
WIMS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

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WIMS LIMITED

COMPANY INFORMATION

DIRECTORS

J D Monkcom
G J Sampson
N P D Preston

COMPANY SECRETARY

G J Sampson

REGISTERED NUMBER

03729853

REGISTERED OFFICE

Jewry House
Jewry Street
Winchester
Hampshire
SO23 8RZ

INDEPENDENT AUDITORS

Nexia Smith & Williamson
Chartered Accountants & Statutory Auditor
Cumberland House
15-17 Cumberland Place
Southampton
Hampshire
SO15 2BG

BANKERS

Barclays Bank Plc
PO Box 612
Ocean Way, Ocean Village
Southampton
Hampshire
SO14 2ZP

SOLICITORS

Dutton Gregory LLP
Trussel House
23 St Peter Street
Winchester
Hampshire
SO23 8BT

WIMS LIMITED

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WIMS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2016

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the group continues to be the provision of insurance administration services.

The group's mission is to be the preferred supplier of technology driven, client envisioned, third party administration services in the UK. The innovative use of technology to deliver operational efficiency and customer service excellence underpins the strategic approach.

Turnover has decreased by £334,534, which is 9% lower than the previous year, while Operating Profit is £397,055 lower at £965,381. The Profit for the year after interest of £13,632 and taxation of £198,982 is £752,767.

The capital position of the group remains strong, with Shareholders' Funds of £1,300,112 at the financial year end.

The directors are satisfied with the group's performance, which has been built on the strength of insurance partner relationships developed over many years, along with continued investment in staff and technology. Increased activity in the administration of traditional building and contents insurance schemes has been the main contributor to the turnover growth.

The directors expect satisfactory trading results in the coming year.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have assessed the main risk facing the group as being a loss of technological advantage. The group's strategy to develop and maintain all core insurance administration and point of sale systems in-house mitigates this risk. The group's proprietary multi-product administration platform, along with an ability rapidly to deploy new technological innovations to reduce scheme launch times, continues to ensure productivity improvements, maintenance of operating margins and an attractive low cost operating model.

With a UK exit from the EU there is a great deal of uncertainty around the future regulatory environment and the impact this will have on insurers and their outsourcing strategies. Changes to the regulatory environment could increase costs and discourage outsourcing activities. A comprehensive compliance and risk management framework is in place to mitigate this regulatory risk, while continued investment in technology helps reduce upward cost pressures.

A potential downturn within individual insurance product markets could result in fewer new business opportunities and falling policy volumes for existing schemes. The directors believe that the spread of service expertise across a number of personal lines products will help mitigate this risk, and are, consequently, active in developing new product skills and expertise.

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


.....
G J Sampson
Director

Date: 15 NOVEMBER 2016

WIMS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2016

The directors present their report and the audited financial statements for the year ended 30 June 2016.

DIRECTORS

The directors who served during the year were:

J D Monkcom
G J Sampson
N P D Preston

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 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.

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

AUDITORS


The auditors, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

WIMS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

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


.....
G J Sampson
Director

Date: 15 NOVEMBER 2016

WIMS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WIMS LIMITED

We have audited the financial statements of WIMS Limited for the year ended 30 June 2016, which comprise the group Profit and Loss Account, the group and company Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Auditors' 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, 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 Financial Reporting Council's (FRC)'s Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2016 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

WIMS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WIMS LIMITED

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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption in preparing the Directors' Report.



Andrew Edmonds (Senior Statutory Auditor)

for and on behalf of

Nexia Smith & Williamson

Chartered Accountants & Statutory Auditor

Cumberland House
15-17 Cumberland Place
Southampton
Hampshire
SO15 2BG

Date: 17th November 2016

WIMS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 £	2015 £
TURNOVER	1	3,253,551	3,588,085
Administrative expenses		(2,323,170)	(2,260,649)
Other operating income	2	35,000	35,000
OPERATING PROFIT	3	965,381	1,362,436
Interest payable and similar charges		(13,632)	(15,897)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		951,749	1,346,539
Tax on profit on ordinary activities	5	(198,982)	(289,171)
PROFIT FOR THE FINANCIAL YEAR	13	752,767	1,057,368

The notes on pages 9 to 16 form part of these financial statements.


WIMS LIMITED
REGISTERED NUMBER: 03729853

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	6		1,691,626		1,745,373
CURRENT ASSETS					
Debtors	8	131,737		699,173	
Cash at bank		5,159,914		6,250,420	
		<u>5,291,651</u>		<u>6,949,593</u>	
CREDITORS: amounts falling due within one year	9	<u>(5,117,795)</u>		<u>(5,866,009)</u>	
NET CURRENT ASSETS			<u>173,856</u>		<u>1,083,584</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,865,482</u>		<u>2,828,957</u>
CREDITORS: amounts falling due after more than one year	10		<u>(564,058)</u>		<u>(676,460)</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	11		<u>(1,312)</u>		<u>(5,152)</u>
NET ASSETS			<u>1,300,112</u>		<u>2,147,345</u>
CAPITAL AND RESERVES					
Called up share capital	12		50,000		50,000
Profit and loss account	13		1,250,112		2,097,345
SHAREHOLDERS' FUNDS	14		<u>1,300,112</u>		<u>2,147,345</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



G J Sampson
 Director

Date: 15 NOVEMBER 2016

The notes on pages 9 to 16 form part of these financial statements.

