



ANNUAL REPORT >
AND ACCOUNTS

2022

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Company registration number:

02958427

Registered office:

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Directors:

R Green
I J Gray
J K Rhodes
J A Golder
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51 Mosley Street
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M60 2AU

Secretary:

D Makin

Auditors:

Mazars
One St Peter's Square
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M2 3DE

Overview

In my last report we predicted a more profitable environment, and we are starting to see this in the 2022 results. Group pre-tax profits exceeded £1m and we declared a 5p dividend after the interim results.

We saw improvements and synergies in many areas, resulting in increased income and improved profit margins. Strategically, we continue to diversify our sources of business helping protect income and profit levels. Through the year, BDElite has been restoring its profitability after the disruptions caused by Government regulation and the pandemic.

The market for staff has been tight this year, and although our surveys and audits continue to show that the quality of our services remains very high across the board, management have had to work hard to improve quality staff recruitment and retention.

Markets

We provide personal lines insurers and MGAs with third-party administration services; and we provide claims management services through BDElite, and third-party product to a long-standing network of brokers.

The Motor market affects a large proportion of our business and in recent years this has been fairly volatile due to the wider economic environment and regulation changes. As things have started to settle down (although inflation and re-insurance costs now feature), car insurance premiums have risen but 2023 motor market profit forecasts are still poor.

Regardless or possibly, partly because of this, we continue to see new opportunities mostly new market entrants and technology projects with a range of ambitions. They employ Broker Direct for a start-up period or for a more permanent solution.

The claims management market serviced by BDElite has now absorbed the effects of wide-ranging Government regulation changes and we don't foresee any imminent new initiatives.

As yet we see no significant improvement in the labour market.

Outlook

We now have well established business partnerships, and we are experiencing continued market demand for our services, often through referrals. We are now well known and well regarded for Third-Party Administration.

With our flexible technology and experienced management, we are easy to do business with and our balance sheet strength provides client security. We believe that Broker Direct is well placed to grow profitably in 2023 and beyond.

BDElite margins have recovered, and we expect significant growth in 2023 often through group synergies.

New technology and staff measures are being implemented aiming to reduce pressure and provide an excellent working environment, focusing on policy holder service rather than routine processing.

Dividend policy

The potential for profits to fluctuate as books of business are taken on or run-off and the need for a strong balance sheet mean that we will take dividend decisions at the appropriate time (as we did in October 2022) rather than on a schedule based on the AGM.

People

The Board thanks the staff for their support during difficult times and we re-affirm our long-standing commitment to making Broker Direct and BDElite great places to work.

Congratulations to management on an excellent result.



Roy Green

Chairman

6 April 2023

Strategic Report

Mission, Vision and Values

Our Mission (Our purpose, our reason for being)

We work diligently to achieve our customers' objectives, to help make their business stronger through the skills of our people with our technology.

Our Vision (where we are headed)

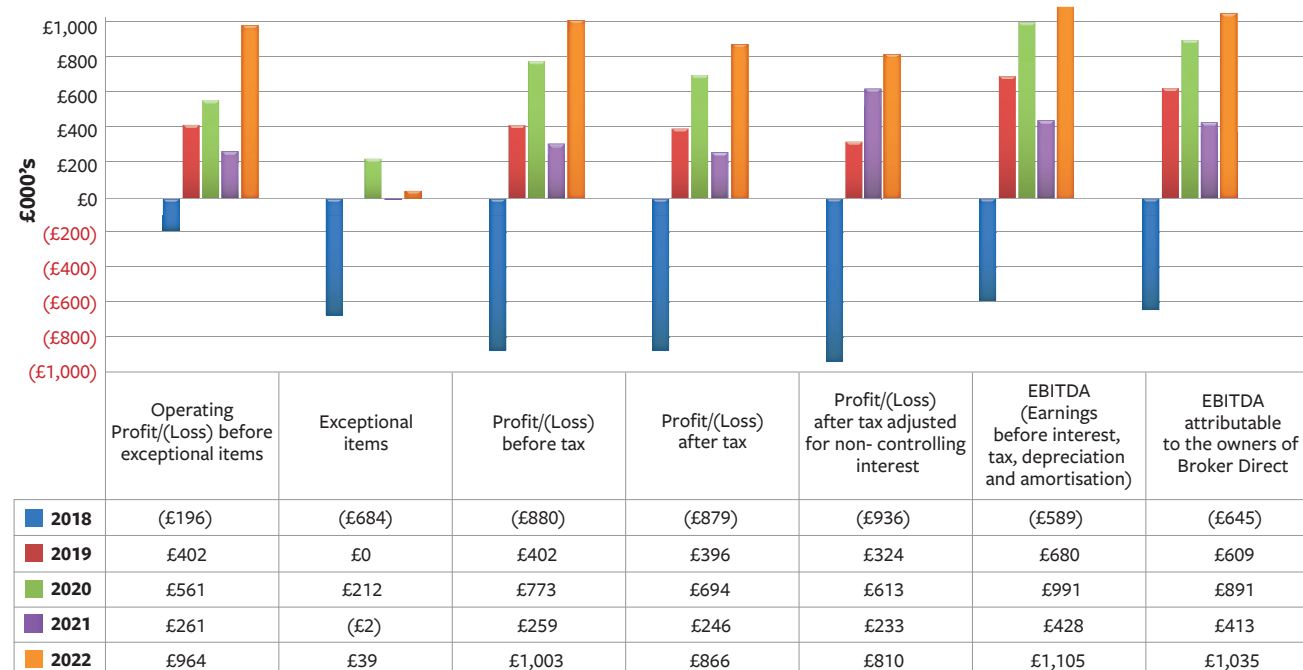
- To be an employer of choice.
- "You have to start with the customer experience and work backwards to the technology"*:
 - To communicate with our customer's customers how they want, when they want and where they want (Omnichannel)
 - To be digital by design - to be recognised as a cost-effective deliverer of high-quality insurance services. Automate (a) Robotic Process Automation of routine, repetitive and predictable tasks, (b) Artificial Intelligence.
- To be known for providing the best service, helping our customers achieve their goals.
- To play our part in maintaining the UK insurance profession's world-leading status through the recruitment and development of high calibre individuals.

* Steve Jobs, co-founder, chairman, and CEO of Apple; chairman and majority shareholder of Pixar.

Our Values (How we behave)

- Trust & Integrity
- Fulfilled employees
- Environmental, Societal, Governance, Diversity & Inclusion respectful
- Build strong relationships
- Provide a highly professional service

Profit metrics



Business model

The Group operates in three areas of UK general insurance, a mature and highly regulated marketplace:

1. Broker Direct provides product distribution, policy and premium administration and claims handling services.

Underpinned by sophisticated IT systems, the Company partners with insurers and managing general agents (MGAs) to provide:

- 'Agency': Product distribution, policy servicing and claims handling, via the Company's 700+ network of UK insurance brokers.
- 'Proficient': Third-party administration services on behalf of insurers and MGAs who select a service or range of services from product build and distribution, through premium administration, to claims handling.

The Company's income is primarily derived from policy administration and claims handling.

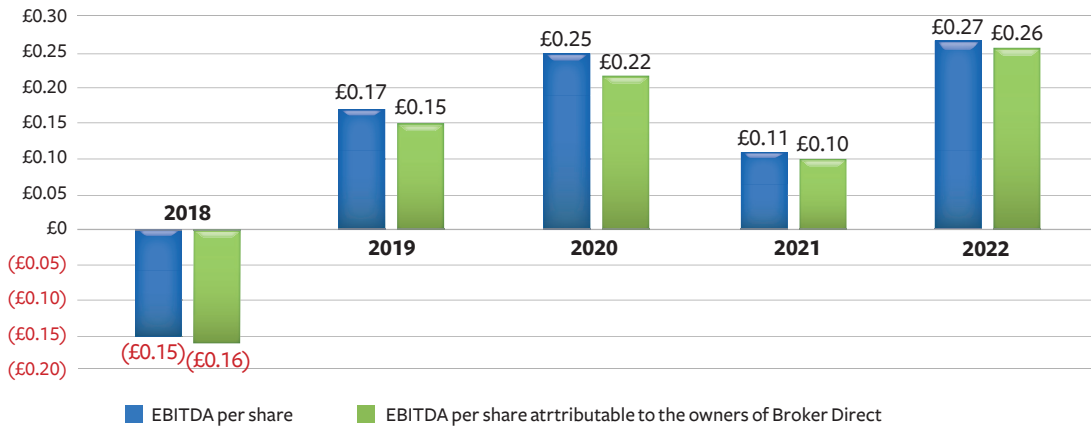
2. BDElite provides a suite of 'add-on' insurance products backed up with excellent service.

The company's income is primarily derived from:

- commission earned on the sale of insurance policies, and
- referral and recommender fee income earned when handling the claims made on its motor legal expenses insurance policies.

The Group only recognises and reports commission and fee income for providing the services in accordance with the delegated authorities, rather than the gross premiums processed. Where a company carries the financial risk, for example in the commissions ceded to our insurance brokers, the company recognises revenue inclusive of those commissions.

Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA) per Share



Segmental reporting – contributions to Group profit before tax



Section 172 Statement

The Board acknowledges the public’s expectation that businesses should act as good corporate citizens, serving a far wider set of stakeholders than just Broker Direct’s shareholders. The Board believe that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company both for the benefit of its members as a whole, and in regard to the other matters as detailed in S.172 (a) - (f) Companies Act 2006.

