

Company Registration Number: 09567930

Exeter Cash Plan Holdings Limited

Annual report and financial statements

For the period 29 April 2015 to 31 December 2015



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Strategic Report

The Directors present their first report of the financial statements of Exeter Cash Plan Holdings Limited for the period from 29th April 2015 to 31st December 2015.

Principal Activities

The company was incorporated on 29th April 2015 and acts as the holding company for The Exeter Cash Plan Limited. The company does not trade.

Business review

On 30th October 2015, the Company acquired the entire issued share capital of Engage Mutual Health from Engage Holdings Limited for £2,936,657. The purchase price includes a deferred payment of £200,000, which is payable within 12 months of the acquisition. Further costs of £166,672 were incurred in the process of the acquisition. The issued share capital consists of 5,000,001 ordinary shares of £1 each. Upon acquisition, Engage Mutual Health changed its name to The Exeter Cash Plan. The principal activity of The Exeter Cash Plan is the underwriting of health insurance business.

Key performance indicators

As the company does not trade and other than the Statement of Financial Position on page 10, does not have any performance indicators. As such the Board do not consider it appropriate to report any other key performance indicators.

Proposed dividend

The Directors do not recommend the payment of a dividend for the period.

Principal risks and uncertainties

Given the nature of the operations the Directors do not consider there are any significant risks and uncertainties facing the Company.

Future outlook

The company's intention is to remain a holding company for the foreseeable future and to continue not to trade.

On behalf of the Board of Directors



W W Dobbin, BA, Barrister

Director

26 May 2016

Registered Office:
Lakeside House
Emperor Way
Exeter
EX1 3FD

Directors' Report

As permitted by section 414C(11) of the Companies Act 2006, certain information is not included in the Directors' Report because it has instead been shown in the Strategic Report. This information is:

- Results and dividends;
- Principal activities of the Company;
- Business review and future prospects;
- Principal risks and uncertainties.

Directors and their interests

The present members of the Board and the members who were in office during the period and up to the date of signing the financial statements are shown below:

A D S Chapman (from 29 April 2015)
P Austin (from 29 April 2015)
W W Dobbin (from 16 March 2016)
D S Brand (from 16 March 2016)
P E J Le Beau (from 16 March 2016)
S J Payne (from 16 March 2016)
W T Hamilton (from 16 March 2016)
S J Philp (from 16 March 2016)

Parent company

The Company is a wholly owned subsidiary of Exeter Friendly Society Limited, a friendly society incorporated under the Friendly Societies Act 1992.

Preparation of financial statements

The financial statements for the current period have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. This provides consistency with the Company's parent company Exeter Friendly Society Limited.

Employees

The Company did not directly employ any staff, instead it utilised the staff and premises of Exeter Friendly Society Limited in carrying out its activities in 2015.

Directors' and officers' liability insurance

Exeter Friendly Society Limited purchased and maintained throughout the period, on behalf of its subsidiaries, Directors' and Officers' liability insurance in respect of the Company and its Directors. It is available for inspection at the registered office of the Company, details of which are provided on page 3.

Directors' Report

Going concern

The ultimate parent company of Exeter Cash Plan Holdings Limited ("ECPHL") is Exeter Friendly Society Limited. Exeter Friendly Society has prepared a business plan for itself and its subsidiaries and has projected the future working capital requirements of ECPHL. The Directors of ECPHL have presented the accounts on a going concern basis as Exeter Friendly Society Limited has confirmed, as part of the business plan, its commitment to funding the future working capital requirements of ECPHL for a period of at least twelve months from the date of the signing of the accounts.

Approved by the Board of Directors and signed by order of the Board

A handwritten signature in black ink, appearing to read 'W W Dobbin', with a large, stylized loop at the end.

W W Dobbin, BA, Barrister

Director

26 May 2016

Directors' responsibilities statement in respect of the Strategic Report, the Directors' Report and the financial statements

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 period. Under that law the Directors have prepared 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, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditors and disclosure of information to auditors

Each Director at the date of this report confirms that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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.

