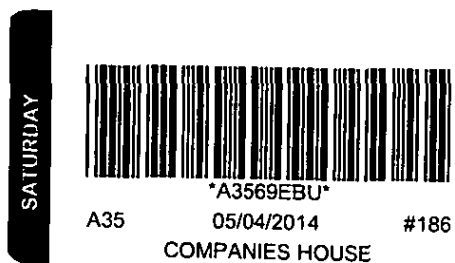


Company registration number 06317313

**South Essex Insurance Holdings Limited  
2013 Annual Report**



# **South Essex Insurance Holdings Limited**

## **2013 Annual Report**

---

<b>Page</b>	<b>Contents</b>
2	Officers and Professional Advisers
3	Strategic Report
4	Director's Report
6	Independent Auditor's Report
7	Statement of Profit or Loss
8	Statement of Changes in Equity
9	Statement of Financial Position
10	Notes to the Financial Statements

## **South Essex Insurance Holdings Limited**

### **Officers and Professional Advisers**

---

<b>Director</b>	M C J Hews BSc, FIA <i>Chairman</i>
<b>Company Secretary</b>	Mrs R J Hall FCIS
<b>Auditor</b>	Deloitte LLP, London
<b>Solicitors</b>	Speechly Bircham LLP, London
<b>Registered Office</b>	Beaufort House, Brunswick Road, Gloucester, GL1 1JZ
<b>Company Registration Number</b>	06317313

# South Essex Insurance Holdings Limited

## Strategic Report

---

The director presents the strategic report of the company for the year ended 31 December 2013

### **Principal activity**

The principal activity of the company is that of an investment holding company of a subsidiary, South Essex Insurance Brokers Limited. That company transacts insurance broking business, and is authorised and regulated by the Prudential Regulation Authority and Financial Conduct Authority.

### **Review of the company's business**

In the current year, the company's only financial transaction was to account for the redemption of its holding of the preference share capital of its subsidiary, on which it realised a gain of £100. The redemption proceeds and accrued dividends on the preference share capital were transferred from the company's subsidiary to its parent company, Ecclesiastical Insurance Office plc, and are reflected in other receivables within the statement of financial position at the year-end date. In the prior year, the company's primary financial transaction was to account for dividends being remitted from the company's subsidiary to its parent company.

Any expenses incurred during the current and prior period were borne by Ecclesiastical Insurance Office plc, the company's immediate parent company.

The director believes that an analysis of key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance and position of the business.

### **Principal risks and uncertainties facing the company**

The director considers that the company is not exposed to significant risks or uncertainties.

By order of the board



Mrs R J Hall  
*Secretary*  
20 March 2014

# South Essex Insurance Holdings Limited

## Director's Report

---

The director presents his annual report and the audited financial statements for the year ended 31 December 2013

### Ownership

The company's parent undertaking is Ecclesiastical Insurance Office plc and its ultimate parent undertaking is Allchurches Trust Limited

### Future prospects

The director has no plans to change the principal activity of the company

### Dividend

Dividends approved and paid were as follows

	2013	2012
	£	£
Prior year final dividend	-	500,000
	-	500,000

As at the year-end date the director has not approved a final ordinary dividend in respect of the current year (2012 £nil)

### Board of directors

The director of the company at the date of this report is stated on page 2

Mr M H Tripp resigned as a director on 21 May 2013 Mr S A Wood resigned as a director on 12 June 2013 Mr M C J Hews was appointed as a director on 5 June 2013

The company has qualifying third party indemnity provisions for the benefit of its directors, which were in place throughout the year and remain in force at the date of this report

### Director's Responsibilities Statement

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year Under that law the director has elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union Under company law the director must not approve the financial statements unless he is 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, International Accounting Standard 1 requires that the director

- properly selects and applies accounting policies,
- presents information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provides additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance, and
- makes an assessment of the company's ability to continue as a going concern

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006 He is 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

### Going concern

The nature of the company's operations does not give rise to a need for external financing The company has no liabilities and the director believes the company is well placed to continue its operations for the foreseeable future Accordingly, he continues to adopt the going concern basis in preparing the annual report and financial statements

# South Essex Insurance Holdings Limited

## Director's Report

---

### **Auditor and the disclosure of information to auditor**

So far as the person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of the company's auditor, the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

By order of the board



Mrs R J Hall  
*Secretary*  
20 March 2014

## **Independent auditor's report to the members of South Essex Insurance Holdings Limited**

---

We have audited the financial statements of South Essex Insurance Holdings Limited for the year ended 31 December 2013 which comprise the statement of profit or loss, the statement of changes in equity, the statement of financial position and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 director and auditor**

As explained more fully in the Director's Responsibilities Statement, the director is 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

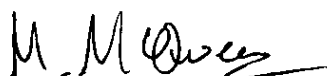
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Director's 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.