The Board recognises its responsibility to promote the success of the Company for the benefit of the members as a whole, having regard to a number of broader matters including the Company’s wider relationships. In this regard the Board:

- considers the key business activities and the likely long-term consequences of any key decisions;
- ensures employees are regularly and routinely engaged with;

- ensures the Company maintains strong business relationships with customers, suppliers and others;
- ensures the Company’s operations do not have a negative impact on the community and environment; and
- ensures, through the Company’s policies and procedures, the desired high standards of business conduct prevails across all functions.

The Directors engage with stakeholders in a number of ways, including sharing appropriate management information in a timely manner, meetings and bulletins.

Decisions are taken in the interests of business stability, integrity and sustainability. Generally, this means building on what we do well, cementing our relationships and targeting new opportunities that exploit our skill sets. Further information is provided in the risk analyses later in this Strategic Report.

Principal risks and uncertainties

The Directors promote risk awareness through:

- Horizon scanning, continually monitoring the business environment to identify emerging issues and early warning signs.
- Maintaining an organisational risk aware culture, where everyone is encouraged to raise their insights or concerns which can be accelerated to the Board where appropriate.
- Avoiding complacency. Optimism bias undermines effective risk management.

Our approach

Risk and uncertainty are recognised as normal elements of doing business. Effective risk management is embedded through:

- Identification, probability, impact assessment, mitigation, contingency and review of risks (both existing and emerging); and
- timely management information to enable appropriate monitoring, reporting, oversight and decision making.

The Board has ultimate responsibility for the Group's risk management. Oversight is delegated to the executive directors of the parent Company and subsidiary companies, to ensure that material risks facing the businesses and the Group have been identified and that appropriate arrangements are in place to manage, mitigate, monitor and report those risks effectively.

The risk management framework includes a documented Risk Framework & Strategy Policy as well as risk dashboards and risk registers that contain details of risks, controls, actions related to risk mitigation and ownership of each risk. The framework is used across the businesses, to ensure there is a consistent approach to risk management. The controls in place are regularly reviewed to ensure they are appropriate and proportionate to the size, nature and complexity of the businesses.

Internal control framework

It is our policy to seek out 'Risks' that affect our business and react positively to manage breaches and incidents in a timely, professional and effective manner, in line with our policies.

The Group has an internal control framework based on a three lines of defence approach:

First Line – Business Operations:

- has ownership, responsibility and accountability for day-to-day risk identification, assessment and management activity;
 - directly owns and operates risk mitigating policies and controls and remedial actions;
 - ensures compliance with all regulatory obligations and internal policies; and
 - provides management assurance through monitoring and reporting incidents for governance oversight.
-

Second Line – Oversight Functions:

- establishes policies, frameworks and standards;
 - provides direction and guidance on effective risk, control and compliance; and
 - oversight, challenge, monitoring and assurance.
-

Third Line – Independent Assurance:

- independent challenge and assurance by external auditors, both statutory and from insurer partners; and
 - an independent systematic, disciplined approach to evaluate and improve the effectiveness of risk management control and governance processes.
-

The Group takes both a 'proactive and reactive' approach to Risk Monitoring and the Management of Risk.

Our 'Proactive' approach to Risk Management is to:

- Identify perceived Threats and Vulnerabilities within the business.
- Remain alert and register perceived or obvious other or new risks to the attention of the Compliance Committee.
- Mitigate risks.
- Manage any risks appropriately and oversee their management.
- Monitor any mitigation.
- Nominate an appropriate person or 'in house expert' to assist in the management and mitigation of the risk, working closely with Managers, Team Leaders, Compliance and the Compliance Committee.
- Manage the 'risk' in line with the Breaches Policy, our regulatory requirements, and the terms of our carrier contracts.

Our 'Reactive' approach to Risk Management is to:

- React, report and manage Incidents or Breaches in line with the Breaches Policy in order to minimise and contain the risk.
- Review any reported incidents or breaches including near misses in order to eliminate theme(s) repeating.
- Mitigate breaches or incidents where possible and amend or implement processes where necessary.
- Where a breach becomes a Risk this is added to the Risk Register.

Guidance and direction is provided to all colleagues through policies, procedures and training.

This approach assists us in meeting our commitments to customers on behalf of carriers and in meeting our regulatory requirements and good industry practice.

Compliance

The Compliance function provides regulatory risk oversight, and monitors compliance with the various regulatory and contractual obligations of the Group. This monitoring, together with regular interaction with the business functions, helps to provide input into such areas as training, marketing and the way the regulated firms deal with insurers, brokers and customers.

Fraud

Broker Direct maintains counter-fraud capabilities designed to both prevent fraud at the new business stage, and mitigate exposure to fraudulent and exaggerated claims. Measures include:

- At the point of quotation, data enrichment is used to identify and reduce exposure to potentially fraudulent applications;
- during the claims process, relational databases, external referencing and investigations are used to identify potentially fraudulent or exaggerated claims; and
- the Company is represented on the board of the Insurance Fraud Investigators Group Ltd, a not-for-profit organisation dedicated to the detection and prevention of insurance fraud.

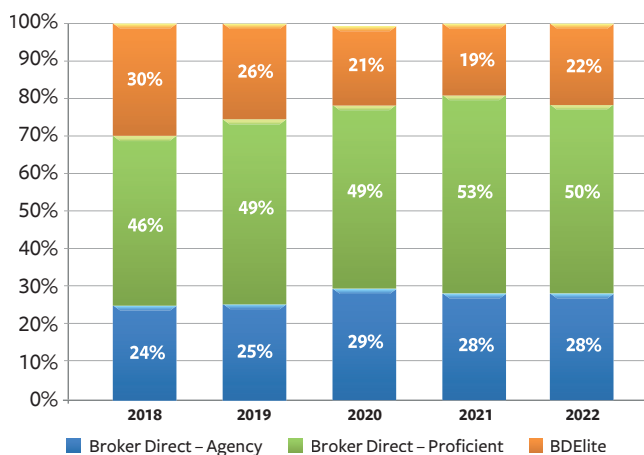
Risk assessment

The key business risks affecting the Group have been classified as follows:

- Market Risk
- Operational Risk
 - Customer Service
 - Technology
 - Staff
 - Legislation & Regulation
- Financial Risk
 - Credit
 - Liquidity
 - Interest Rates
 - Reserving
 - Currency

Market Risk

Revenue by Business Division



Note: Revenue here is deemed to be net of commissions ceded to insurance brokers.

The Group is committed to building strong positive relationships with a range of insurers, brokers and managing general agents.

Broker Direct

Revenues are primarily derived from the number of policies and the number of claims processed on behalf of our insurer and MGA (Managing General Agent) partners. The Company has contracts;

- with various terms ranging from fixed periods to rolling with individual notice periods, and
- with a range of potentially onerous penalty clauses for failure to provide the contracted services.

The Company’s focus is in the personal lines insurance market which continues to be highly price sensitive and as a result is intensely competitive.

As with previous years, in 2023 we expect the Company’s fortunes to continue to be heavily reliant on our partners’ competitive appetites.

Agency

Underwriting performance will always be a priority concern for insurers and therefore for ourselves. Working with our joint venture partner (CPD Underwriting Solutions Ltd), the Company is concentrating on positioning the current suite of products in the market with pricing targeted at underwriting profit together with delivering high quality policy and claims servicing. In 2022, the ‘CPD’ products wrote £52m premium (2021: £41m).

In 2023, we will look to secure additional distribution agreements to broaden our product offering.

Proficient

Broker Direct utilises its infrastructure to provide a range of administration services to insurers and MGAs for their branded products distributed through their own agency bases. These services are tailored to each insurer’s individual requirements. For instance, current and previous contracts have included:

- full, end to end product build, distribution, premium administration and claims handling;
- product build, distribution and premium administration;
- full or partial claims handling alone.

It is the nature of the industry, that new entrants face significant barriers to entry. Broker Direct therefore provides an attractive outsourcing option, but this also means that it is also easier for them to exit. In 2022 we secured a motor claims handling agreement with a new entrant to the UK market that went live in November. Business volumes for a start-up are always going to be difficult to forecast as is forecasting the longevity of our service agreements.

We will continue to seek additional complementary deals in 2023.

BDElite

In addition to our core Motor Legal Expense Insurance (LEI) products, we offer a range of add-on products including Household LEI, Vehicle Breakdown, Motor Excess Protection, Home Emergency, Property Assistance and Commercial LEI.

Strategic Report continued

Revenues are derived primarily from:

- commission retained on the sale of the insurance policies,
- referral and recommender fee income earned when handling the claims arising on the Motor Legal Expenses policies.

2022 was a recovery year for the Company, following the impacts of:

- the COVID-19 pandemic, which dramatically reduced vehicle use and consequently claim volumes, and
- the ‘Whiplash Reforms’ introduced on 29th May 2021, which effectively removed a significant source of revenue to the business.

The company has now successfully re-engineered its financial model and recovered its profitability.

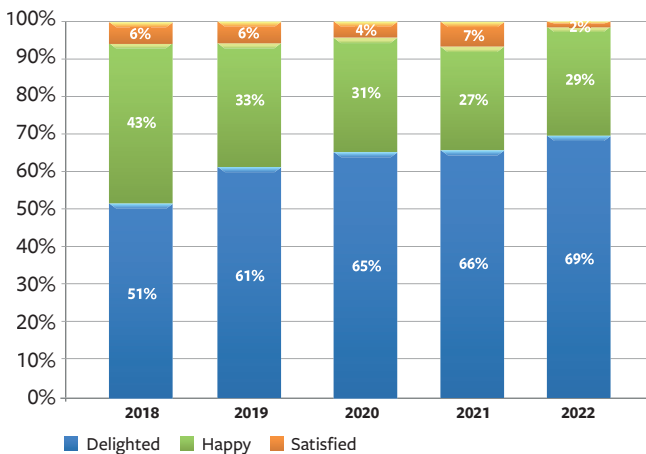
In 2023 the company plans to build on its solid foundations with additional Add-On products, further broker recruitment, and continuing to innovate and enhance all aspects of the customer journey, ensuring we deliver the exceptional levels of service that BDElite is known for.

