

Registration number 07732946

JBA Risk Management Limited
Directors' report and financial statements
for the year ended 31 October 2014

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JBA Risk Management Limited

Company information

Directors	S G Waller J Boulton J Toothill
Secretary	C Robson
Company number	07732946
Registered office	South Barn Broughton Hall Skipton North Yorkshire BD2 3AE
Auditors	Windle & Bowker Limited Croft House Station Road Barnoldswick Lancashire BB18 5NA
Business address	South Barn Broughton Hall Skipton North Yorkshire BD23 3AE
Bankers	Barclays Bank plc 49 High Street Skipton North Yorkshire BD23 1DH

JBA Risk Management Limited

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JBA Risk Management Limited

Strategic report for the year ended 31 October 2014

Business review

The Company has seen a significant increase in both turnover and staff numbers. It also increased investment in new intellectual property while returning profitability in line with expectations.

Our UK based business is continuing to grow and we have seen a satisfactory renewal rate for clients who have reached the end of their first licence term.

Overseas business is continuing to grow with interest in our services and data being particularly strong in North America, Europe and Asia.

Notable successes

Our UK data continues to improve technically while continuing to increase its share of the insurance and property markets.

We completed the development of a Global Flood Map, which covers over 160 countries.

The Company has increased the amount of work it passes to sister companies within the JBA Group. This has allowed us to take on additional work which otherwise would not have been possible.

The year was rounded off by winning the Reactions London Market Award for Catastrophe Modelling Company of the Year 2014.

Health and safety

We were able to continue our good performance on health and safety as demonstrated in the key statistics below.

Key Accident Statistics

	2014	2013	2012
Average number of permanent staff employed	50	40	26
Fatalities	0	0	0
Major Injuries	0	0	0
Over 3 Day Injuries	0	0	0

JBA Risk Management Limited
Strategic report
for the year ended 31 October 2014

continued

Environment and sustainability

We have continued to demonstrate sound environmental management of our activities during the year. In particular we have

- reduced our per capita paper consumption
- decreased the quantity of virgin paper we purchase
- halved our per capita energy emissions in four years
- increased the number of offices that use green electricity
- increased the emissions saved by our use of public transport

The Company Environmental Reward Scheme paid £3,000 to staff as reward for using low carbon methods of commuting. Under this scheme, staff who walk, cycle, car-share or use public transport to travel to work for a significant proportion of their journeys are entitled to receive a financial bonus. 21 members of staff qualified for this reward in 2013-14.

Research and development

The Company increased the level of its expenditure in new maps, models and data with almost £950,000 invested in the year. Much of this was spent developing new data which should help sustain growth in future years.

Post Balance Sheet events

There are no post-balance sheet events to report.

Future developments

We enter 2015 in a positive cash position with no need for external debt and a strengthening order book. The Company will seek to invest in improving its internal processes to improve the efficiency and quality of what we do.

We plan to increase outsourcing work to other JBA Companies to enable us to grow the business.

While we still see growth opportunities in the UK market, we plan to increase the proportion of income gained from overseas work.

This report was approved by the Board on 23 June 2015 and signed on its behalf by



C Robson
Secretary

JBA Risk Management Limited
Directors' report
for the year ended 31 October 2014

The directors present their report and the financial statements for the year ended 31 October 2014

Principal activity

The principal activity of the company is that of the provision of natural peril maps, models and data to the insurance, reinsurance and property sectors worldwide

Results and dividends

The Profit for the year, after taxation, amounted to £586,014. Particulars of dividends paid and proposed are detailed in the notes to the financial statements

Directors

The directors who served during the year are as stated below

S G Waller
J Boulton
J Toothill

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 year.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and 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.

