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Financial Statements
Lonham Group Limited

For the year ended 31 March 2013



Registered number: 01679607

Company Information

Directors	M J Ayres N H Hamer C G Midwood D Stannard
Company secretary	D Stannard
Registered number	01679607
Registered office	81 Grimwade Street Ipswich Suffolk IP4 1LN
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Crown House Crown Street Ipswich Suffolk IP1 3HS
Bankers	Lloyds TSB Bank plc
Solicitors	Ashton KCJ

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Directors' Report

For the year ended 31 March 2013

The directors present their report and the financial statements for the year ended 31 March 2013

Principal activities

The principal activity of the company during the year was the provision of underwriting, claims handling and consultancy work within the marine insurance industry

Directors

The directors who served during the year were

M J Ayres
N H Hamer
C G Midwood
D Stannard

The company continues to insure its officers against liabilities in relation to the company

Directors' responsibilities statement

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

Provision of information to auditor

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 auditor is 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 auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

Directors' Report

For the year ended 31 March 2013

Auditor

The auditor, Grant Thornton UK 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 17th July 2013 and signed on its behalf

D. Stannard

D Stannard
Director



Independent Auditor's Report to the Members of Lonham Group Limited

We have audited the financial statements of Lonham Group Limited for the year ended 31 March 2013, which comprise the Profit and loss account, the Balance sheet and the related notes 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 Auditor's 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 auditor

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 (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www frc org uk/apb/scope/private cfm

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 March 2013 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

Grant Thornton

Independent Auditor's Report to the Members of Lonham Group Limited

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

Grant Thornton UK LLP

Mark Handley (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Ipswich
Date 31 July 2017

Profit and Loss Account

For the year ended 31 March 2013

	Note	2013 £	2012 £
Turnover	1	**1,566,358**	1,850,929
Administrative expenses		**(1,023,176)**	(1,046,228)
Operating profit	3	**543,182**	804,701
Interest receivable and similar income		**2,001**	2,156
Profit on ordinary activities before taxation		**545,183**	806,857
Tax on profit on ordinary activities	5	**(123,524)**	(203,349)
Profit for the financial year	11	**421,659**	603,508

The notes on pages 7 to 12 form part of these financial statements

Lonham Group Limited
Registered number: 01679607

Balance Sheet

As at 31 March 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	6		**63,047**		66,528
Current assets					
Debtors	8	**2,050,219**		1,937,423	
Cash at bank and in hand		**749,424**		968,363	
		2,799,643		2,905,786	
Creditors: amounts falling due within one year	9	**(2,202,521)**		(2,318,939)	
Net current assets			**597,122**		586,847
Net assets			**660,169**		653,375
Capital and reserves					
Called up share capital	10		**100**		100
Capital redemption reserve	11		**10,000**		10,000
Profit and loss account	11		**650,069**		643,275
Shareholders' funds			**660,169**		653,375

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
17th July 2013

D Stannard

D Stannard
Director

The notes on pages 7 to 12 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 March 2013

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)

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts These financial statements therefore present information about the company as an individual undertaking and not about its group

1.2 Turnover

The turnover shown in the profit and loss account represents insurance commission earned in the year This is calculated based on the policies which have been invoiced during the year

Where the company receives revenue which is related to the underlying underwriting profit on policies written or sold, this is only recognised in the year in which the right to the consideration is acheived and the final amount can be reliably measured

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

Freehold property	-	2 38% straight line
Fixtures & fittings	-	33 33% straight line
Office equipment	-	33 33% straight line

1 4 Investments

Investments held as fixed assets are shown at cost less provision for impairment

1 5 Operating leases

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

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

1.7 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

Notes to the Financial Statements

For the year ended 31 March 2013

1. Accounting Policies (continued)

1.8 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities Financial liabilities are presented as such in the balance sheet Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument Dividends and distributions relating to equity instruments are debited direct to equity

1 9 Insurance debtors and creditors

The company principally acts as an agent in underwriting insurance risks for and on behalf of Lloyds Notwithstanding its legal relationship with clients and insurance companies, the company has followed generally accepted accounting policies by showing cash, debtors and creditors relating to insurance business as assets and liabilities of the company itself

