

**Granite Insurance Services Limited**

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2012**

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26/09/2013

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Granite Insurance Services Limited

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**Company Information**

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<b>Directors</b>	M McKeown A McKeown S McAllister D McKeown J Speer
<b>Company secretary</b>	S McAllister
<b>Company number</b>	NI30166
<b>Registered office</b>	Canal House 27-29 St Marys Street Newry BT34 2AA
<b>Trading address</b>	Canal House 27-29 St Marys Street Newry BT34 2AA
<b>Auditors</b>	Ernst & Young LLP Bedford House 16 Bedford Street Belfast Northern Ireland BT2 7DT
<b>Bankers</b>	Danske Bank Limited 58 Hill Street Newry BT34 1BD

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Granite Insurance Services Limited

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Granite Insurance Services Limited

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**Directors' report**  
**For the Year Ended 31 December 2012**

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The directors present their report and the financial statements for the year ended 31 December 2012.

**Principal activities**

The principal activity of the company during the year continued to be an insurance intermediary.

**Directors**

The directors who served during the year were:

M McKeown  
A McKeown  
S McAllister  
D McKeown  
J Speer

**Provision of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

**Auditors**

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 26 September 2013 and signed on its behalf.



**M McKeown**  
Director

**Directors' responsibilities statement  
For the Year Ended 31 December 2012**

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The directors are responsible for preparing the 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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.

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**Independent auditors' report to the shareholders of Granite Insurance Services Limited**

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We have audited the financial statements of Granite Insurance Services Limited for the year ended 31 December 2012, set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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, 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 Ethical Standards for Auditors.

**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 to identify material inconsistencies with the audited financial statements. 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 December 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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Granite Insurance Services Limited

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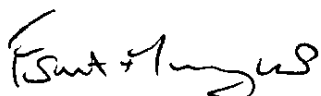
**Independent auditors' report to the shareholders of Granite Insurance Services Limited**

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**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.



David Galbraith (Senior statutory auditor)

for and on behalf of  
**Ernst & Young LLP**

Registered Auditor

Bedford House  
16 Bedford Street  
Belfast  
Northern Ireland  
BT2 7DT

Date: 26 September 2013

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Granite Insurance Services Limited

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**Profit and loss account**  
**For the Year Ended 31 December 2012**

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	Note	2012 £	2011 £
Turnover	2	289,087	261,947
Administrative expenses		(274,093)	(258,804)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		14,994	3,143
Tax on profit on ordinary activities	4	(3,573)	(1,170)
		<hr/>	<hr/>
Profit for the financial year	11	11,421	1,973
		<hr/>	<hr/>

The notes on pages 7 to 11 form part of these financial statements.



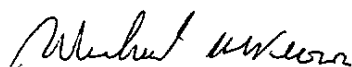
Granite Insurance Services Limited  
Registered number: NI30166

**Balance sheet**  
**As at 31 December 2012**

	Note	£	2012 £	£	2011 £
<b>Fixed assets</b>					
Tangible assets	5		792		1,188
<b>Current assets</b>					
Debtors	6	79,002		257,319	
Cash at bank		5,947		762	
		<u>84,949</u>		<u>258,081</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(49,281)</u>		<u>(184,803)</u>	
<b>Net current assets</b>			<u>35,668</u>		<u>73,278</u>
<b>Total assets less current liabilities</b>			<u>36,460</u>		<u>74,466</u>
<b>Creditors: amounts falling due after more than one year</b>	8		-		(49,403)
<b>Provisions for liabilities</b>					
Deferred tax	9		<u>(273)</u>		<u>(297)</u>
<b>Net assets</b>			<u><u>36,187</u></u>		<u><u>24,766</u></u>
<b>Capital and reserves</b>					
Called up share capital	10		2		2
Profit and loss account	11		<u>36,185</u>		<u>24,764</u>
<b>Shareholders' funds</b>			<u><u>36,187</u></u>		<u><u>24,766</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
26 September 2013



**M McKeown**  
Director

The notes on pages 7 to 11 form part of these financial statements.