Each of the persons who is a director at the date of approval of this report confirms that

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

JBA Risk Management Limited
Directors' report
for the year ended 31 October 2014

continued

Strategic Report


In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has chosen to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008

Auditors

Windle & Bowker Limited are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

This report was approved by the Board on 23 June 2015 and signed on its behalf by



C Robson
Secretary

Independent auditor's report to the shareholders of JBA Risk Management Limited

We have audited the financial statements of JBA Risk Management Limited for the year ended 31 October 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Reconciliation of Movements in Shareholders' Funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 set out on page 3 - 4, 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 (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out below.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out below.

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities, assist with the preparation of the financial statements and monthly management accounts.

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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report and financial statements 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 October 2014 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**Independent auditor's report to the shareholders of
JBA Risk Management Limited**

continued

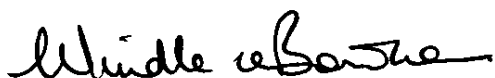
Opinion on other matter prescribed by the Companies Act 2006.

In our opinion 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

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 in preparing the directors' report



**Martin Heming (senior statutory auditor)
For and on behalf of Windle & Bowker Limited
Chartered Accountants and
Statutory Auditors
6 July 2015**

**Croft House
Station Road
Barnoldswick
Lancashire
BB18 5NA**

JBA Risk Management Limited

Profit and loss account for the year ended 31 October 2014

		Continuing operations	
		2014	2013
	Notes	£	£
Turnover	2	4,525,735	3,186,545
Cost of sales		(2,390,750)	(1,535,965)
Gross profit		2,134,985	1,650,580
Administrative expenses		(1,641,421)	(1,274,662)
Exceptional administrative expenses		84,811	84,811
Operating profit	3	578,375	460,729
Other interest receivable and similar income		3,377	1,261
Profit on ordinary activities before taxation		581,752	461,990
Tax on profit on ordinary activities	7	4,262	17,279
Profit for the year		586,014	479,269
Retained profit brought forward		688,859	313,694
Reserve Movements		(96,754)	(104,104)
Retained profit carried forward		1,178,119	688,859

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 10 to 19 form an integral part of these financial statements.

JBA Risk Management Limited

**Balance sheet
as at 31 October 2014**

		2014		2013	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	9		32,917		59,680
Tangible assets	10		163,876		187,179
			<u>196,793</u>		<u>246,859</u>
Current assets					
Debtors	11	1,605,105		826,588	
Cash at bank and in hand		745,057		698,294	
		<u>2,350,162</u>		<u>1,524,882</u>	
Creditors: amounts falling due within one year	12	(1,344,736)		(1,054,520)	
Net current assets			<u>1,005,426</u>		<u>470,362</u>
Total assets less current liabilities			1,202,219		717,221
Provisions for liabilities	13		<u>(11,600)</u>		<u>(15,862)</u>
Net assets			<u>1,190,619</u>		<u>701,359</u>
Capital and reserves					
Called up share capital	15		12,500		12,500
Profit and loss account			1,178,119		688,859
Shareholders' funds	16		<u>1,190,619</u>		<u>701,359</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

These accounts were approved by the directors on 23 June 2015, and are signed on their behalf by

S G Waller
Director



Registration number 07732946

The notes on pages 10 to 19 form an integral part of these financial statements.

JBA Risk Management Limited

Cash flow statement for the year ended 31 October 2014

	Notes	2014 £	2013 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		578,375	460,729
Depreciation		101,016	197,519
(Increase) in debtors		(778,517)	(214,875)
Increase in creditors		297,566	389,218
Net cash inflow from operating activities		<u>198,440</u>	<u>832,591</u>
Cash flow statement			
Net cash inflow from operating activities		198,440	832,591
Returns on investments and servicing of finance	19	3,377	1,261
Taxation	19	-	(14,762)
Capital expenditure	19	(50,950)	(86,801)
		<u>150,867</u>	<u>732,289</u>
Equity dividends paid		(104,104)	(90,805)
Increase in cash in the year		<u>46,763</u>	<u>641,484</u>
Reconciliation of net cash flow to movement in net funds (Note 20)			
Increase in cash in the year		46,763	641,484
Net funds at 1 November 2013		<u>698,294</u>	<u>56,810</u>
Net funds at 31 October 2014		<u>745,057</u>	<u>698,294</u>