Operational Risk

Customer Service

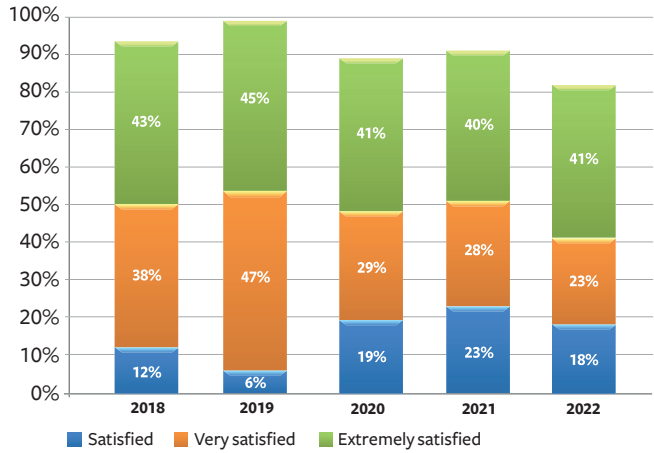
The Group’s businesses exist to provide services and consequently great attention is given to the delivery of those services. The businesses continually invest in efficient IT systems coupled with staff recruitment, training and development to meet its Mission, Vision and Values.

How Brokers felt about the overall experience of the service they received from Broker Direct

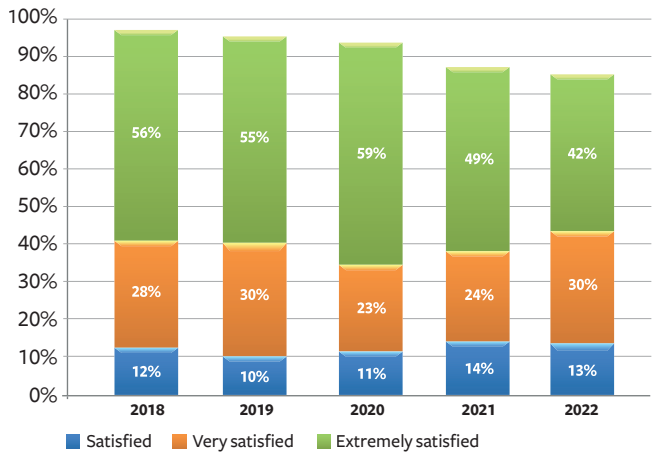


Recognising that one of the key opportunities to demonstrate the value of insurance is when claims are made, both Broker Direct and BDElite request customer feedback after conclusion of their claims.

Motor Claimants’ satisfaction with Broker Direct’s service



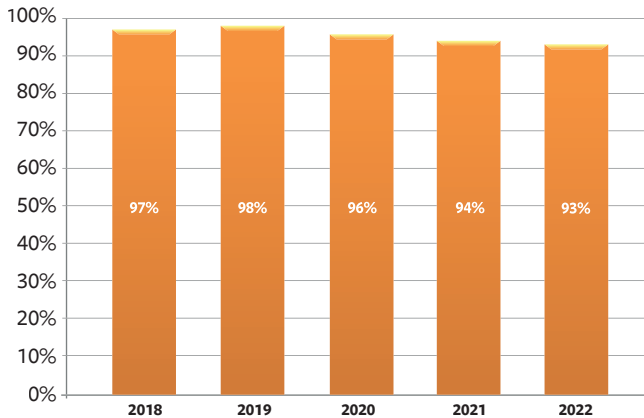
Household Claimants’ satisfaction with Broker Direct’s service



At Broker Direct, the downward trend in claimant satisfaction in recent years has continued, reflecting:

- Slower resolutions due to materials delays and human resource shortages in the claims supply chain arising from:
 - the country recovering from the COVID pandemic, and
 - the Russia and Ukraine conflict, both of whom are producers of several raw materials.
- a more robust attitude from some of our insurer partners in the acceptance of claims.

Claimants who would recommend the BDElite service



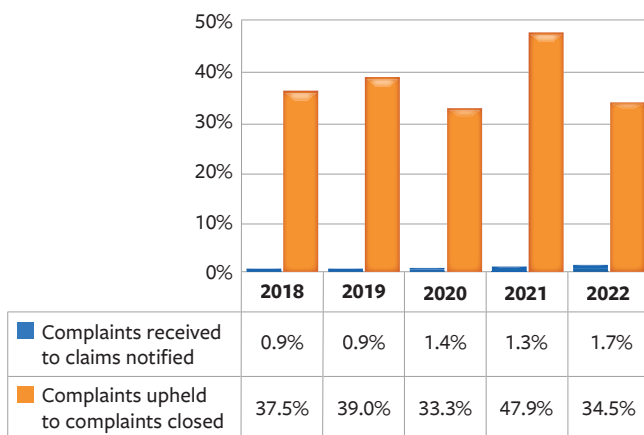
At BDElite, the downward drift continued for a 3rd consecutive year. Over 2020 & 2021, this in the main was due to COVID-19 related issues such as slower claims processing due to parts delays, and delays in the repair process due to human resource shortages among the windscreen repairers. In 2022, we continued to have to deal with delays in the repair process with associated difficulties in sourcing replacement courtesy vehicles.

Complaints

The Group’s ethos is to promote fairness and integrity in customer service. Our aim is to ensure that all complaints are recorded and dealt with in a consistent manner, in compliance with best practice and regulatory requirements. We analyse our data and processes to identify areas where improvements can be made and take corrective or preventative action.

Whilst Broker Direct had a small increase in the ratio of complaints to claims handled in 2022, the proportion that were upheld declined.

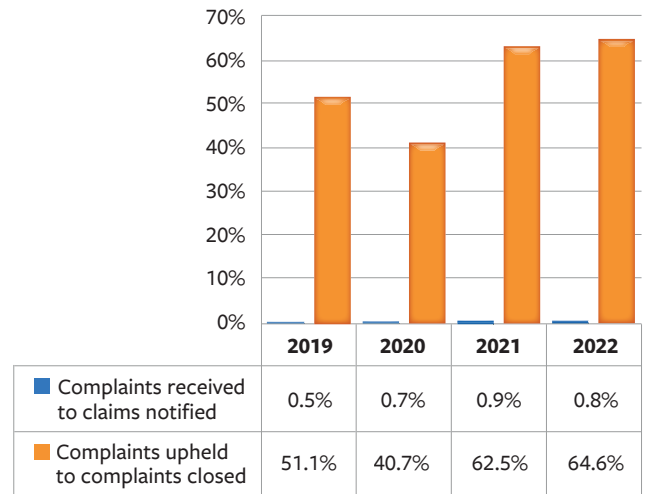
Broker Direct – Complaints



The ‘Complaints’ cover Underwriting, Broker Services and Claims types.

At BDElite, both the ratio of complaints to claims handled in 2022 and the proportion that were upheld were fairly static:

BDElite – Complaints



The company boards are satisfied that there is appropriate oversight and a compliant complaint culture has been maintained.

Supplier failure

The Group relies on a large number of external suppliers including a number of strategic suppliers who, if they were to fail, could materially undermine the Group’s ability to continue to operate and deliver its strategic objectives.

The Group has policies and procedures in place to manage and monitor both the supplier procurement process and contract management.

Technology

Technology can transform how and what businesses do, not only opening up new opportunities but also creating new threats. Challengers are rapidly attacking more established and complex organisations, offering wider and easier access to products and services. For example, technology adoption of connected cars and in connected homes is fundamentally changing the nature of personal lines insurances.

Accelerating advances or developments for which the Group is not prepared would place the businesses at a competitive disadvantage. To stay relevant, the Group routinely monitors developments to ensure that the businesses remain informed, embraces innovation and change, and stays flexible to adapt our business models as appropriate.

Cyber and Information Security

Cyber risk encompasses any risk of financial loss, disruption, or damage to our reputation from some sort of failure of our information technology systems. Given the increasing risks of exposure and attack, no technology dependent organisation can guarantee it is immune to

Strategic Report continued

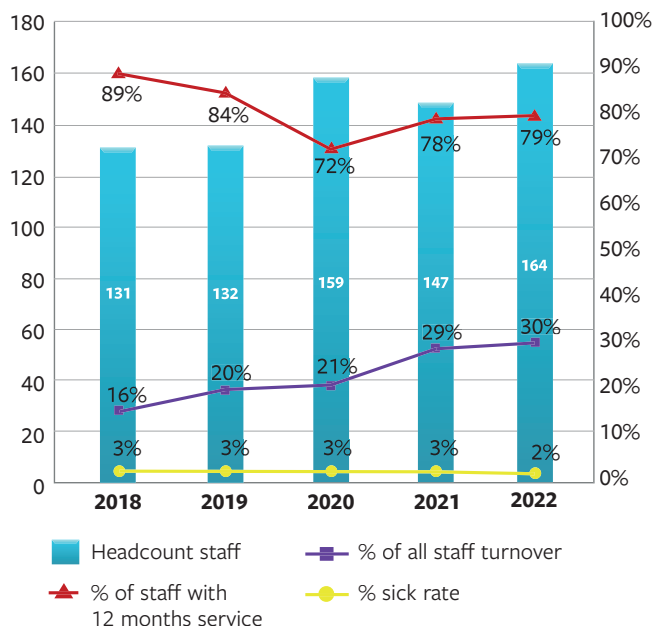
cyber risk. In addition to maintaining cyber insurance cover, the Group operates through information security policies and procedures designed to mitigate cyber risk, and continues to invest in resources and technology, to defend against the various and changing cyber threats.

