

Collinson Service Solutions Limited

Annual report and financial statements

For the year ended 30 April 2018

Registered number: 02474708

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Company Information

Directors and administration

Directors

D. Evans (Managing Director)
P. Escott
R. C. Spindloe

Company Secretary

M. R. Hampton

Registered Office

Cutlers Exchange
123 Houndsditch
London
EC3A 7BU

Strategic Report

The directors present their strategic report and financial statements for Collinson Service Solutions Limited ('Collinson Service Solutions' or 'the Company') for the year ended 30 April 2018.

Principal activities

The principal activity of the Company is product development and provision of assistance services for the benefit of clients across the corporate travel and specialty markets.

Business review

The results for the Company show a pre-tax loss of £566,303 (2017: loss of £549,042) on turnover of £511,011 (2017: £135,531) for the year.

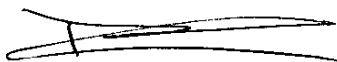
Business environment

The UK insurance market remains highly competitive, particularly in the personal lines sectors where this business has been focused. Many companies offer similar coverage giving rise to commoditisation and aggressive pricing structures. The impact of technology has been enormous and it is essential that we keep abreast of advances in this area. Collinson's ability to offer loyalty marketing, as well as its understanding of the customer journey and underwriting through its panel of highly rated underwriters mean it is well positioned to further grow market share in this sector.

Future outlook

The future outlook of the Company is to continue to support the strategy and development of the Collinson Insurance and Assistance Group.

This report was approved by the Board and signed on its behalf by:



P. Escott
Director

Cutlers Exchange
123 Houndsditch
London EC3A 7BU

21 January 2019

Directors' Report

The directors present their directors' report and financial statements for the year ended 30 April 2018.

Principal risks and uncertainties

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to board approval and on-going review by the Company's management and risk management team. Compliance with all relevant regulations, as well as legal and ethical standards, is a high priority for the Company, and the Compliance Manager and his team take on an important oversight role in this regard.

The Company has developed a framework for identifying the risks that the Company is exposed to and their impact on economic capital.

Financial instruments and risks

The Company's principal financial instruments comprise debtors and creditors arising in the normal course of business. The main financial risks to which the Company is exposed are liquidity risk and cash flow risk. These risks are managed by ensuring sufficient liquidity is available to meet liabilities as they fall due.

Going concern

In determining whether to prepare these financial statements on a going concern basis the directors have considered a number of factors including the Company's developing business opportunities, multi-year cashflow forecasts, continued financial support from the Collinson International Limited and the Company's participation as a member of centralised treasury and banking arrangements. On the basis of their assessment the directors have formed the view that the Company has adequate financial resources to enable it to continue in operational existence for a minimum of 12 months from the date these financial statements were signed. Accordingly these financial statements have been prepared on a going concern basis.

Proposed dividend

The directors do not propose the payment of a dividend (2017: *£nil*).

Directors

The directors who held office during the year, and subsequent to the year end, were as follows:

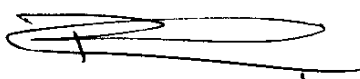
D. Evans
P. Escott
R. C. Spindloe

Directors' Report

Audit

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. Accordingly, these financial statements have not been audited.

This report was approved by the board on 21 January 2019 and signed on its behalf.



P. Escott
Director

Cutlers Exchange
123 Houndsditch
London, EC3A 7BU

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 laws, including Financial Reporting Standard FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"). 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 and 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 UK Accounting Standards 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 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.

The directors confirm that:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 467;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Comprehensive Income

For the year ended 30 April 2018

	<i>Note</i>	2018 £	2017 £
Revenue	3	511,011	135,531
Cost of sales		(125,095)	(58,103)
Gross profit		385,916	77,428
Administrative expenses		(941,108)	(610,207)
Operating loss		(555,192)	(532,779)
Interest payable		(11,111)	(16,263)
Loss on ordinary activities before taxation	4	(566,303)	(549,042)
Tax on loss on ordinary activities	7	107,598	109,369
Total comprehensive loss		(458,705)	(439,673)

The notes on pages 9 to 15 are an integral part of these financial statements.