JBA Risk Management Limited

Notes to the financial statements for the year ended 31 October 2014

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

1.3. Licences

Licences are valued at cost less accumulated amortisation

Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives of 2 to 4 years

1.4. Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred

1.5. Tangible fixed assets and depreciation

Fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and machinery	-	25% straight line
Fixtures, fittings and equipment	-	10% straight line

1.6. Long term contracts

Amounts recoverable on long term contracts, which are included in debtors are stated at the net sales value of the work done after provisions for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments received on account

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

JBA Risk Management Limited
Notes to the financial statements
for the year ended 31 October 2014

continued

1.8. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

1.9. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account

2. Turnover

Turnover attributable to geographical markets outside the United Kingdom amounted to 22% for the year

JBA Risk Management Limited

Notes to the financial statements
for the year ended 31 October 2014

continued

3. Operating profit	2014	2013
	£	£
Operating profit is stated after charging		
Depreciation and other amounts written off intangible assets	26,763	135,513
Depreciation and other amounts written off tangible assets	74,253	62,006
Net foreign exchange loss	37,264	-
Auditors' remuneration (Note 4)	3,000	2,500
	<u> </u>	<u> </u>
and after crediting		
Net foreign exchange gain	-	809
Exceptional items		
- Exceptional administrative credit	84,811	84,811
	<u> </u>	<u> </u>

The exceptional credit represents the write off of a loan owing to a group company This item is non taxable

4. Auditors' remuneration	2014	2013
	£	£
Auditors' remuneration - audit of the financial statements	3,000	2,500
	<u> </u>	<u> </u>
Auditors' remuneration - other fees		
- Management Accounts	1,800	1,800
	<u> </u>	<u> </u>

5. Directors' remuneration	2014	2013
	£	£
Remuneration and other benefits	355,484	317,661
	<u> </u>	<u> </u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	3	3

JBA Risk Management Limited
Notes to the financial statements
for the year ended 31 October 2014

continued

6. Pension costs

The company operates a defined contribution pension scheme in respect of the directors and employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £143,882 (2013 - £123,571)

JBA Risk Management Limited

Notes to the financial statements for the year ended 31 October 2014

continued

7. Tax on profit on ordinary activities

Analysis of charge in period	2014 £	2013 £
Current tax		
UK corporation tax at 20.00% (2013 - 20.00%)	-	(14,762)
Adjustments in respect of previous periods	-	2,331
	-	(12,431)
Total current tax charge	-	(12,431)
Deferred tax		
Timing differences, origination and reversal	(4,262)	(4,848)
Total deferred tax	(4,262)	(4,848)
Tax on profit on ordinary activities	<u>(4,262)</u>	<u>(17,279)</u>

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (20.00 per cent). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>581,752</u>	<u>461,990</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2013 - 20.00%)	116,350	92,398
Effects of:		
Expenses not deductible for tax purposes	908	1,168
Capital allowances for period in excess of depreciation	2,503	28,908
Unrelieved tax losses	76,488	-
Adjustments to tax charge in respect of previous periods	-	2,331
Research & development	(244,828)	(120,274)
Group loan write off	(16,962)	(16,962)
Group relief	65,541	-
Current tax charge for period	<u>-</u>	<u>(12,431)</u>

Factors that may affect future tax charges

The company has tax losses carried forward available to offset against future profits amounting to £621,831. This results from the claiming of enhanced research & development allowances.