Staff

Our aim is to empower our staff, to have fulfilling and rewarding jobs, using our technology to support them.

Stories in the media about the struggle to hire skilled staff both across the country but also the Insurance industry are common and our businesses are not exempt from this struggle. In 2022 a number of our staff were under considerable strain to meet service standards at a time when we were short-staffed.

Broker Direct – Staffing (at year end)



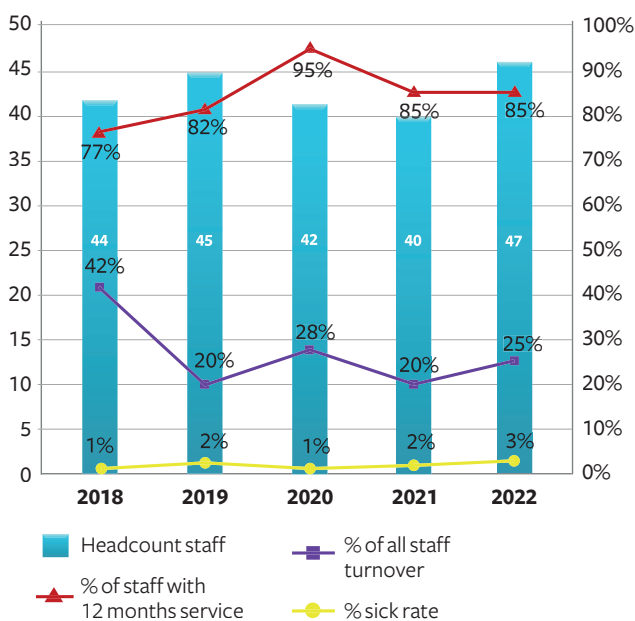
Our core strategic objective continues to be to recruit and retain the right people. The growing competition for experienced staff in 2021 and 2022 shows no sign of abatement. We have invested heavily in modernising our people practices from job descriptions, candidate selection, recruitment and induction, through training and remuneration, with an associated increase in our costs.

In parallel, we are seeking out technological solutions that will make our staffs' lives easier and their roles more interesting. Firstly, we are working to streamline boring, repetitive, predictable tasks through automation, thereby freeing up their time to do the more stimulating things, the tasks that require the human touch. Secondly, we are progressing the roll-out of our communication systems

to allow our customers to communicate with us how they want, from where they want and when they want. This means anything from traditional surface mail, e-mail and telephone, through web self-service and live chat, to chatbots and perhaps one day, natural language chat.

At BDElite staffing levels fell during the COVID pandemic of 2020 and 2021, reflecting lower claims volumes resulting from traffic reductions during the COVID related lockdowns. In 2022 staffing levels increased due to claims frequencies returning to pre pandemic levels and growth in policy counts.

BDElite - Staffing

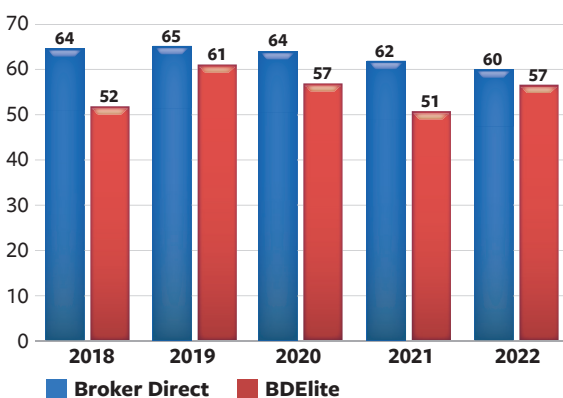


Gender Balance

The Group is:

- Conscious and respectful of equality in the workplace.
- Committed to ensuring a fair workplace for all, focusing on capability, a flexible working culture and identifying and removing barriers to fairness, equality and inclusion.

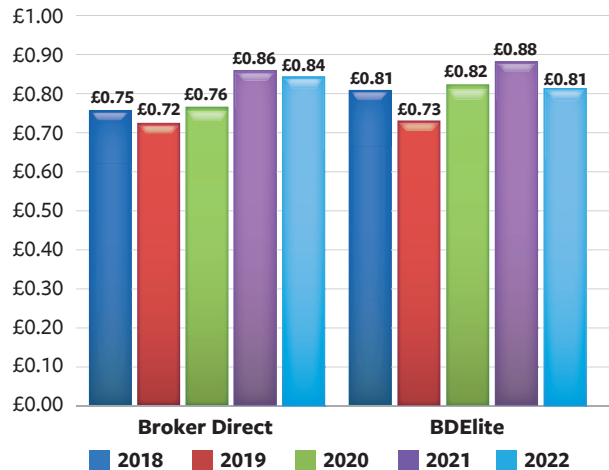
Proportion of workforce who are female



The Board is satisfied that:

- The Group has equal pay for the same or similar work.
- Remuneration practices are consistently applied across all employees, irrespective of gender, and are regularly reviewed to ensure consistency.

For every £1 earned by a male, a female earns



Legislation & Regulatory Compliance

The insurance compliance environment is constantly evolving both at a regulatory and legislative level, with varying degrees of impact on the Group businesses. A shift in the regulatory landscape could introduce constraints therefore increasing the risk to income and/or an increase in capital requirements. Equally, however, changes to the regulatory landscape could present opportunities.

The Group has an effective regulatory horizon scanning capability to review the potential implications for the businesses. The trading entities take the opportunity to embrace change early and, where appropriate, adjust the strategic plans to accommodate such change.

Financial Risk

Financial performance, financial position and cash flows are regularly stress tested, including for reductions in premium and other income and business volumes.

Credit Risk

The Group's principal assets are cash deposits and trade debtors. The credit risk associated with cash deposits is limited as the accounts are only held with a major UK high street bank. The principal credit risk arises therefore from trade debtors.

The principal trade debtor credit risks are:

- **Brokers:** Both Broker Direct and BDElite collect premiums from brokers to pass onto the insurers who carry the underwritten risk exposure. Settlement to the insurers is after deducting our fees, commissions and expenses for administering the policies and handling the claims. If a broker fails to settle their debt to us, we are still obliged to settle the balance due to the insurer.

At Broker Direct, the broker group placing the largest amount of premium represented 18% of total premium placed (2021: 14%).

The Company has strict acceptance criteria for the appointment of new broker agencies and monitors the brokers against agreed credit and settlement terms. Bad debt experience is negligible.

- **Insurers and Managing General Agents:** Broker Direct's administration services are invoiced monthly in arrears, for settlement within 30 days. Insurers and Managing General Agents are pre-vetted and monitored for their financial stability.
- In addition to commission income on policy sales, BDElite Ltd receives fee income: (i) from at fault insurers for the provisions of rehabilitation services; (ii) from the suppliers of temporary replacement vehicles and legal services to motor accident claimants that we have referred or recommended to them.

The single largest fee income source represented 11% of BDElite's retained revenue (2021: 7%).

Strategic Report continued

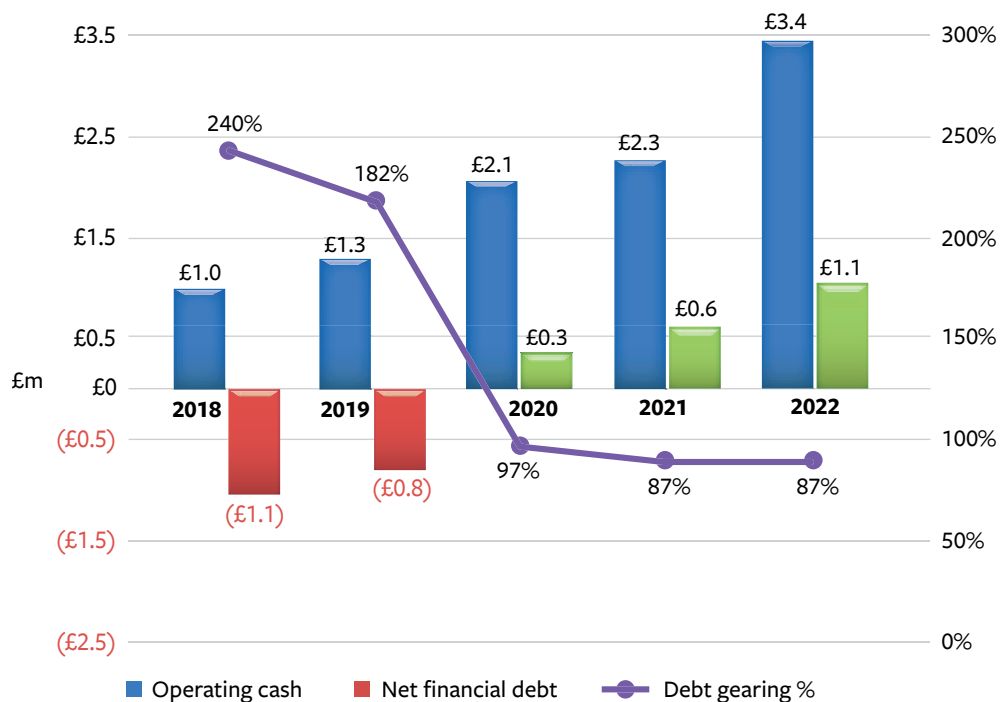
Liquidity Risk

The Group seeks to manage financial risk by ensuring sufficient working capital is available to meet both (i) its foreseeable needs, and (ii) the adequate resources obligations stipulated by the Financial Conduct Authority.

The Group policy during the year was unchanged, to:

- hold cash balances in readily accessible treasury deposits;
- utilise fixed interest, asset leasing and borrowing facilities.

