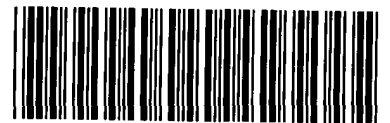


Company registration number: 06317313

**South Essex Insurance Holdings Limited  
2019 Annual Report**

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# **South Essex Insurance Holdings Limited**

## **2019 Annual Report**

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# South Essex Insurance Holdings Limited

## Officers and Professional Advisers

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<b>Directors</b>	M.C.J. Hews BSc, FIA <i>Chairman</i> D.R. Moore BA(Hons), MBA
<b>Company Secretary</b>	Mrs R.J. Hall FCIS
<b>Auditor</b>	Deloitte LLP Bristol United Kingdom
<b>Registered Office</b>	Beaufort House Brunswick Road Gloucester GL1 1JZ United Kingdom
<b>Company Registration Number</b>	06317313

# South Essex Insurance Holdings Limited

## Strategic Report

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The directors present their strategic report of the company for the year ended 31 December 2019.

### 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 Financial Conduct Authority.

### Review of the company's business

In the current and prior year, the company's primary financial transaction was to account for dividends being remitted from the company's subsidiary to the parent company.

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

The directors believe 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 directors consider that the company is not exposed to significant risks or uncertainties.

### Section 172 Statement

This section describes how the directors have had regard to the matters set out in section 172(1) (a) to (f) and forms the directors' voluntary statement required under section 414CZA of the Companies Act 2006 where relevant to the company. The Directors recognise that the long-term success of the Company is dependent on having regard to the interests of its stakeholders. Decisions and policies in relation to shareholders, employees, customers, community and environment are determined at a Group level and set out in the Annual Report and Accounts of Ecclesiastical Insurance Office PLC.

Approved and authorised for issue by the Board of Directors and signed on its behalf by



M.C.J. Hews  
Chairman  
22 May 2020

# South Essex Insurance Holdings Limited

## Directors' Report

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The directors present their annual report and the audited financial statements for the year ended 31 December 2019.

### Ownership

The entire share capital of the company is owned by Ecclesiastical Insurance Office plc. The ultimate parent company is Allchurches Trust Limited.

### Future prospects

The directors have no plans to change the principal activity of the company.

### Dividend

Dividends approved and paid were as follows:

	2019	2018
	£	£
Prior year final dividend	750,000	500,000
Interim dividend	500,000	1,000,000
	<u>1,250,000</u>	<u>1,500,000</u>

No further dividends have been proposed up to the date of this report.

### Board of directors

The directors of the company at the date of this report are stated on page 2.

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

### Directors' Responsibilities Statement

The directors are responsible for preparing the annual 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that the directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are 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
- make an assessment of the company's ability to continue as a going concern.

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.

### Non adjusting events after the reporting period

Events subsequent to the reporting period are detailed in note 11 to the financial statements.

# South Essex Insurance Holdings Limited

## Directors' Report

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### 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 directors believe the company is well placed to continue its operations, as an intermediate holding company, for at least twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

### Auditor and the disclosure of information to auditor

So far as each 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 fellow directors and the company's auditor, each director has taken all the steps that they ought to have taken as a director in order to make themselves 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.

### Auditor appointment

In 2019, to comply with requirements for rotation of the external auditor, the Ecclesiastical group completed a rigorous tender process. This resulted in the selection of PricewaterhouseCoopers LLP (PwC) who will be the company's statutory auditor for the year end 2020. In 2020 the audit committee has overseen the start of preparations for the auditor transition and are looking forward to working with PwC. The audit committee would like to thank Deloitte LLP for the audit service they have provided the company.

Approved and authorised for issue by the Board of Directors and signed on its behalf by



M.C.J. Hews  
Chairman  
22 May 2020

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

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## Report on the audit of the financial statements

### Opinion

In our opinion the financial statements of South Essex Insurance Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements 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 11

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

### 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 auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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 company'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.

We have nothing to report in respect of these matters.

### 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 respect of these matters.

### Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's 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 an auditor's report 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 auditor's report.

## **Report on other legal and regulatory requirements**

### **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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

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

**Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

### **Use of our report**

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.



Tom Noble (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
22 May 2020



## South Essex Insurance Holdings Limited

### Statement of Profit or Loss

for the year ended 31 December 2019	Notes	2019 £	2018 £
Dividend income from subsidiary	5	<u>1,250,000</u>	<u>1,500,000</u>
<b>Profit before tax</b>		<b>1,250,000</b>	<b>1,500,000</b>
Taxation	6	<u>-</u>	<u>-</u>
<b>Profit attributable to equity holders and total comprehensive income</b>	10	<u><b>1,250,000</b></u>	<u><b>1,500,000</b></u>

The company had no recognised income or expense during the current financial year or the prior financial year other than that included in the statement of profit or loss. Accordingly, no separate statement of comprehensive income has been presented. All the amounts above are in respect of continuing operations.

