

Registered number: 04209302

## **BLAGROVE UNDERWRITING AGENCY LIMITED**

**UNAUDITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**



# **BLAGROVE UNDERWRITING AGENCY LIMITED**

## **COMPANY INFORMATION**

<b>Directors</b>	A J L Wallace D Miller
<b>Registered number</b>	04209302
<b>Registered office</b>	15 Westferry Circus Canary Wharf London E14 4HD
<b>Accountants</b>	PKF Littlejohn LLP Chartered Accountants 15 Westferry Circus Canary Wharf London E14 4HD

# **BLAGROVE UNDERWRITING AGENCY LIMITED**

## **CONTENTS**

	Page
<b>Directors' report</b>	<b>1</b>
<b>Directors' responsibilities statement</b>	<b>2</b>
<b>Statement of comprehensive income</b>	<b>3</b>
<b>Statement of financial position</b>	<b>4</b>
<b>Statement of changes in equity</b>	<b>5</b>
<b>Notes to the financial statements</b>	<b>6 - 12</b>

# **BLAGROVE UNDERWRITING AGENCY LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

The Directors present their report and the financial statements for the year ended 31 December 2020.

### **Principal activity**

The principal activity of the Company in the year was that of an underwriting agency in the insurance market.

### **Directors**

The Directors who served during the year were:

A J L Wallace  
D Miller

### **Small companies note**

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

This report was approved by the board on 29 September 2021 and signed on its behalf.

*Andrew Wallace*

**A J L Wallace**  
Director

## **BLAGROVE UNDERWRITING AGENCY LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

# BLAGROVE UNDERWRITING AGENCY LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Turnover	4	1,087,322	648,149
Cost of sales		(1,915)	-
<b>Gross profit</b>		<b>1,085,407</b>	<b>648,149</b>
Administrative expenses		(1,066,539)	(646,903)
<b>Operating profit</b>		<b>18,868</b>	<b>1,246</b>
Interest receivable and similar income	6	1,434	2,112
<b>Profit before tax</b>		<b>20,302</b>	<b>3,358</b>
Tax on profit	7	(3,105)	(1,812)
<b>Profit for the financial year</b>		<b>17,197</b>	<b>1,546</b>

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 6 to 12 form part of these financial statements.

**BLAGROVE UNDERWRITING AGENCY LIMITED**  
**REGISTERED NUMBER: 04209302**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	8	3,641	7,808
		<u>3,641</u>	<u>7,808</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	958,857	1,002,880
Cash at bank and in hand	10	2,033,401	542,187
		<u>2,992,258</u>	<u>1,545,067</u>
Creditors: amounts falling due within one year	11	(2,641,776)	(1,215,949)
<b>Net current assets</b>		<u>350,482</u>	<u>329,118</u>
<b>Total assets less current liabilities</b>		<u>354,123</u>	<u>336,926</u>
<b>Net assets</b>		<u><u>354,123</u></u>	<u><u>336,926</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	20,100	20,100
Profit and loss account	14	334,023	316,826
		<u>354,123</u>	<u>336,926</u>

The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 September 2021.

*Andrew Wallace*

**A J L Wallace**  
Director

The notes on pages 6 to 12 form part of these financial statements.

**BLAGROVE UNDERWRITING AGENCY LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
<b>At 1 January 2019</b>	<b>20,100</b>	<b>315,280</b>	<b>335,380</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,546	1,546
<b>At 1 January 2020</b>	<b>20,100</b>	<b>316,826</b>	<b>336,926</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	17,197	17,197
<b>At 31 December 2020</b>	<b>20,100</b>	<b>334,023</b>	<b>354,123</b>

## **BLAGROVE UNDERWRITING AGENCY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **1. General information**

The Company is a private Company limited by shares and is incorporated and domiciled in England. The Company's registered address is 15 Westferry Circus, Canary Wharf, London E14 4HD and its principal place of business is 34 Lime Street, London, EC3M 7AT.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The Directors believe that adequate cash resources will be available to cover the Company's requirements for working capital for the next twelve months and for the foreseeable future and to meet its obligations as they fall due. Accordingly, the financial statements have been prepared on the going concern basis.

After making enquiries and assessing the potential impact of the COVID-19 outbreak on the company's business activities, the Directors believe there will not be any significant disruption to the day to day operations and have therefore decided to continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **2.3 Revenue recognition**

Turnover represents commissions receivable from insurers in respect of insurance policies incepting during the accounting year.

##### **2.4 Tangible fixed assets**

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

## **BLAGROVE UNDERWRITING AGENCY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **2. Accounting policies (continued)**

##### **2.4 Tangible fixed assets (continued)**

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

Depreciation is provided on the following basis:

Improvements to short leasehold property	-	25% Straight line
Motor vehicles	-	33% Straight line
Office equipment	-	33% Straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

##### **2.5 Interest income**

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

##### **2.6 Current and deferred taxation**

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

#### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **(a) Critical judgements in applying the entity's accounting policies**

No judgements have been made in applying the entities accounting policies that would have a significant effect on the amounts recognised in these financial statements.