WIMS LIMITED
REGISTERED NUMBER: 03729853

COMPANY BALANCE SHEET
AS AT 30 JUNE 2016

	Note	£	2016 £	As restated 2015 £
FIXED ASSETS				
Investments	7		1,832,831	1,832,831
CURRENT ASSETS				
Debtors	8	57,673		636,657
Cash at bank		5,140,093		6,245,499
		<u>5,197,766</u>		<u>6,882,156</u>
CREDITORS: amounts falling due within one year	9	(5,730,632)		(6,567,789)
NET CURRENT (LIABILITIES)/ASSETS			<u>(532,866)</u>	<u>314,367</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,299,965</u>	<u>2,147,198</u>
CAPITAL AND RESERVES				
Called up share capital	12		50,000	50,000
Profit and loss account	13		1,249,965	2,097,198
SHAREHOLDERS' FUNDS	14		<u>1,299,965</u>	<u>2,147,198</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



G J Sampson
 Director

Date: 15 NOVEMBER 2016

The notes on pages 9 to 16 form part of these financial statements.

WIMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Prior year restatement

The Directors have reconsidered the presentation of the trust cash balances for WIMS Limited and the subsidiary undertaking, Wessex Administration Services Limited, and have determined that the most appropriate presentation is for all cash balances held in trust to be shown within the Balance Sheet of WIMS Limited.

This set of financial statements has therefore been restated to show £5,462,298 of cash held in trust within the financial statements of WIMS Limited rather than Wessex Administration Services Limited at 30 June 2015 and a corresponding reduction in the intercompany debtor from Wessex Administration Services Limited.

1.2 Cash flow

The financial statements do not include a Consolidated Cash Flow Statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.3 Basis of consolidation

The financial statements consolidate the accounts of WIMS Limited and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Profit and Loss Account.

The profit and loss account for the year dealt with in the accounts of the company was £752,767 (2015 - £1,057,368).

1.4 Turnover

Turnover as shown in the profit and loss account represents amounts receivable for insurance administrative services during the year. Commission income is recognised on receipt of the policyholder's premium. Profit commission income is recognised when there is a high level of certainty that such revenue will be received.

Rental income, shown as other operating income, is recognised when receivable.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	-	Land is not depreciated
Buildings	-	50 years
Furniture, fittings & equipment	-	2-5 years
Computer equipment	-	2-4 years

WIMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. ACCOUNTING POLICIES (continued)

1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2. OTHER OPERATING INCOME

	2016 £	2015 £
Net rents receivable	<u>35,000</u>	<u>35,000</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the group	67,303	69,425
Auditors' remuneration	12,550	12,200
Pension costs	<u>137,775</u>	<u>121,583</u>

4. DIRECTORS' REMUNERATION

	2016 £	2015 £
Aggregate remuneration	<u>355,221</u>	<u>331,034</u>

During the year retirement benefits were accruing to 3 directors (2015 - 3) in respect of defined contribution pension schemes.

WIMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

5. TAXATION

	2016 £	2015 £
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	202,822	291,566
Deferred tax (see note 11)		
Origination and reversal of timing differences	(3,840)	(2,395)
Tax on profit on ordinary activities	<u>198,982</u>	<u>289,171</u>

There were no factors that may affect future tax charges.

6. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £	Furniture, fittings & equipment £	Computer equipment £	Total £
Cost				
At 1 July 2015	1,889,870	167,764	77,913	2,135,547
Additions	-	13,556	-	13,556
At 30 June 2016	<u>1,889,870</u>	<u>181,320</u>	<u>77,913</u>	<u>2,149,103</u>
Depreciation				
At 1 July 2015	203,000	137,550	49,624	390,174
Charge for the year	29,000	20,702	17,601	67,303
At 30 June 2016	<u>232,000</u>	<u>158,252</u>	<u>67,225</u>	<u>457,477</u>
Net book value				
At 30 June 2016	<u>1,657,870</u>	<u>23,068</u>	<u>10,688</u>	<u>1,691,626</u>
At 30 June 2015	<u>1,686,870</u>	<u>30,214</u>	<u>28,289</u>	<u>1,745,373</u>

WIMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

7. FIXED ASSET INVESTMENTS

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2015 and 30 June 2016	1,832,831
Net book value	
At 30 June 2016	1,832,831
At 30 June 2015	1,832,831

Details of the principal subsidiaries can be found under note 17.

The consolidated financial statements include Wessex Administration Services Limited, who perform administration services for the group.