Broker Direct – Group Financial Indebtedness



(i) Financial indebtedness, measured as operating cash balances less operating creditors ('operating creditors' excludes insurer balances, deferred income & technical provisions).

(ii) Debt gearing, being operating creditor balances as a proportion of shareholders' funds at year end.

Interest Rate Risk

The Group's modest cash deposits result in only nominal interest income.

The Group's borrowings relate to fixed interest leases and are therefore not susceptible to interest rate fluctuations.

Reserving Risk

Broker Direct maintains reserves that are released against the future costs of servicing insurance policies inception in prior underwriting periods and claims not yet closed. Notably the business holds reserves for:

- potential bad debt;
- policy administration; the Company incurs costs over the policy year to administer the policy. The reserve is released to income against those costs;
- claims handling; where the Company is paid to administer claims, it holds a reserve for release to income as the expenses of handling those claims arise; and
- commission claw-back; where policies cancel mid-term, and the Company returns an element of its commission income associated with those cancellations; this return is met via a release from the commission clawback reserve.

BDElite hold a reserve for irrecoverable rehabilitation fees where the insurer either refuses to accept fault and therefore liability for a claim, or the at fault insurer disputes the value of the fees.

There is a risk that these reserves are insufficient to meet the forecast requirements.

Foreign Currency Risk

The Group does not transact foreign currency business. On rare occasions, Broker Direct settles motor insurance claims in Euros but any loss or gain on foreign exchange is borne by the insurance company underwriting the policy rather than by Broker Direct.

BY ORDER OF THE BOARD



Iain Gray
Chief Executive Officer
6 April 2023

Directors' Report

The directors present their annual report and audited financial statements for the year ended 31 December 2022.

Directors

The directors who served during the year are shown below:

Barbara Bradshaw	Director	Non-Executive
Ann Golder	Operations Director	Executive
Iain Gray	Chief Executive Officer	Executive
Roy Green	Chairman	Non-Executive
Kedric Rhodes	Director	Non-Executive

Directors' interests

The interests in the Company of the directors in office at the year-end are as follows:

	Shareholding	Share options vested	Share options granted, not vested
Barbara Bradshaw	36,283	-	-
Ann Golder	286,485	-	446,667
Iain Gray	316,467	-	446,667
Roy Green	171,613	-	-
Kedric Rhodes	39,280	-	-

Directors may only trade in the Company's shares in compliance with its Code for Transactions in Company Securities.

Directors' liabilities

The Company maintains Directors and Officers insurance cover for the directors.

Appointment of directors

The directors may appoint a person to be a director, either to fill a vacancy or as an additional director. A director so appointed shall hold office only until the next following annual general meeting and then shall be eligible for election and, if then not reappointed, shall vacate office.

Employment policies

The Group maintains a policy of offering employment opportunities that are free from discrimination on any grounds, other than unsuitability for the position in question, whether this relates to initial selection for employment, promotion or any other employment matter. Equal consideration is given to disabled people, where they have the appropriate experience, qualifications and ability to do the job.

Employee involvement

We seek to employ staff who will take the opportunity presented to make positive contributions to the development of the business, and it is the approach of the Group to be as open as possible with staff and obtain their feedback.

Dividends

The Company's Articles of Association provide that the members in general meeting may declare dividends in accordance with the respective rights of the members, but dividends shall not exceed the amount recommended by the directors. The Articles also provide that the directors may pay interim dividends out of profits of the Company available for distribution.

A dividend was paid during the year:

- 5p per Fully paid-up share (2021: Nil).
- 1.25p per 25% Part paid share (2021: Nil).

The directors do not propose a final dividend for the year (2021: Nil).

Going concern

The directors consider it appropriate to adopt the going concern basis in preparing these financial statements. Further commentary in this regard is set out in the Strategic Report, the Accounting Policies and Note 2 to the financial statements.

Statement of directors' responsibilities

The directors are responsible for preparing the Chairman's Report, the Directors' Report, the Strategic Report, the Report of the Remuneration Committee 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including 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 of the Group and Company and of the profit or loss of the Group and 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;
- 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 Group and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Group and Parent Company's websites.

The directors confirm that:

- so far as each of the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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.

Auditors

Mazars UK LLP have indicated their willingness to be re-appointed.

BY ORDER OF THE BOARD



Iain Gray

Chief Executive Officer

6 April 2023

Remuneration Committee Report

Introduction

The Remuneration Committee recognises that directors' remuneration is of legitimate concern to shareholders and is committed to following current best practice.

To avoid potential conflicts of interest, the Board of Directors has delegated responsibility for determining executive remuneration to a Committee comprising of the Chairman and Non-Executive directors, who:

- are knowledgeable of the business;
- are responsive to the shareholders' interests; and
- have no personal financial interest in the remuneration decisions they are taking.

During 2022 the members of the Committee were:

Roy Green – Chairman of Remuneration Committee

Kedric Rhodes – Non-Executive Director

Barbara Bradshaw – Non-Executive Director

Executive Directors' Remuneration Policy – Objectives

- To provide packages which attract, retain and motivate the Executive Directors.
- Link rewards to the performance of both the Group and the individual.
- Align the interests of directors and shareholders in promoting the Group's progress.

Directors' Service Contracts

The service contract for Iain Gray and Ann Golder are in a similar form. The term in each case is for a rolling term of six months. The Group may give three months' notice at any time subject to paying no more than six months compensation (except in specific circumstances when no compensation will be payable). There are no mandatory retirement clauses in any of the Executive Directors' service contracts.

Remuneration Committee Report

The Executive Team in 2022 comprised Iain Gray, CEO and Ann Golder, Operations Director.

The salaries of the Executives were increased during the year. Salaries had been out of line for some years as profits were affected by significant investment outlays and external impacts. These increases restore the value.

Under the terms of the bonus scheme, bonus has been earned this year and bonus from prior years has accrued and will be paid when relevant dividends are appropriate. There is no change to the Executives share option plans.

Independent auditor's report to the members of Broker Direct Plc

Opinion

We have audited the financial statements of Broker Direct Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated cash flow statement, the consolidated and company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements

and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page [19], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such

Independent auditor's report to the members of Broker Direct Plc continued

internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: UK tax legislation, employment regulation, health and safety regulation, anti-bribery, corruption and fraud, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

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.



Tim Hudson
Senior Statutory Auditor
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
One St Peter's Square, Manchester, M2 3DE
6 April 2023

Consolidated statement of comprehensive income

	Note	2022 Total £	2021 Total £
Turnover	5	26,289,376	23,825,273
Cost of sales		(11,032,110)	(10,044,073)
Gross profit		15,257,266	13,781,200
Other operating charges		(14,362,508)	(13,736,757)
Other operating income	5	–	82,443
Operating profit		894,758	126,886
Movement in Share Option Reserve	6	(5,692)	131,286
Profit/(loss) on disposal of Operations	6	39,380	(2,226)
Interest receivable and similar income		75,049	2,814
Interest payable and similar expenses		–	–
Profit before tax		1,003,495	258,760
Tax on profit	8	(137,300)	(13,098)
Profit after tax for the financial year		866,195	245,662
Profit for the year attributable to:			
Non-controlling interests		56,070	13,059
Owners of the parent company		810,125	232,603
Profit for the financial year		866,195	245,662
Profit per share attributable to the owners of the parent company			
- Basic and Diluted (pence)		20.12	5.78

There were no recognised gains or losses other than the profit for the year.

Consolidated statement of financial position

	Note	31 Dec 2022 £	31 Dec 2021 £
Fixed assets			
Investments	12	–	–
Intangible assets	10	200	200
Tangible assets	11	276,337	267,497
		276,537	267,697
Current assets			
Debtors	15	15,528,732	16,129,944
Cash at bank and in hand	14	10,705,499	9,456,250
		26,234,231	25,586,194
Creditors: amounts falling due within one year	16	(22,652,861)	(22,502,189)
Net current assets		3,581,370	3,084,005
Total assets less current liabilities		3,857,907	3,351,702
Creditors: amounts falling due after more than one year	17	(1,133,794)	(1,159,142)
Provisions for liabilities	18	(143,972)	(259,473)
Net assets		2,580,141	1,933,087
Capital and reserves			
Called up share capital	21	795,812	795,812
Share option reserve	22	11,383	5,691
Profit and loss account	22	1,640,551	1,003,259
Equity attributable to the owners of the parent company		2,447,746	1,804,762
Non-controlling interests		132,395	128,325
Shareholders' funds		2,580,141	1,933,087

The financial statements were approved and authorised for issue by the Board of Directors on 6 April 2023.

Company No: 02958427



I J Gray
Chief Executive Officer



J A Golder
Operations Director

The accompanying notes form part of these financial statements.

Company statement of financial position

as at 31 December 2022

	Note	31 Dec 2022 £	31 Dec 2021 £
Fixed assets			
Tangible assets	11	237,658	206,918
Investments	12	4,000	5,000
		241,658	211,918
Current assets			
Debtors	15	14,981,191	15,368,994
Cash at bank and in hand		9,612,923	8,585,031
		24,594,114	23,954,025
Creditors: amounts falling due within one year	16	(21,639,042)	(21,694,050)
Net current assets		2,955,072	2,259,975
Total assets less current liabilities		3,196,730	2,471,893
Creditors: amounts falling due after more than one year	17	(1,133,794)	(1,159,142)
Provisions for liabilities	18	(143,972)	(259,473)
Net assets		1,918,964	1,053,278
Capital and reserves			
Called up share capital	21	795,812	795,812
Share option reserve	22	11,383	5,691
Profit and loss account	22	1,111,769	251,775
Shareholders' funds		1,918,964	1,053,278

The Company made a profit of £1,058,947 in the year ended 31 December 2022 (2021: Profit £389,135).

