

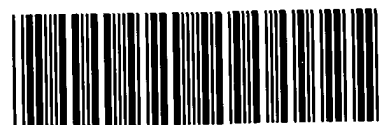
# Granite Insurance Services Limited

## Financial Statements

For the year ended 31 December 2016



TUESDAY



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01/08/2017

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COMPANIES HOUSE

**Directors**

M McKeown  
A McKeown  
S McAllister  
P McKeown  
J Speer

**Secretary**

S McAllister

**Auditors**

Ernst & Young LLP  
Bedford House  
16 Bedford Street  
Belfast BT2 7DT

**Bankers**

Danske Bank  
58 Hill Street  
Newry BT34 1BD

**Registered Office**

Canal House  
27-29B St Mary Street  
Newry BT34 2AA

**Balance sheet**

at 31 December 2016

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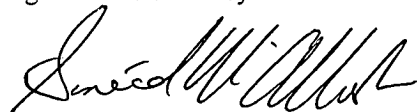
	Notes	2016 £	2015 £
<b>Current assets</b>			
Debtors	3	46,145	30,887
Cash at bank		310,361	203,974
		<u>356,506</u>	<u>234,861</u>
<b>Creditors: amounts falling due within one year</b>	4	<u>(93,514)</u>	<u>(45,722)</u>
<b>Net current assets</b>		<u>262,992</u>	<u>189,139</u>
<b>Total assets less current liabilities</b>		<u>262,992</u>	<u>189,139</u>
<b>Net assets</b>		<u>262,992</u>	<u>189,139</u>
<b>Capital and reserves</b>			
Called up share capital	5	2	2
Profit and loss account	6	262,990	189,137
<b>Shareholders' funds</b>		<u>262,992</u>	<u>189,139</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with FRS 102.

These accounts have been delivered in accordance with the special provision for small companies under Companies Act 2006 s444 (amended by SI 2015/980) not to file the Profit and Loss Account and Directors' Report.

The notes on pages 3 to 6 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on and were signed on its behalf by:



Sinead McAllister

Director

25 May 2017

## Notes to the financial statements

at 31 December 2016

### 1. Accounting policies

#### **Statement of compliance**

Granite Insurance Limited is a private company, limited by shares, incorporated in the United Kingdom and registered in Northern Ireland. The registered office is Canal House, 27-29B St. Mary Street, Newry BT34 2AA.

The company's financial statement have been prepared in compliance with FRS 102 as it applies to the financial statements for the year ended 31 December 2016.

The date of transition from the previously extant UK GAAP to FRS 102 was at 1 January 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 10.

#### **Basis of preparation**

The company's financial statements are prepared on a going concern under the historical cost convention and in accordance with applicable accounting standards. The financial statements of Granite Insurance Services Limited were authorised for issue by the Board of Directors on 25 May 2017. The financial statements are prepared in Sterling which is the functional currency of the company and rounded to the nearest pound (£).

#### **Reduced disclosure framework**

The company has taken advantage of the following disclosure exemptions under FRS 102:

- (a) The requirements of Section 4 *Statement of Financial Position* paragraph 4.12(a)(iv).
- (b) The requirements of Section 7 *Statement of Cash Flows* and Section 3 *Financial Statement Presentation* paragraph 3.17(d).
- (c) The requirements of Section 11 *Basic Financial Instruments* paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c) and Section 12 paragraphs 12.26
- (d) Section 33 *Related Party Disclosures* paragraph 33.7.

#### **Statement of cash flows**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose group financial statements are publicly available, is exempt from the requirement to draw up a statement of cash flows in accordance with FRS 102 Section 7 *Statement of Cash Flows*.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The Board do not consider there to be any key sources of judgement or estimation uncertainty that have significant risk of causing material adjustment to the carrying amounts of the assets and liabilities in the next financial year.

