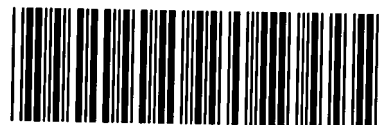


Financial Statements Residents Insurance Services Limited

for the year ended 31 October 2016

TUESDAY



LD3 *L653OUCB* #100
25/04/2017
COMPANIES HOUSE

Registered number: 03952276

Company Information

Directors	R Steinhouse J K E Jackson M Hayman
Company secretary	J K E Jackson
Registered number	03952276
Registered office	Ups Building Regis Road London NW5 3EW
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP
Solicitors	Stevensons Gorgate Chambers Gorgate Drive Hoe Dereham Norfolk NR20 4HB

Contents

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 16

Directors' report

for the year ended 31 October 2016

The directors present their report and the audited financial statements for the year ended 31 October 2016.

Principal activities

The principal activity of the company during the year continued to be that of the provision of insurance services. The company is regulated by the Financial Conduct Authority (FCA).

Directors

The directors who served during the year were:

R Steinhouse
J K E Jackson
M Hayman

Directors' responsibilities statement

The directors are responsible for preparing 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Disclosure of information to auditor

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

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

Residents Insurance Services Limited

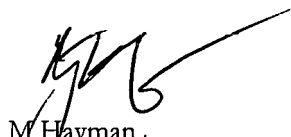
Directors' report
for the year ended 31 October 2016

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board on 11th April 2017 and signed on its behalf.



M Hayman
Director

Independent auditor's report to the members of Residents Insurance Services Limited

We have audited the financial statements of Residents Insurance Services Limited for the year ended 31 October 2016, which comprise the profit and loss account, the balance sheet 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

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

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 October 2016 and of its 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.



Independent auditor's report to the members of Residents Insurance Services Limited

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Grant Thornton UK LLP

Elizabeth Collins (Senior Statutory Auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accounts
London
Date: 11 April 2017

Profit and loss account

for the year ended 31 October 2016

	Note	2016 £	2015 £
Turnover	1	1,230,141	1,504,581
Cost of sales		(829)	(1,100)
Gross profit		1,229,312	1,503,481
Administrative expenses		(1,053,758)	(1,059,303)
Operating profit	2	175,554	444,178
Interest receivable and similar income		603	598
Interest payable and similar charges		-	(213)
Profit on ordinary activities before taxation		176,157	444,563
Tax on profit on ordinary activities	4	(62,894)	(88,484)
Profit for the financial year	11	113,263	356,079

The notes on pages 7 to 16 form part of these financial statements.

All transactions arise from continuing operations.

Balance sheet


as at 31 October 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Intangible assets	5		1,333		-
Tangible assets	6		17,969		23,103
			<u>19,302</u>		<u>23,103</u>
Current assets					
Debtors	8	3,089,453		2,791,232	
Cash at bank	9	851,961		804,714	
		<u>3,941,414</u>		<u>3,595,946</u>	
Creditors: amounts falling due within one year	9	<u>(2,627,506)</u>		<u>(2,399,102)</u>	
Net current assets			<u>1,313,908</u>		<u>1,196,844</u>
Total assets less current liabilities			<u>1,333,210</u>		<u>1,219,947</u>
Capital and reserves					
Called up share capital	10		50,000		50,000
Profit and loss account	11		1,283,210		1,169,947
Shareholders' funds	12		<u>1,333,210</u>		<u>1,219,947</u>

The financial statements have been prepared in accordance with the special 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 on

11th April 2017


M Hayman
Director

The notes on pages 7 to 16 form part of these financial statements.

Notes to the financial statements

for the year ended 31 October 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).

1.2 Turnover

Turnover represents commissions receivable for arranging insurance contracts in an agent capacity. Insurance commission is recognised in the period it is earned.

1.3 Intangible fixed assets and amortisation

Website Development

Amortisation is provided on all intangible assets other than goodwill, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows;

Website development	33%
---------------------	-----

1.4 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:

Fixtures & fittings	- 33% straight line
Office equipment	- 33% straight line

1.5 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

1.6 Insurance broking assets and liabilities

Insurance brokers act as agents in placing the insurance risks of their client with insurers and are not liable as principals for amounts arising from such transactions. Notwithstanding these legal relationships, debtors and creditors arising from insurance broking transactions are shown as assets and liabilities. This recognises that the insurance broker is entitled to retain the investment income on any cash arising from these transactions. Money received in respect of these transactions is held in statutory trust bank accounts in accordance with the requirements of the Financial Conduct Authority.

Notes to the financial statements

for the year ended 31 October 2016

2. Profit on ordinary activities

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the company	5,134	7,574
Auditor's remuneration	22,500	22,500
Amortisation of deferred research and development expenditure	267	-
	<u>27,901</u>	<u>29,574</u>

During the year, no director received any emoluments (2015: £Nil).

3. Liability limitation agreement with the auditor

The company has entered into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 October 2016. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements.