The financial statements were approved and authorised for issue by the Board of Directors on 6 April 2023.

Company No: 02958427



I J Gray
Chief Executive Officer



J A Golder
Operations Director

The accompanying notes form part of these financial statements.

Consolidated statement of cash flows

	2022	2021
	£	£
Cash flows from operating activities		
Profit after tax: Continuing operations	866,195	245,662
Depreciation	176,572	159,354
Profit on sale of fixed assets	(4,851)	(17,138)
Broker Direct Retail Holding Ltd – b/fwd losses	26,120	-
Reassessment of the gain on disposal of Insurance Compliance Services Limited	(39,380)	2,226
Share option expense/(credit)	5,692	(131,286)
Interest income	(75,049)	(2,814)
Taxation	137,300	13,099
Decrease in debtors	177,090	1,338,440
(Decrease) in creditors	(128,530)	(875,934)
Cash generated from operations	1,141,159	731,609
Corporation tax paid	-	(106,161)
Net cash generated from operating activities	1,141,159	625,448
Cash flows from investing activities		
Proceeds from sale of tangible assets	7,650	27,820
Net cash inflow from sale of discontinued operations	464,555	425,175
Purchase of tangible and intangible fixed assets	(188,211)	(205,322)
Interest received	75,049	2,814
Net cash generated from/(utilised in) investing activities	359,043	250,487
Cash flows from financing activities		
Equity dividends paid	(250,953)	(50,000)
Net cash from financing activities	(250,953)	(50,000)
Net increase in cash and cash equivalents	1,249,249	825,935
Cash and cash equivalents at the beginning of the year	9,456,250	8,630,315
Cash and cash equivalents at the end of the year	10,705,499	9,456,250

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity

	Called up share capital	Share option reserve	Profit and loss account	Shareholders equity	Non- controlling interest	Total equity
	£	£	£	£	£	£
At 1 January 2021	795,812	136,977	770,656	1,703,445	165,266	1,868,711
Profit and total comprehensive income for the year	–	–	232,603	232,603	13,059	245,662
Decrease in share option reserve	–	(131,286)	–	(131,286)	–	(131,286)
Non-controlling interest transactions	–	–	–	–	(50,000)	(50,000)
At 31 December 2021	795,812	5,691	1,003,259	1,804,762	128,325	1,933,087
Profit and total comprehensive income for the year	–	–	810,125	810,125	56,070	866,195
Increase in share option reserve	–	5,692	–	5,692	–	5,692
Broker Direct Retail Holding retained earnings	–	–	26,120	26,120	–	26,120
Dividends paid	–	–	(198,953)	(198,953)	–	(198,953)
Non-controlling interest transactions	–	–	–	–	(52,000)	(52,000)
At 31 December 2022	795,812	11,383	1,640,551	2,447,746	132,395	2,580,141

Company statement of changes in equity

	Called up share capital	Share option reserve	Profit and loss account	Total
	£	£	£	£
At 1 January 2021	795,812	136,977	(137,360)	795,429
Profit and total comprehensive income for the year	–	–	389,135	389,135
Increase in share option reserve	–	(131,286)	–	(131,286)
At 31 December 2021	795,812	5,691	251,775	1,053,278
Profit and total comprehensive income for the year	–	–	1,058,947	1,058,947
Increase in share option reserve	–	5,692	–	5,692
Unclaimed dividends returned to reserves	–	–	–	–
Dividends paid	–	–	(198,953)	(198,953)
At 31 December 2022	795,812	11,383	1,111,769	1,918,964

1 Company information

Broker Direct Plc is a public limited company incorporated in the United Kingdom. Its principal place of business and registered address is Deakins Park, Deakins Mill Way, Egerton, Bolton, BL7 9RW.

The business was established in 1997 with a unique proposition: the establishment of a general insurance management operation for brokers, majority owned by brokers.

Today, the Broker Direct Group supplies a range of insurance related capabilities including product build, distribution, premium collection and claims handling and accident management services.

2 Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (‘FRS 102’), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Sterling (£) as this is the functional currency of the Group.

The Group financial statements consolidate the financial statements of Broker Direct Plc and all its subsidiary undertakings drawn up to 31 December each year.

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Profit and Loss Account in these financial statements. The parent company’s profit for the year was £1,058,947 (2021: £389,135).

The individual accounts of Broker Direct Plc have also adopted the following disclosure exemptions:

- The requirement to present a statement of cash flows and related notes.
- Financial instrument disclosures, including;
 - categories of financial instruments;
 - items of income, expenses, gains or losses relating to financial instruments; and
 - exposure to and management of financial risks.

Going Concern

The financial statements for the Company are prepared on a going concern basis in accordance with UK Financial Reporting Standards (FRS102).

At 31 December 2022, operational cash balances amounted to £3,382,189 (Note 14) (2021: £2,331,958).

The Group’s objectives, policies and processes for managing its capital, its financial risk management objectives and its exposure to risks are set out in the Strategic Report.

The Directors have:

- Assessed the financial position and the future funding requirements of the Group including a review of the Group’s financial forecasts for a period of at least 12 months from the date of approval of the financial statements.
- Considered whether there are events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern, and whether or not a material uncertainty related to going concern exists.

Having undertaken this assessment and after due consideration, including an assessment of the impact of severe but plausible scenarios, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of this report, and so determine that it is appropriate for the 2022 Financial Statements to be prepared on a going concern basis.

3 Significant judgements and estimates

In the application of the Group’s accounting policies management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historic experience and other factors that are considered to be relevant and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Management have considered the key assumptions used to estimate the Group’s assets and liabilities as at the balance sheet date and believe these assumptions to be entirely appropriate. The estimates and judgements most likely to have a significant effect are in the following areas:

- Going concern (refer to Note 2 – Basis of preparation, Going Concern);
- Technical reserves (refer to Turnover accounting policy);
- Impairment of goodwill (refer to Intangible Assets accounting policy);

Notes to the financial statements continued

- Intangible fixed assets and software development (refer to Intangible Assets accounting policy);
- Deferred tax (refer to Taxation accounting policy);
- Share options (refer to Employee Share Schemes accounting policy);
- Recoverability of inter-company debtor balances;
- Useful economic life of tangible fixed assets for depreciation (refer to Tangible Assets accounting policy);
- Valuation of investment in associate company;
- Dilapidations provision.

With respect to the above, the directors consider that there are no individual underlying assumptions to which the monetary amount is particularly sensitive.

4 Principal accounting policies

a) Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given and liabilities incurred or assumed plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill.

b) Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group (its subsidiaries). Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

c) Investment in associates

Investments in associates are accounted for at cost less impairment in the individual financial statements.

d) Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale. Classification as a discontinued operation occurs upon a disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement is restated as if the operation has been discontinued from the start of the comparative period.

e) Government grants

The Group accounts for government grants (including the Coronavirus Job Retention Scheme) using the accruals model. Revenue-based grants that are receivable as compensation for expenses or losses already incurred are recognised in income in the period in which they are receivable.

f) Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Purchased goodwill arising on acquisitions is amortised on a straight-line basis over its estimated useful economic life, being twenty years. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently when necessary if circumstances indicate that its carrying value may not be recoverable.

If the recoverable amount of any goodwill is estimated to be less than its carrying amount, the carrying amount of the goodwill is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- the technical feasibility of completing the software so that it will be available for use or sale;
- the intention to complete the software and use or sell it;
- the ability to use the software or sell it;
- how the software will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the software; and
- the ability to measure reliably the expenditure attributable to the software during its development.

Product development costs are written off in full in the year that they are incurred in accordance with section 18 of Financial Reporting Standard 102.

Amortisation is charged so as to allocate the cost of intangibles over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following economic lives:

- Software development costs 5 years
- Goodwill 20 years

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

g) Tangible assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost less the estimated residual value of all tangible fixed assets by equal monthly instalments over their expected useful economic lives. The periods generally applicable are:

Leasehold improvements: 4 years straight line (or to end of lease if shorter)

Computer – hardware: 3 years straight line

Computer – software development:
5 years straight line

Equipment: 4 years straight line

Furniture and fittings: 4 years straight line

Cars: 3 years straight line

h) Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

i) Investments

In respect of the parent company, investments are included at cost, net of provision for impairment.

j) Cash at bank and in hand

Cash received for insurance premiums, claims and commissions is held on trust in separate insurer accounts until either settled to third parties or in the case of commissions, transferred to Group operational cash balances. Cash at hand and in bank therefore includes both insurer and operational monies (see Note 14).

k) Insurance debtors and creditors

The Group acts as an agent of insurance companies in broking and administering insurance products and is liable as a principal for premiums due to those underwriters. The Group has followed generally accepted accounting practice for insurance brokers by showing debtors, creditors and cash balances relating to insurance business as assets and liabilities of the Group itself. Revenue is recognised on such agency arrangements as set out in the turnover accounting policy.

l) Other debtors

Short-term debtors are measured at transaction price, less any impairment.

m) Other creditors

Short-term trade creditors are measured at the transaction price. Other financial liabilities, including loans, are measured at fair value inclusive of unpaid interest accrued to date.

n) Leases

Where the Group enters into a lease that transfers substantially all the risks and rewards of ownership of an asset to the lessee, the lease is treated as a finance lease. Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. Future instalments under such leases, net of finance charges, are included in creditors. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the statement of comprehensive income over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the statement of comprehensive income on a straight-line basis over the lease term.

Notes to the financial statements continued

o) Operating leases

Rentals under operating leases are charged to the statement of comprehensive income account on a straight-line basis over the lease term.

Benefits receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

p) Provisions for liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event; it is probable that the Group will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the accounting period, taking into account the risks and uncertainties surrounding the obligation.