Mark McQueen ACA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom  
25 March 2014

## South Essex Insurance Holdings Limited

### Statement of Profit or Loss

---

for the year ended 31 December 2013	Notes	2013 £	2012 £
Income from subsidiary	5	-	500,001
Realised gain	5	<u>100</u>	<u>-</u>
<b>Profit before tax</b>		<b>100</b>	<b>500,001</b>
Taxation	6	<u>-</u>	<u>-</u>
<b>Profit attributable to equity holders</b>	10	<b><u>100</u></b>	<b><u>500,001</u></b>

The company had no recognised income or expense during the current financial year or the preceding financial year other than that included in the statement of profit or loss. Accordingly, no separate statement of comprehensive income has been presented.



# South Essex Insurance Holdings Limited

## Statement of Changes in Equity

for the year ended 31 December 2013

	Note	2013	2012
		£	£
Opening shareholders' equity		1,006	1,005
Total comprehensive income for the year		100	500,001
Dividends	7	-	(500,000)
Closing shareholders' equity		<u>1,106</u>	<u>1,006</u>

## South Essex Insurance Holdings Limited

### Statement of Financial Position

at 31 December 2013	Notes	2013 £	2012 £
<b>Non-current assets</b>			
Investment in subsidiary undertaking	5	999	999
Other receivables	8	107	7
<b>Total assets</b>		<b>1,106</b>	<b>1,006</b>
<b>Equity</b>			
Called up share capital	9	1,000	1,000
Retained earnings	10	106	6
<b>Total shareholders' equity</b>		<b>1,106</b>	<b>1,006</b>

The financial statements of South Essex Insurance Holdings Limited, registered number 06317313, on pages 7 to 12 were approved and authorised for issue on 20 March 2014 by



M C J Hews *Chairman*

# South Essex Insurance Holdings Limited

## Notes to the Financial Statements

---

### 1 Accounting policies

The principal accounting policies adopted in preparing the company's International Financial Reporting Standards (IFRS) financial statements are set out below

#### (a) Basis of preparation

The company's financial statements have been prepared on the historical cost basis, and in accordance with IFRSs issued by the International Accounting Standards Board and endorsed by the European Union, as applicable at 31 December 2013

The nature of the company's operations does not give rise to a need for external financing. The company has no liabilities and the director believes the company is well placed to continue its operations for the foreseeable future. Accordingly, he continues to adopt the going concern basis in preparing the annual report and financial statements

No cash flow statement has been presented as the company has not engaged in any cash transactions in either the current or prior period. During the year, the cash due to the company arising from the redemption of the preference share capital of its subsidiary, South Essex Insurance Brokers Limited, was transferred directly to Ecclesiastical Insurance Office plc, the company's immediate parent company. The previously accrued preference share dividend income was transferred directly to Ecclesiastical Insurance Office plc, therefore representing a non-cash movement for the company. In the prior year, dividend income on ordinary shares held in South Essex Insurance Brokers Limited were transferred directly to Ecclesiastical Insurance Office plc, therefore representing a non-cash movement for the company

The company is not required to prepare consolidated financial statements by virtue of the exemption under IFRS 10 *Consolidated Financial Statements*. The results of the company and its subsidiary are included within the financial statements of Ecclesiastical Insurance Office plc, a company registered in England and Wales, which will prepare consolidated financial statements for the year to 31 December 2013. The financial statements therefore present information about the company as an individual entity and not about its group

In the current year the company has adopted IAS 27 (Revised), *Separate Financial Statements*, IFRS 10, *Consolidated Financial Statements*, amendment to IAS 1 (Revised), *Presentation of Items of Other Comprehensive Income* and the IASB's 2009-2011 cycle of annual improvements to IFRSs. The amendment to IAS 1 introduces new terminology, the use of which is not mandatory, for the statement of comprehensive income and the income statement. As such, the 'income statement' has been renamed as the 'statement of profit or loss'. The other standards, interpretations and amendments adopted in the current year have not had an impact on the financial statements