JBA Risk Management Limited
Notes to the financial statements
for the year ended 31 October 2014

continued

8. Dividends

Dividends paid and proposed on equity shares

	2014	2013
	£	£
Proposed at the year-end (recognised as a liability)		
Equity dividends on Ordinary shares	96,754	104,104
	<u>96,754</u>	<u>104,104</u>

9. Intangible fixed assets

	Licences	Total
	£	£
Cost		
At 1 November 2013	314,555	314,555
At 31 October 2014	<u>314,555</u>	<u>314,555</u>
Amortisation		
At 1 November 2013	254,875	254,875
Charge for year	26,763	26,763
At 31 October 2014	<u>281,638</u>	<u>281,638</u>
Net book values		
At 31 October 2014	<u>32,917</u>	<u>32,917</u>
At 31 October 2013	<u>59,680</u>	<u>59,680</u>

JBA Risk Management Limited

Notes to the financial statements for the year ended 31 October 2014

continued

10. Tangible fixed assets	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 November 2013	274,908	13,397	288,305
Additions	43,482	7,468	50,950
At 31 October 2014	318,390	20,865	339,255
Depreciation			
At 1 November 2013	100,687	439	101,126
Charge for the year	72,415	1,838	74,253
At 31 October 2014	173,102	2,277	175,379
Net book values			
At 31 October 2014	145,288	18,588	163,876
At 31 October 2013	174,221	12,958	187,179

11. Debtors	2014	2013
	£	£
Trade debtors	1,520,163	618,837
Amounts recoverable on long term contracts	26,997	-
Amounts owed by group undertakings	18,104	108,708
Other debtors	14,762	14,762
Prepayments and accrued income	25,079	84,281
	<u>1,605,105</u>	<u>826,588</u>

JBA Risk Management Limited
Notes to the financial statements
for the year ended 31 October 2014

continued

12. Creditors: amounts falling due within one year	2014	2013
	£	£
Payments received on account	-	46,713
Trade creditors	85,803	119,227
Amounts owed to group undertaking	301,149	235,524
Other taxes and social security costs	225,870	91,991
Other creditors	10,017	15,120
Accruals and deferred income	625,143	441,841
Proposed dividend	96,754	104,104
	<u>1,344,736</u>	<u>1,054,520</u>
13. Provisions for liabilities		
	Deferred taxation (Note 14)	Total
	£	£
At 1 November 2013	15,862	15,862
Movements in the year	(4,262)	(4,262)
At 31 October 2014	<u>11,600</u>	<u>11,600</u>
14. Provision for deferred taxation	2014	2013
	£	£
Accelerated capital allowances	11,600	15,862
Provision for deferred tax	<u>11,600</u>	<u>15,862</u>
Provision at 1 November 2013	15,862	
Deferred tax credit in profit and loss account	(4,262)	
Provision at 31 October 2014	<u>11,600</u>	

JBA Risk Management Limited

Notes to the financial statements for the year ended 31 October 2014

continued

15. Share capital	2014	2013
	£	£
Allotted, called up and fully paid		
1,250,000 Ordinary shares of £0.01 each	<u>12,500</u>	<u>12,500</u>
Equity Shares		
1,250,000 Ordinary shares of £0.01 each	<u>12,500</u>	<u>12,500</u>
16. Reconciliation of movements in shareholders' funds	2014	2013
	£	£
Profit for the year	586,014	479,269
Dividends	<u>(96,754)</u>	<u>(104,104)</u>
	489,260	375,165
Opening shareholders' funds	<u>701,359</u>	<u>326,194</u>
Closing shareholders' funds	<u>1,190,619</u>	<u>701,359</u>

17. Related party transactions

The company has taken advantage of the exemptions available in FRS8 with regard to transactions with group companies

18. Ultimate parent undertaking

The company is a wholly owned subsidiary of JBA Group Limited. Copies of JBA Group Limited consolidated accounts can be obtained from the company's registered office

JBA Risk Management Limited
Notes to the financial statements
for the year ended 31 October 2014

continued

19. Gross cash flows

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	<u>3,377</u>	<u>1,261</u>
Taxation		
Corporation tax paid	<u>-</u>	<u>(14,762)</u>
Capital expenditure		
Payments to acquire tangible assets	<u>(50,950)</u>	<u>(86,801)</u>

20. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	<u>698,294</u>	<u>46,763</u>	<u>745,057</u>
Net funds	<u>698,294</u>	<u>46,763</u>	<u>745,057</u>