**Notes to the financial statements  
For the Year Ended 31 December 2012**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**1.2 Cash flow**

The directors have taken advantage of the exemption in FRS 1 (revised) from including a statement of cash flows in the financial statements on the grounds that the company is small.

**1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	-	33.33% straight line
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**1.4 Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**1.5 Taxation**

UK taxation payable is provided on taxable profits at current rates.

**1.6 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

**2. Turnover**

The turnover shown in the profit and loss account represents the policies provided during the year. Where a portion of the policy has yet to be provided, the extent of the policy relating to the unprovided service is carried forward as deferred income.

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Granite Insurance Services Limited

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**Notes to the financial statements  
For the Year Ended 31 December 2012**

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**3. Operating Profit**

The profit is stated after charging:

	2012 £	2011 £
Depreciation of tangible fixed assets: - owned by the company	396	-

During the year, no director received any emoluments (2011 - £NIL).

**4. Taxation**

	2012 £	2011 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b>		
UK corporation tax charge on profit for the year	3,597	1,032
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	150
Effect of tax rate change on opening liability	(24)	(12)
<b>Total deferred tax (see note 9)</b>	(24)	138
<b>Tax on profit on ordinary activities</b>	3,573	1,170

Granite Insurance Services Limited

**Notes to the financial statements  
For the Year Ended 31 December 2012**

**5. Tangible fixed assets**

	<b>Computer equipment £</b>
<b>Cost</b>	
At 1 January 2012 and 31 December 2012	<u>1,188</u>
<b>Depreciation</b>	
At 1 January 2012	-
Charge for the year	<u>396</u>
At 31 December 2012	<u>396</u>
<b>Net book value</b>	
At 31 December 2012	<u>792</u>
At 31 December 2011	<u>1,188</u>

**6. Debtors**

	<b>2012 £</b>	<b>2011 £</b>
Amounts owed by group undertakings	67,979	244,749
Other debtors	11,023	12,570
	<u>79,002</u>	<u>257,319</u>

**7. Creditors:  
Amounts falling due within one year**

	<b>2012 £</b>	<b>2011 £</b>
Bank loans and overdrafts	9,179	52,553
Trade creditors	4,347	3,937
Amounts owed to group undertakings	38	85,015
Corporation tax	3,597	1,032
Social security and other taxes	3,070	5,913
Other creditors	29,050	36,353
	<u>49,281</u>	<u>184,803</u>

Granite Insurance Services Limited

**Notes to the financial statements  
For the Year Ended 31 December 2012**

**8. Creditors:  
Amounts falling due after more than one year**

	2012 £	2011 £
Directors account	-	49,403

**9. Deferred taxation**

	2012 £	2011 £
At beginning of year	297	159
(Released during)/charge for year	(24)	138
At end of year	273	297

The provision for deferred taxation is made up as follows:

	2012 £	2011 £
Accelerated capital allowances	273	297

**10. Share capital**

	2012 £	2011 £
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £1 each	2	2

**11. Reserves**

	Profit and loss account £
At 1 January 2012	24,764
Profit for the year	11,421
At 31 December 2012	36,185

**Notes to the financial statements  
For the Year Ended 31 December 2012**

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**12. Operating lease commitments**

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows:

	2012 £	2011 £
<b>Expiry date:</b>		
Between 2 and 5 years	<u>5,537</u>	<u>5,537</u>

**13. Security held by bank**

The company has given Danske Bank Limited fixed and floating charges over all its assets. Keyman insurance policies for key personnel have 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.

**14. Related party transactions**

The company has taken advantage of the exemption in FRS8 from disclosing transactions with related parties that are part of the Granite Financial Limited group.

**15. Ultimate parent undertaking and controlling party**

The ultimate parent undertaking and controlling party of the company is Granite Financial Limited.

The parent undertaking for which accounts are prepared is Granite Financial Limited. Accounts are available from Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, BT2 8BG.