Independent Auditors' Report to the Members of Exeter Cash Plan Holdings Limited

Report on the financial statements

Our opinion

In our opinion, Exeter Cash Plan Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its income and expenditure for the period 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.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the statement of changes in equity;
- the statement of financial position as at 31 December 2015;
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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 period for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' Report to the Members of Exeter Cash Plan Holdings Limited

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

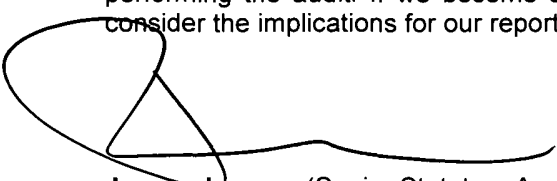
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.



Joanne Leeson (Senior Statutory Auditor) `
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
26 May 2016

- (a) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Changes in Equity

for the period ended 31 December 2015

	2015		
	Share capital	Retained earnings	Total
	£	£	£
Issue of share capital on incorporation	100	-	100
Loss for the period	-	-	-
Balance at 31 December	100	-	100

The notes on pages 11 to 13 form part of these financial statements.

Statement of Financial Position

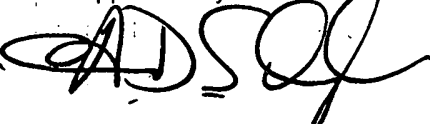
as at 31 December 2015

	Note	2015
		£
Assets		
Investment in subsidiary	4	3,103,429
Total Assets		3,103,429
Equity		
Share capital	7	100
Total Equity		100
Liabilities		
Trade and other payables		
- Amounts due to group undertakings	5	2,903,329
- Other payables including tax and social security	5	200,000
Total Liabilities		3,103,329
Total equity and liabilities		3,103,429

The notes on pages 11 to 13 form part of these financial statements.

The financial statements on pages 9 to 13 were approved by the Board of Directors on 26 May 2016 and were signed on its behalf by:


W W Dobbin, BA, Barrister
 Director


A D S Chapman, ACII, APFS
 Director


J P Edwards, BSc, ACIS
 Secretary

Notes to the Financial Statements

for the period ended 31 December 2015

1 Accounting policies

1.1 General information

The company is a holding company for The Exeter Cash Plan Limited. The Company is limited by shares, domiciled and incorporated in the United Kingdom.

1.2 Basis of preparation

These are the first financial statements of the company and cover the period from incorporation on 29th April 2015 to 31 December 2015.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. In addition the Company's accounts conform to those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, financial assets and financial liabilities at fair value through income.

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The Company has not used any significant estimates or judgements in preparing the financial statements in conformity with IFRS. The principal accounting policies are listed below. The accounting policies have been applied consistently and the financial statements have been prepared on a going concern basis.

A Statement of Comprehensive income has not been presented for the reporting period as the company did not incur any comprehensive income in the reporting period.

A Statement of Cash Flows has not been presented for the reporting period as the company had no cash movements in the reporting period.

The company has taken advantage of the exemption to produce consolidated accounts under IFRS 10 para 4a as it is an intermediate parent company that meets the following conditions:

- i. it is a wholly-owned subsidiary or is a partially-owned subsidiary of another entity and all its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the parent not presenting consolidated financial statements;
- ii. its debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets);
- iii. it did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market; and
- iv. its ultimate or any intermediate parent produces consolidated financial statements that are available for public use and comply with IFRS.

1.3 Principal accounting policies

i. Investment in subsidiary

Subsidiaries are held in the Company's Statement of Financial Position at cost value less any provision for impairment. The carrying amounts of the Group's investments are reviewed for impairment at each balance sheet date, or when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated and any shortfall is recognised in the Statement of Comprehensive Income.

Notes to the Financial Statements

for the period ended 31 December 2015

ii. Trade and other payables

Trade and other payables are recognised as they fall due. They are measured at fair value. Trade and other payables include amounts due to group undertakings and a deferred payment related to the purchase of the subsidiary.

