

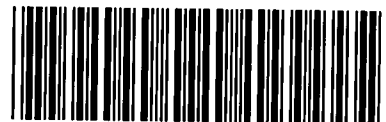
Company Registration Number: 009567930

# **Exeter Cash Plan Holdings Limited**

**Annual report and financial statements**

**Year ended 31 December 2016**

TUESDAY



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# Strategic Report

The Directors present their report of the financial statements of Exeter Cash Plan Holdings Limited for the period to 31<sup>st</sup> December 2016.

## Principal Activities

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

## Business review

The company paid £2,936,657 in 2015 for the purchase of The Exeter Cash Plan Limited from Engage Mutual Health from Engage Holdings Limited. In addition to this, the sale and purchase agreement included a deferred payment of £200,000 which was payable within 12 months of the acquisition. This obligation was settled on 14<sup>th</sup> November 2016. A further capital contribution of £500,000 was made in The Exeter Cash Plan during the year. No further activity took place in the year.

## 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



S W V Turner, BSC Barrister  
Secretary  
19 April 2017

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 year and up to the date of signing the financial statements are shown below:

A D S Chapman  
P Austin  
W W Dobbin  
D S Brand  
P E J Le Beau  
S J Payne  
H S McEwan (appointed 1 September 2016)  
W T Hamilton  
S J Philp (until 31 August 2016)  
K F Richardson (until 26 May 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 year 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 2016.

## 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 on behalf of the Board**

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

**W W Dobbin, BA, Barrister**

Director

19 April 2017

## **Directors' responsibilities statement**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

The directors 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.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have 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 company's auditors are aware of that information.

# ***Independent auditors' report to the members of Exeter Cash Plan Holdings Limited***

## **Report on the financial statements**

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### **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 2016 and of its result 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.

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### **What we have audited**

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

- the Statement of Financial Position as at 31 December 2016;
- the Statement of Changes in Equity for the year then ended; and
- 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 IFRSs as adopted by the European Union, and applicable law.

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.

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## **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 addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

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## **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.

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### **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.

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## Responsibilities for the financial statements and the audit

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### Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement 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.

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### What an audit of financial statements involves

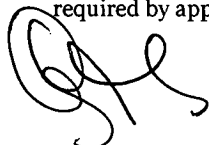
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Sue Morling (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol  
19 April 2017



## Statement of Changes in Equity

for the period ended 31 December 2016

	2016			2015		
	Share capital	Retained earnings	Total equity	Share capital	Retained earnings	Total equity
	£	£	£	£	£	£
Balance at 1 January / incorporation at 29 April 2015	100	-	100	100	-	100
Result for the period	-	-	-	-	-	-
<b>Balance at 31 December</b>	<b>100</b>	<b>-</b>	<b>100</b>	<b>100</b>	<b>-</b>	<b>100</b>

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

# Statement of Financial Position

as at 31 December 2016

	Note	2016	2015
		£	£
<b>Assets</b>			
Investment in subsidiary	4	3,602,270	3,103,429
<b>Total Assets</b>		<b>3,602,270</b>	<b>3,103,429</b>
<b>Equity</b>			
Share capital	7	100	100
<b>Total Equity</b>		<b>100</b>	<b>100</b>
<b>Liabilities</b>			
Trade and other payables			
- Amounts due to group undertakings	5	3,602,170	2,903,329
- Other payables including tax and social security	5	-	200,000
<b>Total Liabilities</b>		<b>3,602,170</b>	<b>3,103,329</b>
<b>Total equity and liabilities</b>		<b>3,602,270</b>	<b>3,103,429</b>

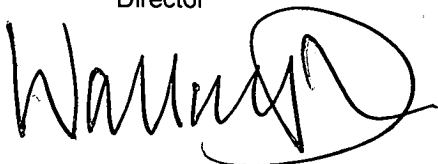
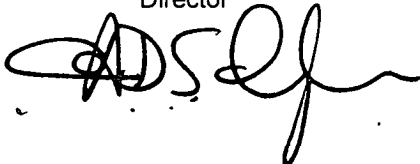
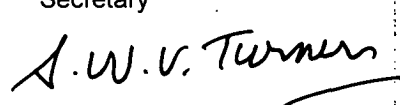
The notes on pages 11 to 13 form part of these financial statements.

The financial statements on pages 9 to 13 were approved by the Board of Directors on 19 April 2017 and were signed on its behalf by:

**W W Dobbin, BA, Barrister**  
Director

**A D S Chapman, ACII, APFS**  
Director

**S W V Turner BSc, Barrister**  
Secretary

# Notes to the Financial Statements

## for the period ended 31 December 2016

### 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

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 2016

### 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 2016.

## 3 Auditors remuneration

Audit fees incurred by the company are paid for by the parent company Exeter Friendly Society. The company incurred fees of £3,090 (2015:£3,000) for the audit of the financial statements for the period to 31<sup>st</sup> December 2016.

In addition, audit fees of £23,686 (2015:£21,000) were incurred by The Exeter Cash Plan, the company's subsidiary, for the audit of the financial statements and regulatory submissions of the Exeter Cash Plan for the year ended 31<sup>st</sup> December 2016.

## 4 Investment in subsidiary

	2016	2015
	£	£
At 1 January / incorporation 29 April 2015	3,103,429	-
Additions	498,841	3,103,429
Provision for impairment	-	-
<b>At 31 December</b>	<b>3,602,270</b>	<b>3,103,429</b>

The investment in subsidiary relates to The Exeter Cash Plan which was acquired in 2015. The issued share capital consists of 5,500,001 ordinary shares of £1 each. The principal activity of The Exeter Cash Plan is the underwriting of health insurance business.

The Company has examined the carrying value of its subsidiary and concluded that a provision for impairment is not required as at 31 December 2016. 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 2016 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 2016

### 5 Trade and other payables

	2016	2015
	£	£
Amounts owed to group undertakings	3,602,170	2,903,329
Other payables	-	200,000
<b>Total trade and other payables including tax and social security</b>	<b>3,602,170</b>	<b>3,103,329</b>

Amounts owed to group undertakings increased in the year due to the settlement of the deferred liability in respect of the purchase of The Exeter Cash Plan which was settled on 14<sup>th</sup> November 2016, and a capital contribution of £500,000

Amounts owed to group undertakings is considered a non-current liability which will only result in settlement following the sale of The Exeter Cash Plan.

### 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

	2016	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
Investment in The Exeter Cash Plan Limited in the year	500,000	-
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 Share capital

	2016	2015
	£	£
100 (2015: 100) ordinary shares of £1 each	100	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](http://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. The registered address of the Exeter Cash Plan is Lakeside House, Emperor Way, Exeter, EX1 3FD