The Group recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of the absence.

q) Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

The tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

r) Turnover

Turnover is the amount receivable, by the Group, for services provided, exclusive of Value Added Tax ("VAT"). VAT is chargeable on services relating to motor accident management.

Income from commission is received for selling and administering insurance policies and is recognised in the statement of comprehensive income at the later of the transaction effective date or the date the transaction was received into the business. Provisions are maintained to meet potential subsequent bad debts and commission clawbacks for policies that could cancel in the future. Trade debtors are shown net of any provision for bad debts. Additional provisions are maintained to meet the costs of post placement services for claims handling and premium administration. These are included in 'technical reserves' and are analysed between amounts to be recognised within one year and amounts to be recognised after more than one year.

In addition, income is received from insurer partners to help fund the development of the IT systems that support the distribution and administration of their products. This is recognised in the statement of comprehensive income in the month in which the expense is incurred.

s) Employee benefits

Employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

t) Employee share schemes

All share-based payment arrangements granted after 7 November 2002 are recognised in the financial statements in accordance with Financial Reporting Standard 102.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets).

All equity-settled share-based payments are ultimately recognised as an expense in the statement of comprehensive income with a corresponding credit to 'share option reserve'.

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options that have vested are not exercised. Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

u) Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities.

Finance costs and gains or losses relating to financial liabilities are included in the statement of comprehensive income. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability.

An equity instrument is any contract that evidences a residual interest to the assets of the Company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to reserves.

v) Exceptional items

Items which are material either because of their size or their nature, and which are non-recurring, are presented separately within the statement of comprehensive income. The separate reporting of exceptional items helps provide a better picture of the Company's underlying performance.

Notes to the financial statements continued

5 Turnover, other operating income and profit on ordinary activities before taxation

The turnover, other operating income and profit on ordinary activities before taxation are attributable to the principal activity of the Group which is carried out entirely within the United Kingdom.

Turnover and other operating income, analysed by category, was as follows:

	2022	2021
	Total	Total
	£	£
Turnover		
Rendering of services and commission	26,289,376	23,825,273
Other operating income		
Government grants	–	82,443

6 Profit on ordinary activities before taxation

	2022	2021
	£	£
The profit on ordinary activities before taxation is stated after charging/(crediting):		
Auditors' remuneration:		
Fees payable to the Group's auditors		
– for the audit of the Group's annual financial statements	66,000	57,600
Depreciation of tangible fixed assets - owned	176,572	159,354
Gain on sale of fixed assets	4,851	17,138
Operating lease charges – land and buildings	207,506	243,919
Exceptional items:		
Movement in Share Option Reserve (Note 24)	(5,692)	131,286
Profit/(Loss) on sale of Insurance Compliance Services Limited (Note 13)	39,380	(2,226)

Notes to the financial statements continued

7 Directors and employees

Group

	2022	2021
	£	£
Staff costs during the year were as follows:		
Wages and salaries	6,159,455	5,871,060
Social security costs	606,265	545,830
Pension costs	431,300	464,105
	7,197,020	6,880,995

The Company operates a stakeholder defined contribution pension scheme for the benefit of the employees and directors. The assets of the scheme are administered by an independent pension provider. Pension payments recognised as an expense during the year amount to £431,300 (2021: £464,105).

	2022	2021
	Number	Number
The average full time equivalent number of employees during the year was:		
Management	23	23
Other	165	158
	188	181

Remuneration in respect of Company directors was as follows:

	2021	2020
	£	£
Emoluments	430,343	497,341
Pension costs	43,768	51,137
	474,111	548,478

During the year, 2 directors (2021: 3 directors) participated in money purchase pension schemes. No directors exercised share options in the current or prior year.

Directors' remuneration disclosed above includes amounts paid to the highest paid director as follows:

	2022	2021
	£	£
Emoluments	173,674	137,173
Pension costs	21,884	20,400
	195,558	157,573

Notes to the financial statements continued

8 Tax on profit on ordinary activities

	2022	2021
	£	£
The taxation charge is based on the profit for the year and represents:		
Current tax:		
UK corporation tax at 19% (2020: 19%)	139,082	4,708
Adjustment in respect of prior periods	–	–
Total current tax	139,082	4,708
Deferred tax:		
Origination and reversal of timing differences	(1,782)	8,390
Resulting from a change in tax rate	–	–
Adjustments in respect of prior years	–	–
Total deferred tax (Note 20)	(1,782)	8,390
Total tax charge on profit on ordinary activities	137,300	13,098

The tax assessed for the year differs from the standard rate of corporation tax in the United Kingdom of 19% (2021: 19%). The differences are explained as follows:

	2022	2021
	£	£
Profit on ordinary activities before tax	1,003,495	258,760
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	190,664	49,164
Effect of:		
Expenses not deductible for tax purposes	28,656	(23,711)
(Profit)/Loss on disposal of subsidiary, not chargeable to tax	(7,482)	423
Other short-term differences	1,782	(1)
Losses brought forward now utilised	(74,538)	(12,777)
Total	139,082	13,098

9 Profit for the financial year

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The parent company's profit for the year was £1,058,947 (2021: £389,135).

10 Intangible fixed assets

Group	Computer software development	Goodwill on consolidation	Total
	£	£	£
Cost			
At 1 January & 31 December 2022	1,105,920	200	1,106,120
Amortisation			
At 1 January & 31 December 2022	1,105,920	–	1,105,920
Net book amount			
At 31 December 2022	–	200	200
At 31 December 2021	–	200	200

Amortisation of intangible fixed assets is included in administration expenses.

Company

	Computer software development
	£
Cost	
At 1 January and 31 December 2022	1,105,920
Amortisation	
At 1 January and 31 December 2022	1,105,920
Net book amount	
At 31 December 2022	–
At 31 December 2021	–

Amortisation of intangible fixed assets is included in administration expenses.

The Company's insurance transaction processing system is included within software development costs and has a carrying value of £Nil (2021: £Nil).

Notes to the financial statements continued

11 Tangible fixed assets

Group

	Leasehold improvements	Fixtures & fittings	Cars	Computers and other equipment	Total
	£	£	£	£	£
Costs					
At 1 January 2022	630,807	224,816	27,995	2,687,954	3,571,572
Additions	–	–	36,000	152,211	188,211
Disposals	–	–	(27,995)	–	(27,995)
At 31 December 2022	630,807	224,816	36,000	2,840,165	3,731,788
Depreciation					
At 1 January 2022	630,806	224,574	25,196	2,423,499	3,304,075
Provided in the year	1	121	7,200	169,250	176,572
Disposals	–	–	(25,196)	–	(25,196)
At 31 December 2022	630,807	224,695	7,200	2,592,749	3,455,451
Net book amount					
At 31 December 2022	–	121	28,800	247,416	276,337
At 31 December 2021	1	242	2,799	264,455	267,497

Included in the total net book value is £Nil (2021: £2,799) in respect of motor vehicles and computer equipment held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £Nil (2021: £Nil).

Company

	Leasehold improvements	Fixtures & fittings	Cars	Computers and other equipment	Total
	£	£	£	£	£
Costs					
At 1 January 2022	630,807	224,816	27,995	2,584,292	3,467,910
Additions	–	–	36,000	147,958	183,958
Disposals	–	–	(27,995)	–	(27,995)
At 31 December 2021	630,807	224,816	36,000	2,732,250	3,623,873
Depreciation					
At 1 January 2022	630,806	224,574	25,196	2,380,416	3,260,992
Provided in the year	1	121	7,200	143,097	150,419
Disposed in the year	–	–	(25,196)	–	(25,196)
At 31 December 2022	630,807	224,695	7,200	2,523,513	3,386,215
Net book amount					
At 31 December 2022	–	121	28,800	208,737	237,658
At 31 December 2021	1	242	2,799	203,876	206,918

Included in the total net book value is £Nil (2021: £2,799) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £Nil (2021: £Nil).

12 Fixed asset investments

Group

	Investment in associates £
At 1 January and 31 December 2022	–

The carrying value of the shareholding in CPD Underwriting Solutions Limited was impaired to £Nil in 2020.

Company

	Investment in subsidiaries and associates £
At 1 January	5,000
Disposal	(1,000)
At 31 December 2022	4,000

Broker Direct Retail Holdings Ltd was dissolved in June 2022.

At 31 December 2022, the Company had the following principal subsidiaries which are registered in England and Wales:

	Nature of business	Class of share capital held	Proportion held	Held by
Broker Direct Acquisitions Limited	Holding Company	Ordinary shares	100%	Broker Direct Plc
Proficient Insurance Administration Limited	Dormant	Ordinary shares	100%	Broker Direct Plc
Our Network Services Limited	Insurance Services	Ordinary shares	100%	Broker Direct Plc
BDElite Limited	Claims Management Solutions	Ordinary shares	80%	Broker Direct Plc

The registered address for BDElite Limited is Atria, Spa Road, Bolton, BL1 4AG. The registered address for all other subsidiaries is Deakins Park, Deakins Mill Way, Egerton, Bolton, BL7 9RW.

At 31 December 2022, the Company had the following principal associate which was registered in England and Wales:

	Nature of Business	Class of share capital held	Proportion held	Held by
CPD Underwriting Solutions Ltd	Underwriting consultancy and Managing General Agent	Ordinary shares	30%	Broker Direct Plc

These shares are voting and capital rights only, they are not entitled to dividends.

13 Disposal

The Board of Directors sold the subsidiary Insurance Compliance Services Limited on 30 October 2020 at which date control of the subsidiary was passed to the acquirer.

At the time of sale, settlement of an element of the consideration was deferred; contingent upon the company's revenues during each of the two years following disposal. In 2021, the first year's revenues were agreed and settlement received. At this time £2,226 was written off to profit and loss. In December 2022, the second year's revenues were agreed and a gain of £39,380 has been posted to profit and loss, increasing the total profit on the sale to £248,744. Final settlement has been received.