# South Essex Insurance Holdings Limited

## Statement of Changes in Equity

for the year ended 31 December 2019

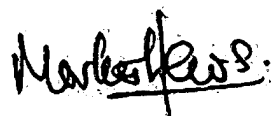
	Notes	Called up share capital £	Retained earnings £	Total shareholder's equity £
Balance at 1 January 2018		1,000	106	1,106
Total comprehensive income for the year		-	1,500,000	1,500,000
Dividends	8	-	(1,500,000)	(1,500,000)
Balance at 31 December 2018		<u>1,000</u>	<u>106</u>	<u>1,106</u>
Balance at 1 January 2019		1,000	106	1,106
Total comprehensive income for the year		-	1,250,000	1,250,000
Dividends	8	-	(1,250,000)	(1,250,000)
Balance at 31 December 2019		<u>1,000</u>	<u>106</u>	<u>1,106</u>

# South Essex Insurance Holdings Limited

## Statement of Financial Position

at 31 December 2019	Notes	2019 £	2018 £
<b>Non-current assets</b>			
Investment in subsidiary undertaking	5	999	999
Other receivables	7	107	107
<b>Total assets</b>		<b>1,106</b>	<b>1,106</b>
<b>Equity</b>			
Called up share capital	9	1,000	1,000
Retained earnings	10	106	106
<b>Total shareholder's equity</b>		<b>1,106</b>	<b>1,106</b>

The financial statements of South Essex Insurance Holdings Limited, registered number 06317313, on pages 8 to 13 were approved and authorised for issue on 22 May 2020 by:



M.C.J. Hews  
Chairman

# South Essex Insurance Holdings Limited

## Notes to the Financial Statements

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### 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 2019.

The nature of the company's operations does not give rise to a need for external financing. The company has no liabilities and the directors believe the company is well placed to continue its operations for at least twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

No statement of cash flows has been presented as the company has not engaged in any cash transactions in either the current or prior year. Dividend income on ordinary shares held in South Essex Insurance Brokers Limited, the company's subsidiary, was transferred directly to Ecclesiastical Insurance Office plc, the company's immediate parent company, and therefore represents 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 2019. The financial statements therefore present information about the company as an individual entity and not about its group.

#### (b) New and revised Standards

The Standards adopted in the current year are either outside the scope of company transactions or do not materially impact the company.

The Standards in issue but not yet effective are either outside the scope of company transactions or not expected to materially impact the company.

#### (c) 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.

#### (d) Income from subsidiary

Ordinary dividends receivable from the company's subsidiary are recorded as income on the date declared.

#### (e) 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.

#### (f) Investment in subsidiary undertaking

Subsidiaries are accounted for at cost.

### 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. 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. Both companies are incorporated and operate in Great Britain and copies of their financial statements are available from the registered office shown on page 2.

# South Essex Insurance Holdings Limited

## Notes to the Financial Statements

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### 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 for the period they were directors. It is not practicable to allocate their remuneration between the companies of which they were a director during the year. D.R.Moore was a member of the group's defined contribution pension scheme in the current and prior year.

### 4 Auditor's remuneration

The remuneration of the auditor amounting to £2,600 (2018: £2,300) in respect of audit of the company's annual financial statements was paid by Ecclesiastical Insurance Office plc, the company's immediate parent company and not re-charged to the company.

### 5 Investment in subsidiary undertaking

The company holds all the issued ordinary share capital of South Essex Insurance Brokers Limited (SEIB), a company incorporated and operating in England, and engaged in insurance broking business. SEIB has the same registered address as the company, detailed on page 2. Dividend income from the subsidiary amounted to £1,250,000 (2018: £1,500,000).

### 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:

	2019 £	2018 £
Profit before tax	1,250,000	1,500,000
Tax calculated at the UK standard rate of 19.00% (2018: 19.00%)	237,500	285,000
<i>Factors affecting charge for the year:</i>		
Non-taxable income	(237,500)	(285,000)
Total actual amount of current tax	-	-

### 7 Other receivables

	2019 £	2018 £
Amounts owed by parent undertaking	107	107

The directors believe 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.

Amounts outstanding are unsecured, are not subject to guarantees, and will be settled in cash. No provisions have been made in respect of these balances.

### 8 Dividends

	2019 £	2018 £
Prior year final dividend	750,000	500,000
Interim dividend	500,000	1,000,000
	1,250,000	1,500,000

This equates to a dividend of £1,250 per share (2018: £1,500)

### 9 Called up share capital

	2019 £	2018 £
Allotted, issued and fully paid 1,000 Ordinary shares of £1 each	1,000	1,000

# South Essex Insurance Holdings Limited

## Notes to the Financial Statements

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<b>10 Retained earnings</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Retained earnings brought forward	<b>106</b>	106
Profit for the year	<b>1,250,000</b>	1,500,000
Dividends	<b><u>(1,250,000)</u></b>	<b><u>(1,500,000)</u></b>
Retained earnings carried forward	<b><u>106</u></b>	<b><u>106</u></b>

### **11 Events after the balance sheet date**

In early 2020, the existence of a new coronavirus, Covid-19, was confirmed. This virus has since spread across the globe and on 11 March 2020 was characterised by the World Health Organization as a pandemic.

The Group considers the emergence and spread of Covid-19 to be a non-adjusting post balance sheet event under IAS 10 – Events After the Reporting Period. Consequently, there is no impact on the recognition and measurement of assets and liabilities at 31 December 2019. Given the nature of the company's operations, Covid-19 is not expected to adversely impact the Company.