Statement of Financial Position

As at 30 April 2018

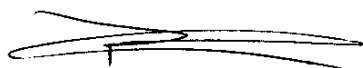
	<i>Note</i>	2018 £	2017 £
Current assets			
Cash		180,196	129,274
Trade and other receivables	9	125,825	289,031
		306,021	418,305
Current liabilities			
Trade and other payables	10	(1,941,999)	(1,595,578)
Total Net liabilities		(1,635,978)	(1,177,273)
Equity			
Called up share capital	11	100	100
Retained earnings		(1,636,078)	(1,177,373)
Equity attributable to owners		(1,635,978)	(1,177,273)

For the year ending 30 April 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors Responsibilities

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of directors and authorised for issue on 21st January 2019.



P. Escott
Director

The notes on pages 9 to 15 are an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 30 April 2018

	Called Up Share Capital £	Retained Earnings £	Total £
At 1 May 2016	100	(737,700)	(737,600)
Loss for the year	-	(439,673)	(439,673)
At 30 April 2017	100	(1,177,373)	(1,177,273)
Loss for the year	-	(458,705)	(458,705)
At 30 April 2018	100	(1,636,078)	(1,635,978)

The notes on pages 9 to 15 are an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 30 April 2018

1 Accounting policies

1.1 General information

Collinson Service Solutions is a private company limited by shares incorporated in the United Kingdom. The address of its registered office and principal place of business is Cutlers Exchange, 123 Houndsditch, London EC3A 7BU.

The principal activity of the Company is the product development and provision of assistance services for the benefits of clients across the corporate travel and specialty markets.

The financial statements have been presented in pounds sterling and this is the Company's functional currency, being the currency of the primary economic environment in which the Company operates.

1.2 Basis of preparation

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' ('FRS 102') and applicable legislation, as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. These financial statements have been prepared under the historical costs convention.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders.

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of its parent undertaking, Collinson International Limited. Note 13 provides details of where those consolidated financial statements may be obtained from.

In preparing these financial statements, the Company has taken advantage of the following exemptions:

- I. from presenting a statement of cash flows, as required by Section 7 'Statement of Cash Flows';
- II. from disclosing key management personnel compensation, as required by FRS 102 paragraph 33.7; and
- III. from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by FRS 102 paragraph 4.12.

On the basis that equivalent disclosures are given in the consolidated financial statements the Company has also taken advantage of the exemption not to provide:

- IV. the disclosure requirements of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'.

1.3 Going concern

In determining whether to prepare these financial statements on a going concern basis the directors have considered a number of factors including the Company's developing business opportunities, multi-year cashflow forecasts, continued financial support from the Collinson International Limited and the Company's participation as a member of centralised treasury and banking arrangements. On the basis of their assessment the directors have formed the view that the Company has adequate financial resources to enable it to continue in operational existence for a minimum of 12 months from the date these financial statements were signed. Accordingly these financial statements have been prepared on a going concern basis.

1.4 Revenue recognition

The Company generates revenue from services and fees associated with the provision of assistance services.

Fees and other income receivable are recognised in the month to which they relate and when they can be measured with reasonable certainty.

Notes to the Financial Statements

For the year ended 30 April 2018

1 Accounting policies (continued)

1.5 Taxation

Tax expense for the year comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

1.6 Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transactions took place. Income and expense items are translated using an average exchange rate for the year where there are limited fluctuations in foreign exchange rates.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in profit or loss.

1.7 Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds only basic financial instruments, which comprise cash and cash equivalents, trade and other receivables and trade and other payables. The Company has chosen to apply the measurement and recognition provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' in full.

Financial assets – classified as basic financial instruments

(i) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

Where a financial asset constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

Notes to the Financial Statements

For the year ended 30 April 2018

1 Accounting policies (continued)

1.7 Financial instruments (continued)

At the end of each reporting year, the Company assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the

difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

Financial liabilities – classified as basic financial instruments

(i) Trade and other payables

Trade and other payables are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

1.8 Impairment of assets

At each reporting date the Company reviews the carrying value of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit.

The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss.

An impairment loss recognised for all assets is reversed in a subsequent year if, and only if, the reasons for the impairment loss have ceased to apply.

2 Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

Notes to the Financial Statements

For the year ended 30 April 2018

2 Critical accounting judgements and key sources of estimation uncertainty (continued)

2.1 Critical judgements in applying the Company's accounting policies

The critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

2.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Revenue recognition

The Group uses the percentage of completion method to recognise project revenue for fixed price contracts. This method requires the directors to estimate the level of services performed at each reporting date as a proportion of the total services to be performed to complete the contract. Variations to estimates could result in the over or under recognition of revenue.

