	Share premium £	Capital redemption reserve £	Capital contribution reserve £	Totals £
At 1st January 2018	5,035,261	15,010	2,050	44,422	5,096,743
Prior year adjustment	(83,924)				(83,924)
	<u>4,951,337</u>				<u>5,012,819</u>
Deficit for the year	(438,681)	-	-	-	(438,681)
Part disposal of subsidiary	98,122	-	-	-	98,122
Increase in capital contribution reserve	-	-	-	4,707	4,707
At 31st December 2018	<u>4,610,778</u>	<u>15,010</u>	<u>2,050</u>	<u>49,129</u>	<u>4,676,967</u>

**Company**

	Retained earnings £	Share premium £	Capital redemption reserve £	Capital contribution reserve £	Totals £
At 1st January 2018	5,790,201	15,010	2,050	44,422	5,851,683
Prior year adjustment	(83,924)				(83,924)
	<u>5,706,277</u>				<u>5,767,759</u>
Deficit for the year	(1,267,415)	-	-	-	(1,267,415)
Increase in capital contribution reserve	-	-	-	4,707	4,707
At 31st December 2018	<u>4,438,862</u>	<u>15,010</u>	<u>2,050</u>	<u>49,129</u>	<u>4,505,051</u>

**HOOD GROUP LIMITED (REGISTERED NUMBER: 03139744)**

**Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31st December 2018**

**21. NON-CONTROLLING INTERESTS**

The movements for Minority Interests for the year were:-

	2018 £	2017 £
As at 1st January	-	-
Part-disposal of subsidiary undertaking	95,317	-
Non-controlling interests' share of profits in subsidiary undertakings	(14,186)	-
As at 31st December	<u>81,131</u>	<u>-</u>

**22. PENSION COMMITMENTS**

The group operates defined contribution pension schemes. The assets of the schemes are administered by trustees in funds independent from those of the company. The total contributions paid in the year amounted to £230,640 (2017: £234,567).

**23. RELATED PARTY DISCLOSURES**

In the board of director's opinion the company is under the control of the Bernard Hood Discretionary Will Trust of which two of the trustees, Mr E.J. Cater and Mr S.A. Hood, are also directors of Hood Group Limited.

During the year the group paid £17,500 (2017 - £42,000) in respect of consultancy services to Hemsign Limited, a company in which Mr E.J. Cater (a director of Hood Group Limited) is a director.

During the year the group paid £34,500 (2017 - £14,400) in respect of consultancy services to Homer AC Limited, a company in which Mr A Homer (a director of Hood Group Limited) is a director.

As at the balance sheet date there existed a balance of £1,575,000 (2017: £1,575,000) owed from Augmentum Management Limited, a company which has some directors in common with Hood Group Limited.

The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the company was £1,085,180 (2017: £1,035,163).