The following IFRSs were early adopted by the company: IAS 27 (Revised), IAS 28 (revised), *Investments in Associates and Joint Ventures*, IFRS 10, IFRS 11, *Joint Arrangements*, and IFRS 12, *Disclosure of Interests in Other Entities*. The company has not adopted early any other IFRSs that have been issued but which are not yet effective. The adoption of these IFRSs is not expected to impact on the company

#### (b) Critical accounting judgements and key sources of estimation uncertainty

There have been no critical judgements made by management in applying the company's accounting policies that have a significant effect on the amounts recognised in the financial statements. There are no key sources of estimation uncertainty at the year-end date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

#### (c) Income from subsidiary

Ordinary dividends receivable from the company's subsidiary are recorded as income on the date declared. Preference dividends receivable from the company's subsidiary are accrued as income when there is a right to receive payment

#### (d) Taxation

Current tax is the expected tax payable on the taxable profit for the period and any adjustment to the tax payable in respect of previous periods

The company has no transactions which would give rise to a deferred tax asset or liability

#### (e) Investment in subsidiary undertaking

Subsidiaries are accounted for at cost less any permanent diminution in value

# South Essex Insurance Holdings Limited

## Notes to the Financial Statements

---

### 2 Ultimate parent company and controlling party

The company is a private limited company incorporated and domiciled in England, and is a wholly-owned subsidiary of Ecclesiastical Insurance Office plc. Its ultimate parent company and controlling party is Allchurches Trust Limited. Both companies are incorporated and operate in Great Britain and copies of their financial statements are available from the registered office as shown on page 2. The parent companies of the smallest and largest groups for which group financial statements are drawn up are Ecclesiastical Insurance Office plc and Allchurches Trust Limited respectively.

### 3 Directors' emoluments

The directors of the company were employed by Ecclesiastical Insurance Office plc, the company's immediate parent company, and received emoluments from that company during the current and prior year. It is not practicable to allocate their remuneration between the companies of which they were directors during the year. Mr Hews and Mr Tripp were members of the group's defined contribution pension scheme during the current and prior year. Mr Wood was a member of the group's defined benefit pension scheme during the current and prior year.

### 4 Auditor's remuneration

The remuneration of the auditor amounting to £2,500 (2012: £2,500) in respect of audit work was paid by Ecclesiastical Insurance Office plc, the company's immediate parent company.

### 5 Investment in subsidiary undertaking

The company holds all the issued ordinary share capital of South Essex Insurance Brokers Limited, a company incorporated and operating in England, and engaged in insurance broking business. Dividend income from the subsidiary amounted to £nil (2012: £500,001). On 31 March 2013 the preference share capital of South Essex Insurance Brokers Limited, which was all held by the company, was redeemed. No cost was attributed to the holding of these preference shares and therefore on redemption a gain of £100 was realised.

### 6 Taxation

Tax on the company's profit before tax differs from the United Kingdom standard rate of corporation tax for the reasons set out in the following reconciliation:

	2013	2012
	£	£
Profit before tax	100	500,001
Tax calculated at the UK standard rate of 23.25% (2012: 24.5%)	23	122,500
<i>Factors affecting charge for the year</i>		
Non-taxable income	-	(122,500)
Tax at non-standard rate	(23)	-
Total actual amount of current tax	-	-

A change in the UK standard rate of corporation tax from 24% to 23% became effective from 1 April 2013. Current tax has been provided at the blended rate of 23.25%. Further reductions in the rate of corporation tax to 21% from April 2014, and to 20% from April 2015, were substantively enacted on 2 July 2013.

### 7 Dividends

	2013	2012
	£	£
Prior year final dividend approved and paid of £nil per share (2012: £500)	-	500,000

# South Essex Insurance Holdings Limited

## Notes to the Financial Statements

<b>8 Other receivables</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Amounts owed by parent undertaking	<b>107</b>	<b>1</b>
Amounts owed by subsidiary undertaking	<b>-</b>	<b>6</b>
	<b>107</b>	<b>7</b>

The director believes that the carrying value of other receivables is a reasonable approximation of fair value. The balance is not past due at the reporting date and no amounts have been impaired during the current or prior year.

<b>9 Called up share capital</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Allotted, issued and fully paid 1,000 Ordinary shares of £1 each	<b>1,000</b>	<b>1,000</b>

<b>10 Retained earnings</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Retained earnings brought forward	<b>6</b>	<b>5</b>
Profit for the year	<b>100</b>	<b>500,001</b>
Dividends	<b>-</b>	<b>(500,000)</b>
Retained earnings carried forward	<b>106</b>	<b>6</b>