2 Directors emoluments

The emoluments of the Directors are paid by the ultimate parent company. It is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments. Total emoluments for each of the relevant directors are included in the aggregate of Directors emoluments disclosed in the financial statements of Exeter Friendly Society Limited.

The Company did not directly employ any staff, instead it utilised the staff and premises of Exeter Friendly Society Limited in carrying out its activities in 2015.

3 Auditors remuneration

Audit fees incurred by the company are paid for by the parent company Exeter Friendly Society. The company incurred fees of £3,000 for the audit of the financial statements for the period to 31st December 2015.

In addition, audit fees of £21,000 were incurred by The Exeter Cash Plan, the company's subsidiary, for the audit of the financial statements of the Exeter Cash Plan for the year ended 31st December 2015.

4 Investment in subsidiary

	2015
	£
At incorporation	
Additions	3,103,429
Provision for impairment	-
At 31 December	3,103,429

On 30th October 2015, the Company acquired the entire issued share capital of Engage Mutual Health from Engage Holdings Limited for £2,936,657. The purchase price includes a deferred payment of £200,000, which is payable within 12 months of the acquisition. Further costs of £166,672 were incurred in the process of the acquisition.

The issued share capital consists of 5,000,001 ordinary shares of £1 each. Upon acquisition, the name was changed from Engage Mutual Health to The Exeter Cash Plan.

The principal activity of The Exeter Cash Plan is the underwriting of health insurance business. The purchase of this subsidiary will ably complement the parent company's existing book of health insurance business as well as making a positive contribution to the Group's finances.

The Company has examined the carrying value of its subsidiary and concluded that a provision for impairment was not necessary in regard to these investments in 2015. In carrying out this assessment, the carrying value is compared to its recoverable amount. The recoverable amount has been determined using a value in use calculation which considers the net assets of The Exeter Cash Plan as at 31 December 2015 plus net discounted cash flow predictions based on financial plans approved by management covering a 20-year period, allowing for premium inflation of 10% per annum, lapse rates of 15% per annum and cost inflation of 3% per annum. The forecast cash flows have been discounted at a pre-tax rate of 6%. Based on the above assumptions, the recoverable amount exceeds the carrying amount.

Notes to the Financial Statements

for the period ended 31 December 2015

5 Trade and other payables

	2015
	£
Amounts owed to group undertakings	2,903,329
Other payables	200,000
Total trade and other payables including tax and social security	3,103,329

Other payables relate to the deferred payment for the purchase of The Exeter Cash Plan which is due on 30th October 2016.

6 Related party transactions

The company is a wholly owned subsidiary of Exeter Friendly Society. IAS 24 requires the subsidiary to disclose any balances due or from other group companies.

Transactions in the period

	2015
	£
Costs relating to the acquisition of Engage Mutual Health paid on behalf of the Company by the parent Exeter Friendly Society Limited	2,903,329
Shares issued to the parent company Exeter Friendly Society. Unpaid at the date of reporting.	100

The above amounts are outstanding at 31 December 2015.

7 Called up share capital

	2015
	£
100 ordinary shares of £1 each	100

8 Ultimate parent company

The immediate and ultimate parent company and the ultimate controlling party is Exeter Friendly Society Limited, a UK incorporated Friendly Society registered under the Friendly Societies Act 1992.

The largest company whose accounts this company is consolidated into is Exeter Friendly Society Limited.

The consolidated accounts of Exeter Friendly Society Limited are available to the public and may be obtained from: The Company Secretary, Lakeside House, Emperor Way, Exeter, EX1 3FD or at www.the-exeter.com.

9 Related undertakings

The company has the following subsidiary undertakings:

The Exeter Cash Plan is a wholly owned subsidiary of Exeter Cash Plan Holdings Limited and is incorporated in the UK. The company holds all of the issued ordinary shares of The Exeter Cash Plan.