#### **Significant accounting policies**

##### **Revenue recognition**

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

##### **Rendering of services**

Revenue from providing policies is recognised by reference to the extent of service provided. Where the outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

## Notes to the financial statements

at 31 December 2016

### 1. Accounting policies (continued)

#### *Significant accounting policies (continued)*

##### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- 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;
- where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability/(asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of the deferred tax recognised; and
- unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

##### **Current tax**

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

##### **Basic financial instruments**

###### **a) Financial assets**

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

###### **b) Financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans and amount owed to fellow companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## Notes to the financial statements

at 31 December 2016

### 1. Accounting policies (continued)

*Significant accounting policies (continued)*

*Basic financial instruments (continued)*

#### b) Financial liabilities (continued)

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### c) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks.

### 2. Employees

The average monthly number of employees, excluding the directors, during the year was made up as follows:

	<i>No.</i>	<i>No.</i>
Administration	<u>2</u>	<u>3</u>

### 3. Debtors

	<i>2016</i>	<i>2015</i>
	<i>£</i>	<i>£</i>
Amounts owed by group undertakings	–	3,551
Other debtors	<u>46,145</u>	<u>27,336</u>
	<u>46,145</u>	<u>30,887</u>

### 4. Creditors: amounts falling due within one year

	<i>2016</i>	<i>2015</i>
	<i>£</i>	<i>£</i>
Trade creditors	4,800	2,749
Amounts owed to group undertakings	43,685	3,589
Corporation tax	18,463	7,726
Social security and other taxes	1,029	2,477
Other creditors	18,945	9,482
Accruals	<u>6,592</u>	<u>19,699</u>
	<u>93,514</u>	<u>45,722</u>

### 5. Issued share capital

	<i>2016</i>	<i>2015</i>
	<i>No.</i>	<i>No.</i>
	<i>£</i>	<i>£</i>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	<u>2</u>	<u>2</u>

## Notes to the financial statements

at 31 December 2016

### 6. Reserves

#### *Profit and loss account*

The company's profit and loss account includes the accumulated profits and losses of the company less any dividends declared.

#### *Share capital*

The balance classified as share capital includes the nominal value of issued company's share capital.

### 7. Related party transactions

During the year, there were no transactions entered into by the company that have not been concluded under normal market conditions with companies controlled by a director.

As a wholly owned subsidiary undertaking of GFL SPV Limited, the company is exempt from the requirements of FRS 102 Section 33 Related Party Disclosures paragraph 33.11 to disclose transactions with other members of the group which are party to the transaction.

#### *Key management personnel*

All directors who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. During 2016 and 2015, there were no transactions with key management personnel other than the directors' remuneration of £40,881 (2015 – 50,862).

### 8. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Granite Financial Limited. The ultimate parent undertaking and controlling party is GFL SPV Limited, a company incorporated in Northern Ireland. The immediate and ultimate parent companies' financial statements are available from Companies House, Second Floor, Linenhall, 32-38 Linenhall Street, Belfast BT2 8BG.

### 9. Security held by the bank

The company has given Danske Bank fixed and floating charges over all its assets. Keyman insurance for key personnel has been assigned to the bank. Additionally Crash Services Limited, Granite Financial Limited and Granite Administration and Marketing Services Limited have provided cross guarantees to the bank.

### 10. Transition to FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2015.

The impact from the transition to FRS 102 is as follows:

#### *Holiday pay accrual*

Under previous UK GAAP, the company accrued for holiday pay where this was expected to be paid as a cash sum where the employee was entitled to carry forward holidays earned indefinitely. However, the company did not accrue for holiday pay that was earned but the holiday entitlement was expected to be taken in the subsequent financial year. Under FRS 102, the company is required to accrue for all short-term compensated absences as holiday entitlement earned but not taken at the date of the statement of financial position.

Having undertaken a full review of the changes in accounting policies arising from the transition to FRS 102, there was neither a material impact on the profit and loss nor the balance sheet of the company.

### 11. Auditor's report

The auditor's report on the Report and Financial Statements for the financial year ended 31 December 2016, which were audited by Ernst and Young LLP and signed on behalf of the auditor by Michael Kidd, a Senior Statutory Auditor, was unqualified and did not contain any matters to which the auditor drew attention by emphasis.