8. DEBTORS

	Group	Company
	2016	2015
	£	£
Other debtors	131,737	699,173

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

	Group	Company
	2016	2015
	£	£
Bank loans and overdrafts	45,403	49,399
Trade creditors	4,631,856	5,306,491
Amounts owed to group undertakings	-	-
Corporation tax	202,822	291,566
Other taxation and social security	34,349	34,488
Other creditors	203,365	184,065
	5,117,795	5,866,009

WIMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

10. CREDITORS:
Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2016	2015	2016	2015
	£	£	£	£
Bank loans	564,058	676,460	-	-

Included within the above are amounts falling due as follows:

	<u>Group</u>		<u>Company</u>	
	2016	2015	2016	2015
	£	£	£	£
Between one and two years				
Bank loans	46,318	50,394	-	-
Between two and five years				
Bank loans	144,628	157,357	-	-
Over five years				
Bank loans	373,112	468,709	-	-

Creditors include amounts not wholly repayable within 5 years as follows:

	<u>Group</u>		<u>Company</u>	
	2016	2015	2016	2015
	£	£	£	£
Repayable by instalments	373,112	468,709	-	-

11. DEFERRED TAXATION

	<u>Group</u>		<u>Company</u>	
	2016	2015	2016	2015
	£	£	£	£
At beginning of year	5,152	7,547	-	-
(Released during)/charge for the year (P&L)	(3,840)	(2,395)	-	-
At end of year	1,312	5,152	-	-

WIMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

11. DEFERRED TAXATION (continued)

The provision for deferred taxation is made up as follows:

	<u>Group</u>		<u>Company</u>	
	2016 £	2015 £	2016 £	2015 £
Accelerated capital allowances	<u>1,312</u>	<u>5,152</u>	<u>-</u>	<u>-</u>

12. SHARE CAPITAL

	2016 £	2015 £
Allotted, called up and fully paid		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

13. RESERVES

Group	Profit and loss account £
At 1 July 2015	2,097,345
Profit for the year	752,767
Dividends: Equity capital	(1,600,000)
	<u>1,250,112</u>
At 30 June 2016	
	<u>1,250,112</u>
 Company	 Profit and loss account £
At 1 July 2015	2,097,198
Profit for the year	752,767
Dividends: Equity capital	(1,600,000)
	<u>1,249,965</u>
At 30 June 2016	
	<u>1,249,965</u>

WIMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	2016 £	2015 £
Opening shareholders' funds	2,147,345	1,909,977
Profit for the financial year	752,767	1,057,368
Dividends (Note 15)	(1,600,000)	(820,000)
Closing shareholders' funds	<u>1,300,112</u>	<u>2,147,345</u>

Company	2016 £	2015 £
Opening shareholders' funds	2,147,198	1,909,830
Profit for the financial year	752,767	1,057,368
Dividends (Note 15)	(1,600,000)	(820,000)
Closing shareholders' funds	<u>1,299,965</u>	<u>2,147,198</u>

15. DIVIDENDS

	2016 £	2015 £
Dividends paid on equity capital	<u>1,600,000</u>	<u>820,000</u>

16. CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date (2015: £nil).

17. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
Wessex Administration Services Limited	England & Wales	100%	Ordinary

18. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £137,775 (2015: £121,583) during the year. At the year end there were no contributions outstanding (2015: £nil).

WIMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

19. TRUST BANK ACCOUNTS

In the performance of the group's administrative insurance services, insurance premiums are collected on a Risk Transfer basis into various Insurance Bank Accounts.

	Group		Company	
	2016	2015	2016	As restated
	£	£	£	2015
				£
Insurance bank accounts	4,789,185	5,494,432	4,789,185	5,494,432
Cash at bank	370,729	755,988	350,908	751,067
	<u>5,159,914</u>	<u>6,250,420</u>	<u>5,140,093</u>	<u>6,245,499</u>

There are a number of bank accounts open in the name of Wessex Administration Services Limited, on behalf of WIMS Limited. The accounts are in the name of Wessex Administration Services Limited because the company carries out operations on behalf of its parent company on a day to day basis. For disclosure purposes these have been shown within the financial statements of WIMS Limited due to the nature of the transaction passing through the accounts.

20. RELATED PARTY TRANSACTIONS

J Monkcom and G Sampson are directors of Wessex Insurance Company Limited.

WIMS Limited collects premiums on behalf of Wessex Insurance Company Limited and charges a fee of 5% of the premiums collected. The fees charged during the year total £nil (2015: £2,678).

In the year dividends were paid to J Monkcom of £640,000 (2015: £320,000), G Sampson of £320,000 (2015: £180,000) and N Preston of £640,000 (2015: £320,000).

At the year end J Monkcom was owed £3,536 (2015: £9,095), N Preston was owed £3,016 (2015: £Nil) and G Sampson was owed £Nil (2015: £Nil) in respect of commission and expenses. These balances are included within trade creditors at the year end.

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with wholly owned group companies.

21. CONTROLLING PARTY

The ultimate controlling party are the directors by virtue of their shareholding.