2. Turnover

13 7% of the company's turnover (2012 - 15 6%) is attributable to geographical markets outside the United Kingdom

3. Operating profit

The operating profit is stated after charging

	2013	2012
	£	£
Depreciation of tangible fixed assets		
- owned by the company	**6,456**	9,164
Auditor's remuneration	**10,500**	10,000
Pension costs	**71,821**	69,758

The company has entered into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 March 2013 The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and was approved by the shareholders on 17 July 2013

Notes to the Financial Statements

For the year ended 31 March 2013

4. Directors' remuneration

	2013	2012
	£	£
Aggregate emoluments	**448,940**	448,085

During the year retirement benefits were accruing to 4 directors (2012 - 4) in respect of defined contribution pension schemes

5. Taxation

	2013	2012
	£	£
UK corporation tax charge on profit for the year	**123,524**	203,349

6. Tangible fixed assets

	Freehold property	Fixtures & fittings	Total
	£	£	£
Cost			
At 1 April 2012	**300,610**	**151,952**	**452,562**
Additions	**-**	**2,975**	**2,975**
Disposals	**-**	**(401)**	**(401)**
At 31 March 2013	**300,610**	**154,526**	**455,136**
Depreciation			
At 1 April 2012	**241,145**	**144,889**	**386,034**
Charge for the year	**2,142**	**4,314**	**6,456**
On disposals	**-**	**(401)**	**(401)**
At 31 March 2013	**243,287**	**148,802**	**392,089**
Net book value			
At 31 March 2013	**57,323**	**5,724**	**63,047**
At 31 March 2012	59,465	7,063	66,528

During the year ended 31 December 1997, the freehold property was written down to a value of £90,000 on the basis of a valuation by Fenn Wright, Chartered Surveyors

The transitional provisions of Financial Reporting Standard 15, Tangible Fixed Assets, are being followed and therefore the valuation has not been updated

Notes to the Financial Statements

For the year ended 31 March 2013

7. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding	2013 £	2012 £
Lonham Marine Underwriters Limited	Ordinary	100%	2	2
Lonham Claims and Recovery Bureau Limited	Ordinary	100%	2	2
			4	4

Name	Business
Lonham Marine Underwriters Limited	Dormant
Lonham Claims and Recovery Bureau Limited	Dormant

The aggregate of the share capital and reserves as at 31 March 2013 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Lonham Marine Underwriters Limited	2	-
Lonham Claims and Recovery Bureau Limited	2	-

8. Debtors

	2013 £	2012 £
Trade debtors	2,008,212	1,889,415
Other debtors	42,007	48,008
	2,050,219	1,937,423

Notes to the Financial Statements
For the year ended 31 March 2013

9. Creditors:
Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	**1,853,109**	1,895,019
Amounts owed to group undertakings	**72,268**	72,268
Corporation tax	**123,530**	203,191
Social security and other taxes	**35,871**	35,155
Other creditors	**117,743**	113,306
	2,202,521	2,318,939

10. Share capital

	2013	2012
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	**100**	100

11. Reserves

	Capital redempt'n reserve	Profit and loss account
	£	£
At 1 April 2012	**10,000**	**643,275**
Profit for the year	**-**	**421,659**
Dividends Equity capital	**-**	**(414,865)**
At 31 March 2013	**10,000**	**650,069**

12. Dividends

	2013	2012
	£	£
Dividends paid on equity capital	**414,865**	399,475

On 5 June 2013 the directors proposed an interim dividend for the year ended 31 March 2013 of £190,000 (2012 - final dividend of £414,865)

Notes to the Financial Statements

For the year ended 31 March 2013

13. Operating lease commitments

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows

	2013	2012
	£	£
Expiry date:		
Between 2 and 5 years	**812**	812

14. Related party transactions

As at 31 March 2013 £72,153 (2012 - £72,153) was owed to the parent company Lonham Limited and £115 (2012 - £115) to Lonham Commercial Risks Limited, a subsidiary of Lonham Limited

15. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Lonham Limited, a company incorporated in the United Kingdom Consolidated financial statements are not prepared for the Group headed by Lonham Limited as the Group is small