4. Taxation

	2016 £	2015 £
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	31,064	88,484
	<u>31,064</u>	<u>88,484</u>
Group taxation relief	31,830	-
	<u>31,830</u>	<u>-</u>
Tax on profit on ordinary activities	<u>62,894</u>	<u>88,484</u>

Notes to the financial statements

for the year ended 31 October 2016

5. Intangible fixed assets

	Website Development £
Cost	
At 1 November 2015	-
Additions	1,600
At 31 October 2016	1,600
Amortisation	
At 1 November 2015	-
Charge for the year	267
At 31 October 2016	267
Net book value	
At 31 October 2016	1,333
At 31 October 2015	-

6. Tangible fixed assets

	Fixtures & fittings £	Office equipment £	Total £
Cost			
At 1 November 2015 and 31 October 2016	22,873	71,772	94,645
Depreciation			
At 1 November 2015	330	71,212	71,542
Charge for the year	4,574	560	5,134
At 31 October 2016	4,904	71,772	76,676
Net book value			
At 31 October 2016	17,969	-	17,969
At 31 October 2015	22,543	560	23,103

Notes to the financial statements

for the year ended 31 October 2016

7. Debtors

	2016 £	2015 £
Trade debtors	204,980	266,865
Amounts owed by related parties	201,896	2,489,224
Amounts owed by group companies	2,610,318	-
Other debtors	72,259	35,143
	<u>3,089,453</u>	<u>2,791,232</u>

8. Cash at bank

Included in cash at bank and in hand is £784,789 (2015: £733,098) which is held in statutory trust accounts, which operate in accordance with the requirements of the Financial Conduct Authority.

9. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	1,147,284	1,000,177
Amounts owed to related parties	1,309,118	1,285,742
Amounts owed to group companies	112,921	-
Corporation tax	31,064	88,484
Other taxation and social security	8,965	10,118
Other creditors	18,154	14,581
	<u>2,627,506</u>	<u>2,399,102</u>

10. 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>

Notes to the financial statements

for the year ended 31 October 2016

11. Reserves

	Profit and loss account £
At 1 November 2015	1,169,947
Profit for the financial year	113,263
	<hr/>
At 31 October 2016	1,283,210
	<hr/> <hr/>

12. Reconciliation of movement in shareholders' funds

	2016 £	2015 £
Opening shareholders' funds	1,219,947	863,868
Profit for the financial year	113,263	356,079
	<hr/>	<hr/>
Closing shareholders' funds	1,333,210	1,219,947
	<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements

for the year ended 31 October 2016

13. Related party transactions

The following companies are related as the director, R Steinhouse, controls these companies by virtue of his shareholdings. The balances due to and from these related companies are as shown below:

Amounts owed by related parties:	2016 £	2015 £
Brightsplit Limited	8,703	4,282
Gray's Inn 15 Limited	68,742	-
Freehold Properties 23 Limited	-	21,688
Freehold Properties 42 Limited	45,115	-
Freehold Properties 43 Limited	899	-
Freehold Properties 250 Limited	19,467	4,750
Freehold Securities Limited	36,104	28,017
Gray's Inn 10 Limited	-	2,610
Gray's Inn 11 Limited	-	5,644
Ground Rent Estates Limited	-	691
Gray's Inn Developments Limited	135	134
Gray's Inn Investments Limited	11,918	9,492
Luton (Barons) Limited	1,912	525
O & L Freeholds Limited	4,192	-
Propor Limited	663	-
Talkfree Design Limited	4,046	922

Amounts owed to related parties:	2016 £	2015 £
Brightsplit Limited	4,254	17,598
Cromwell Business Centre Management Company Limited	-	-
Freehold Group Limited	1,074,116	740,633
Freehold Properties 23 Limited	-	36,244
Freehold Properties 42 Limited	11,020	-
Freehold Properties 43 Limited	146	-
Freehold Properties 250 Limited	13,330	12,931
Freehold Securities Limited	27,098	118,281
Gray's Inn 10 Limited	-	108,913
Gray's Inn 11 Limited	-	15,147
Gray's Inn 15 Limited	16,362	-
Gray's Inn Investments Limited	-	2,427
Ground Rent Estates Limited	-	156
Luton (Barons) Limited	1,522	1,197
O & L Freeholds Limited	-	-
Propor Limited	1,444	1,149
Talkfree Design Limited	<u>159,826</u>	<u>158,253</u>