##### **(b) Critical accounting estimates and assumptions**

No critical accounting estimates and assumptions have been made that would have a significant effect on the amounts recognised in these financial statements.

## **BLAGROVE UNDERWRITING AGENCY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **4. Analysis of turnover**

Turnover is wholly attributable to the Company's principal activity of an underwriting agent and represents commission turnover.

All turnover arose within the United Kingdom.

#### **5. Employees**

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

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
Directors	<b>2</b>	<b>2</b>
Employees	<b>15</b>	<b>11</b>
	<b>17</b>	<b>13</b>

#### **6. Interest receivable**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other interest receivable	<b>1,434</b>	<b>2,112</b>
	<b>1,434</b>	<b>2,112</b>

#### **7. Taxation**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Corporation tax</b>		
Current tax on profits for the year	<b>3,775</b>	<b>2,451</b>
<b>Total current tax</b>	<b>3,775</b>	<b>2,451</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>(670)</b>	<b>(639)</b>
<b>Total deferred tax</b>	<b>(670)</b>	<b>(639)</b>
<b>Taxation on profit on ordinary activities</b>	<b>3,105</b>	<b>1,812</b>

## BLAGROVE UNDERWRITING AGENCY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 7. Taxation (continued)

##### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - *lower than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<b>20,302</b>	3,358
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	<b>3,857</b>	638
<b>Effects of:</b>		
Expenses not deductible for tax purposes	<b>216</b>	1,164
Income not taxable for tax purposes	<b>(968)</b>	-
Adjustments to opening deferred tax to average rate of 19%	-	10
<b>Total tax charge for the year</b>	<b>3,105</b>	1,812

##### Factors that may affect future tax charges

Legislation was passed on 18 November 2015 to further reduce the UK corporation tax rate to 18% from 1 April 2020.

Further legislation was introduced in the Finance Bill 2016 to reduce the main rate of corporation tax to 17% from 1 April 2020 (this supersedes the 18% rate).

On 3 March 2021, the UK government announced that it intended to increase the main rate of corporation tax to 25% for financial years beginning on or after 1 April 2023. This rate was enacted on 10 June 2021.

# BLAGROVE UNDERWRITING AGENCY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 8. Tangible fixed assets

	S/Term Leasehold Property £	Motor vehicles £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2020	18,126	12,500	823	31,449
At 31 December 2020	18,126	12,500	823	31,449
<b>Depreciation</b>				
At 1 January 2020	18,126	4,692	823	23,641
Charge for the year on owned assets	-	4,167	-	4,167
At 31 December 2020	18,126	8,859	823	27,808
<b>Net book value</b>				
At 31 December 2020	-	3,641	-	3,641
At 31 December 2019	-	7,808	-	7,808

### 9. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	80,779	140,000
Other debtors	868,004	848,333
Prepayments and accrued income	8,845	13,988
Deferred taxation	1,229	559
	<b>958,857</b>	<b>1,002,880</b>

### 10. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	2,033,401	542,187
	<b>2,033,401</b>	<b>542,187</b>

Included in the cash at bank balance is £2,033,252 (2019: £535,028) of amounts held in Insurer Trust accounts which are not available to the company for working capital purposes.

# BLAGROVE UNDERWRITING AGENCY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 11. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts due to group undertakings	2,627,462	85,150
Corporation tax	7,358	5,246
Other creditors	-	1,119,861
Accruals and deferred income	6,956	5,692
	<u>2,641,776</u>	<u>1,215,949</u>

### 12. Deferred taxation

	2020 £
At beginning of year	559
Charged to the statement of comprehensive income	670
<b>At end of year</b>	<u><b>1,229</b></u>

The deferred tax asset is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	1,229	559
	<u>1,229</u>	<u>559</u>

### 13. Share capital

	2020 £	2019 £
<b>Authorised, allotted, called up and fully paid</b>		
20,100 (2019 - 20,100) Ordinary shares of £1.00 each	<u>20,100</u>	<u>20,100</u>

There is a single class of Ordinary Shares. There are no restrictions on the distribution of dividends and the repayment of capital.

## **BLAGROVE UNDERWRITING AGENCY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **14. Reserves**

##### **Profit & loss account**

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

#### **15. Commitments under operating leases**

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>2020</b> £	<b>2019</b> £
Not later than 1 year	<b>11,150</b>	<b>15,000</b>
Later than 1 year and not later than 5 years	<b>-</b>	<b>11,150</b>
	<u><b>11,150</b></u>	<u><b>26,150</b></u>

#### **16. Transactions with directors**

During the year, payments of £11,000 (2019 - £8,599) were made to A J L Wallace and receipts of £Nil (2019 - £Nil) were received. At the balance sheet date £195,212 (2019 - £184,212) was owed to the Company. This amount is included within other debtors.

Directors received remuneration of £72,606 (2019: £81,767) for the year, recharged from another company under common control.

#### **17. Related party transactions**

At the balance sheet date £83,515 (2019 - £54,850) was due from Direct Fleet Insurance Services Limited, a company under common control.

#### **18. Controlling party**

The Director, A J L Wallace has ultimate control of the Company.

*Andrew Wallace*