(ii) Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

3 Revenue

The Company has one class of business which is the provision of assistance services.

An analysis of the Company's revenue by geographical market is as follows:

	2018 £	2017 £
<i>By geographical market:</i>		
United Kingdom	85,100	70,000
Rest of Europe	10,195	65,531
Asia including Middle East	415,716	-
	<u>511,011</u>	<u>135,531</u>

4 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging/(crediting):

	2018 £	2017 £
Difference on foreign exchange	8,117	(37,474)

Notes to the Financial Statements

For the year ended 30 April 2018

4 Loss on ordinary activities before taxation (continued)

Administration expenses are initially incurred by the Company's service company, Collinson IG (Management) Limited, and then a portion of these expenses has been re-allocated to the Company based primarily on revenue and an estimate of the time spent by the Group's employees. The Group believes this is a fair and reasonable method. The re-allocated expenses include salaries plus other associated overhead costs.

5 Staff costs

For the year ended 30 April 2018 the Company had no contracted employees (2017: nil).

6 Directors' remuneration

Certain directors are also directors of other companies within the Collinson Group. The directors' services to the Company do not occupy a significant amount of time. As such the directors do not consider that they receive any remuneration for their incidental services to the Company for the years ending 30 April 2018 and 30 April 2017.

7 Tax on loss on ordinary activities

The tax credit comprises:

	2018	2017
	£	£
Current tax on profit/(loss) on ordinary activities		
UK corporation tax	(107,598)	(109,369)
Total tax on profit/(loss) on ordinary activities	(107,598)	(109,369)

Tax on profit/(loss) on ordinary activities for the year is at the standard rate of corporation tax in the UK of 19% (2017: 19.92%). The differences are reconciled below:

	2018	2017
	£	£
Profit/(loss) on ordinary activities before taxation	(566,303)	(549,042)
Income tax calculated at 19% (2017: 19.92%)	(107,598)	(109,369)
Total tax on loss	(107,598)	(109,369)

The Company has surrendered the benefit of tax losses to other group companies for a consideration of £107,598 (2017: £109,369).

Factors affecting the tax charge

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016.

Notes to the Financial Statements

For the year ended 30 April 2018

8 Dividends

No dividends were declared in respect of 2018 (2017: £nil) at the reporting date.

9 Trade and other receivables

	2018	2017
	£	£
Trade receivables	-	35,715
Amounts owed by group undertakings	107,598	242,722
Other receivables	18,227	10,594
	<u>125,825</u>	<u>289,031</u>

10 Trade and other payables

	2018	2017
	£	£
Trade payables	-	733
Amounts owed to group undertakings	1,404,152	1,537,437
Other payables	58,009	57,408
Accruals and deferred income	479,838	-
	<u>1,941,999</u>	<u>1,595,578</u>

11 Share capital

	2018	2017
	£	£
<i>Allotted, called up and fully paid</i>		
1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

12 Related party transactions

The Company has taken advantage of the exemption available under FRS 102 Section 33.1A not to disclose related party transactions with other wholly owned group companies.

13 Parent undertaking and ultimate controlling party

At the reporting date, the Company's immediate parent undertaking was Collinson Insurance Group Limited, a company incorporated in England. Collinson International Limited, a company incorporated in England company number 02577557, is the parent undertaking of the largest and smallest group for which group accounts are prepared. Copies of those group accounts may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The directors regard Parminder Limited, a company incorporated in the Isle of Man, to be the Company's ultimate parent undertaking. The ultimate controlling parties identified by the directors are the Trustees of the Colin Evans 1987 Settlement, established under the laws of the Isle of Man, the beneficiary of which is Mr C R Evans. Subsequent to the year-end Collinson International Limited was part of a group reconstruction. See note 14 for further information.

Notes to the Financial Statements

For the year ended 30 April 2018

14 Post balance sheet events

The Collinson Group executed a group reconstruction subsequent to the year-end, the objective of which was to align its legal entities with its existing operational structure. To affect the group reconstruction, a new UK ultimate parent company (company 11141096) "New Co", wholly owned by Parminder, was created and the assets of The Collinson Group Limited were transferred to "New Co" in May 2018. Accordingly, "New Co" became the new ultimate UK parent company at such time. On 17 August 2018, The Collinson Group Limited changed its name to Collinson International Limited and "New Co" was renamed The Collinson Group Limited.