Notes to the financial statements

for the year ended 31 October 2016

13 Related party transactions (continued)

Freehold commission payable/(credited):	2016 £	2015 £
Blake Estates Limited	-	542
Brightsplit Limited	41,313	41,649
Cabot Estates Limited	-	12,465
Cook Properties Limited	-	18,399
Cromwell Business Centre Management Company Limited	4,012	2,145
Drake Freeholds Limited	-	21,827
Fiennes Estates Limited	-	9,032
Freehold Estates Limited	-	114,737
Freehold Investments Limited	-	15,480
Freehold Properties 20 Limited	174	223
Freehold Properties 23 Limited	48,570	31,393
Freehold Properties 29 Limited	-	1,485
Freehold Properties 31 Limited	-	2,222
Freehold Properties 33 Limited	-	3,693
Freehold Properties 34 Limited	-	1,024
Freehold Properties 35 Limited	-	2,787
Freehold Properties 39 Limited	-	1,804
Freehold Properties 40 Limited	-	9,753
Freehold Properties 41 Limited	-	12,508
Freehold Properties 42 Limited	11,020	-
Freehold Properties 43 Limited	146	-
Freehold Properties 250 Limited	28,374	26,909
Freehold Portfolios GB Limited	-	22,778
Freehold Portfolios GP Limited	-	516
Freehold Reversions Limited	-	(43,460)
Freehold Securities Limited	146,310	139,246
Frobisher Properties Limited	-	3,314
Gracie Properties Limited	-	875
Gray's Inn 10 Limited	18,799	12,445
Gray's Inn 11 Limited	19,233	12,222
Gray's Inn 15 Limited	16,362	43,254
Gray's Inn Capital Limited	299,389	-
Gray's Inn Investments Limited	1,073	2,427
Gray's Inn Reversions Limited	-	5,122
Ground Rent Estates Limited	2,113	1,838
Ground Rent Securities Limited	-	1,456
Hillary Estates Limited	-	4,764
House Reversions Limited	-	571
Hudson Freeholds Limited	602	-
Johnson Estates Limited	-	5,254
Livingstone Reversions Limited	-	13,741
Luton Barons Limited	2,290	1,736
O & L Freeholds Limited	4,978	4,833
Propor Limited	295	286
Scott Freeholds Limited	-	3,015
Talkfree Design Limited	12,896	11,721
Thesiger Properties Limited	-	2,246

Notes to the financial statements

for the year ended 31 October 2016

As set out in note 1, turnover represents commission receivable on premiums invoiced. The amounts set out above in respect of related parties have been deducted from gross written premiums invoiced in arriving at turnover.

Notes to the financial statements

for the year ended 31 October 2016

13 Related party transactions (continued)

Insurance premiums invoiced/(refunded):	2016 £	2015 £
Blake Estates Limited	-	2,451
Brightsplit Limited	138,349	133,862
Cabot Estates Limited	-	62,196
Cook Properties Limited	-	87,926
Cromwell Business Centre Management Company Limited	24,456	25,430
Drake Freeholds Limited	-	102,894
Fiennes Estates Limited	-	40,442
Freehold Estates Limited	-	611,459
Freehold Investments Limited	-	79,960
Freehold Reversions Limited	-	(765)
Freehold Securities Limited	367,370	343,714
Freehold Portfolios GB Limited	-	107,452
Freehold Portfolios GP Limited	-	2,322
Freehold Properties 20 Limited	681	839
Freehold Properties 23 Limited	275,351	183,715
Freehold Properties 29 Limited	-	6,666
Freehold Properties 31 Limited	-	10,488
Freehold Properties 33 Limited	-	16,491
Freehold Properties 34 Limited	-	4,596
Freehold Properties 35 Limited	-	12,337
Freehold Properties 39 Limited	-	8,099
Freehold Properties 40 Limited	-	44,279
Freehold Properties 41 Limited	-	55,195
Freehold Properties 42 Limited	61,278	-
Freehold Properties 43 Limited	898	-
Freehold Properties 250 Limited	143,949	139,625
Frobisher Properties Limited	-	19,535
Gracie Properties Limited	-	3,923
Gray's Inn Capital Limited	1,525,142	-
Gray's Inn 10 Limited	100,409	83,978
Gray's Inn 11 Limited	92,124	57,973
Gray's Inn 15 Limited	75,585	-
Gray's Inn Investments Limited	2,490	4,893
Gray's Inn Realty Limited	-	-
Gray's Inn Reversions Limited	-	27,786
Ground Rent Estates Limited	9,574	8,122
Ground Rent Securities Limited	-	6,460
Hillary Estates Limited	-	26,900
House Reversions Limited	-	2,587
Hudson Freeholds Limited	2,747	-
Johnson Estates Limited	-	23,656
Livingstone Reversions Limited	-	63,426
Luton (Barons) Limited	11,430	8,445
O & L Freeholds Limited	-	26,404
PKSM Freehold Limited	13,754	-
Propor Limited	1,326	1,873
Scott Freeholds Limited	-	8,437
Talkfree Design Limited	27,816	23,613
Thesiger Properties Limited	-	11,378

Notes to the financial statements

for the year ended 31 October 2016

The amounts set out above in respect of related parties represent gross written premiums invoiced. During the year the company paid management charges of £591,000 (2015:£574,000) to Leasehold Property Management Limited.

14. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Gray's Inn Operations Limited, a company incorporated in England and Wales, and the ultimate parent undertaking is Gray's Inn Holdings Limited, a company also incorporated in England and Wales. The ultimate controlling party is R Steinhouse by virtue of his majority shareholding.