Notes to the financial statements continued

14 Cash at bank and in hand

Cash at bank and in hand includes both insurer monies held in trust and operational monies. Insurer monies include unsettled premiums and claims and commission not yet transferred into the operational bank accounts.

	At 1 January 2022 £	Movement £	At 31 December 2022 £
Operational cash at bank and in hand	2,331,958	1,050,231	3,382,189
Insurer cash at bank and in hand	7,124,292	199,018	7,323,310
Total cash at bank and in hand	9,456,250	1,249,249	10,705,499

15 Debtors

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Broker and policyholder debtors	13,635,583	13,318,681	13,984,478	13,741,918
Insurer debtors	944,581	803,710	936,125	747,173
Amount owed by Group undertakings	–	19,557	–	169,108
Prepayments and accrued income	714,275	667,956	646,111	602,959
Other debtors	151,838	86,295	482,557	23,080
Deferred tax asset (Note 19)	82,455	84,992	80,673	84,756
	15,528,732	14,981,191	16,129,944	15,368,994

Amounts owed by Group undertakings are repayable on demand; however the debts will only be called in to the extent that the undertaking is able to pay it without financial hardship.

16 Creditors: amounts falling due within one year

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Payable to insurers	20,364,949	19,953,358	20,770,177	20,402,149
Pension contributions	55,778	47,230	58,332	51,708
Technical reserves	39,650	4,620	–	–
Other taxation and social security costs	420,538	252,673	213,363	127,170
Accruals and deferred income	1,771,946	1,381,161	1,460,317	1,113,023
	22,652,861	21,639,042	22,502,189	21,694,050

Amounts due under finance lease and hire purchase contracts are secured on the assets to which they relate.

17 Creditors: amounts falling due after more than one year

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Technical reserves creditor	1,133,794	1,133,794	1,159,142	1,159,142
Deferred income	–	–	–	–
	1,133,794	1,133,794	1,159,142	1,159,142

18 Provisions for liabilities

Group and Company

Commission clawback provision

A provision is maintained to meet potential commission clawbacks for policies that could cancel in the future.

The movement in the provisions during the year were:

	Commission clawback provision	Dilapidation provision	Total
	£	£	£
At 1 January 2022	169,473	90,000	259,473
Utilised in the year	(169,473)	–	(169,473)
Additional provision for the year	43,972	10,000	53,972
At 31 December 2022	43,972	100,000	143,972

19 Deferred taxation

The potential deferred taxation asset is as follows:

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Depreciation in excess of capital allowances	(14,047)	(7,026)	(12,235)	(1,125)
Technical reserves	96,502	92,018	92,908	85,881
Deferred tax asset	82,455	84,992	80,673	84,756

The deferred taxation asset has been recognised to the extent that in the directors' opinion the Group's and Company's forecasts indicate there will be suitable taxable profits from which the partial reversal of the underlying timing differences can be deducted, this is shown below:

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Deferred tax asset brought forward	80,673	84,756	89,063	83,721
Statement of comprehensive income movements in the year (Note 8)	1,782	236	(8,390)	1,035
Deferred tax asset carried forward	82,455	84,992	80,673	84,756

The amount of the net reversal of deferred tax expected to occur next year is £41,772 (2021: £44,663), relating to the reversal of existing timing differences on tangible fixed assets and provisions.

The Group has utilised the trading losses brought forward from previous years of £392,304 against the current year profits.

20 Financial instruments

	31 December 2022 £	31 December 2021 £
Financial assets that are debt instruments measured at amortised cost	25,437,500	24,858,681
Financial liabilities measured at amortised cost	23,510,089	23,707,441

Financial assets measured at amortised cost comprise of cash and debtors. Financial liabilities measured at cost comprise of creditors.

Notes to the financial statements continued

21 Called up share capital

	2022 £	2021 £
Authorised		
6,000,000 'A' ordinary shares of £0.20 (2020: £0.20) each	1,200,000	1,200,000
Allotted		
4,025,934 'A' ordinary shares of £0.20 (2021: £0.20) each	805,187	805,187
Called up		
Fully paid		
3,963,434 'A' ordinary shares of £0.20 (2020: £0.20) each	792,687	792,687
Partly paid		
62,500 'A' ordinary shares of £0.20 (2020: £0.20) each one quarter called up and paid	3,125	3,125
	795,812	795,812

All shares are equity shares, carrying the same right to dividends and priority on a winding up and are non-redeemable.

The capital of the Company is 'A' Ordinary shares of £0.20 each. 3,963,434 of such shares are in issue and fully paid up and 62,500 of such shares are partly paid up to the extent of £0.05 each and none of the remaining shares have been issued.

A number of share options have been granted to directors and staff and these are detailed in Note 24.

22 Reserves

Called-up share capital – represents the nominal value of shares that have been issued and paid.

Share option reserve – the provision required to date for the fair value of share options likely to vest in employee schemes currently in place.

Profit and loss account – includes all current and prior period retained profits and losses.

Non-controlling interest – includes the amount of capital and reserves attributable to minority interests.

23 Dividends

Dividends on equity shares of £198,953 were paid in 2022 (2021: £Nil).

24 Share based payments

In accordance with Financial Reporting Standard 102, the Schemes are restricted to the sale of the Company and are therefore treated as equity settled share-based payment transactions.

Details of the share options granted are set out below:

	Scheme 8	Scheme 7
Exercise price	£1.00	£1.00
Granted at 1 January 2022	643,334	495,000
Granted during the year	–	–
Expired during the year	–	(45,000)
Granted at 31 December 2022	643,334	450,000
Exercisable at 31 December 2022	–	–

No 7 and 8 Enterprise Management Incentive Schemes (2020)

At the Annual General Meeting on 16 September 2020, the shareholders passed a resolution authorising the establishment of the Broker Direct Plc 2020 Share Option Scheme.

In January 2021, the Company granted options (which were granted as qualifying Enterprise Management Incentives pursuant to Schedule 5 of the Income Tax (Earnings and Pensions) Act 2003) to certain directors and Managers. The options may only vest and be exercised on achieving Company performance targets.

Nil shares have vested to qualifying individuals as at 31 December 2022.

Vested options are exercisable at any time until 20 July 2026.

Assumptions:

The Group used the Monte-Carlo model to fair value the Group's share options. During the year £5,692 was expensed with a corresponding credit to other reserves (2021: £5,691).

25 Leasing commitments

Future operating lease payments are due as follows:

	2022	2021
	Land and buildings	Land and buildings
	£	£
Operating lease payments payable:		
– within one year	94,208	120,886
– within two to five years	506,882	586,916
	601,090	707,802

26 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at 31 December 2022 or 31 December 2021.

27 Related party transactions

The Company has taken advantage of the exemption within FRS 102 (section 33) and has not disclosed transactions with wholly owned subsidiaries.

Management determine that the key management personnel are the directors of the Group and Company whose remuneration is disclosed in Note 7.

In the year, the Group had the following transactions with CPD Underwriting Solutions Ltd, an associate of Broker Direct Plc:

- Fees paid to associate – £43,537 (2021: £119,727), nil outstanding at year-end (2021: £Nil).
- Commission and fees receivable from associate – £9,248,087 of which £353,750 remained outstanding at the year-end (2021: £8,307,412, £269,346 outstanding).

The directors received dividends in the year in respect of the shareholding described in the Director's report.

Notes to the financial statements continued

28 Earnings per share

Both the basic and diluted earnings per share have been calculated using the profit attributable to the shareholders of the parent company as the numerator.

The share option exercise prices are higher than the value at which the Company shares have traded during both 2022 and 2021 and therefore have no dilutive effect on the earnings per share.

The weighted average number of shares for the purposes of both basic and diluted earnings per share is as follows:

	2022	2021
Weighted average number of shares used in basic and diluted earnings per share	4,025,934	4,025,934

29 Financial risk management

The Group is exposed to a variety of financial risks as summarised below:

- Credit risk;
- Liquidity risk;
- Interest rate risk;
- Reserving risk;
- Foreign currency risk.

The directors review and agree policies for managing these risks, which are addressed in more detail in the Strategic Report.

30 Controlling party

The directors do not consider that there is a controlling party of the entity.

31 Subsidiary company audit exemption

Our Network Services Limited (company number 06600982) is entitled to and has taken advantage of the exemption from statutory audit conferred under Section 479A of the Companies Act 2006.

BDElite Limited (company number 07636844) is entitled to and has taken advantage of the exemption from statutory audit conferred under Section 479A of the Companies Act 2006.

Broker Direct Acquisitions Limited (company number 06625914) is entitled to and has taken advantage of the exemption from statutory audit conferred under Section 479A of the Companies Act 2006.

Proficient Insurance Administration Limited (company number 12311851) is entitled to and has taken advantage of the exemption from statutory audit conferred under Section 479A of the Companies Act 2006.

32 Dormant subsidiary account preparation and filing exemption

Proficient Insurance Administration Limited (company number 12311851) is entitled to and has taken advantage of the exemption from preparation and filing of individual accounts conferred under Sections 394A and 3448A of the Companies Act 2006.

33 Government grants and other assistance

During 2022, the Group received £Nil (2021: £82,443) of financial assistance from the Government under the Coronavirus Job Retention Scheme. This was accounted for using the accruals model and income was recognised as the monies became receivable. There were no unfulfilled conditions or other contingencies attaching to this assistance.

In addition, the Group deferred payment of its VAT liability for the quarter ending 30 April 2020. The £12,317 liability remaining at 31 December 2021 was settled in January 2022.



We are
Proficient



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