

**Registered number: 07889205**

**ONE COMMERCIAL SPECIALTY LIMITED**  
**(formerly known as Precision Underwriting (UK) Limited)**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2019**



## **ONE COMMERCIAL SPECIALTY LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2019**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**ONE COMMERCIAL SPECIALTY LIMITED**  
**REGISTERED NUMBER: 07889205**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	6	1,606	-
		<u>1,606</u>	<u>-</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	234,690	77,249
Cash at bank and in hand	8	95,957	193,498
		<u>330,647</u>	<u>270,747</u>
Creditors: amounts falling due within one year	9	(753,021)	(1,436,522)
<b>Net current liabilities</b>		<u>(422,374)</u>	<u>(1,165,775)</u>
<b>Total assets less current liabilities</b>		<u>(420,768)</u>	<u>(1,165,775)</u>
<b>Net liabilities</b>		<u>(420,768)</u>	<u>(1,165,775)</u>
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Share premium account		5,927	5,927
Other reserves		928,750	928,750
Profit and loss account		(1,356,445)	(2,101,452)
		<u>(420,768)</u>	<u>(1,165,775)</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

ONE COMMERCIAL SPECIALTY LIMITED  
REGISTERED NUMBER: 07889205

STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 MARCH 2019

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

*14th November 2019.*  
G M Aguilar-Millan  
Director

*GM*  
The notes on pages 5 to 10 form part of these financial statements.

**ONE COMMERCIAL SPECIALTY LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2018	1,000	5,927	928,750	(2,101,452)	(1,165,775)
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	745,007	745,007
<b>Other comprehensive income for the year</b>					
	-	-	-	-	-
<b>Total comprehensive income for the year</b>					
	-	-	-	745,007	745,007
<b>Total transactions with owners</b>					
	-	-	-	-	-
<b>At 31 March 2019</b>	<b>1,000</b>	<b>5,927</b>	<b>928,750</b>	<b>(1,356,445)</b>	<b>(420,768)</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2017	1,000	5,927	928,750	(1,665,637)	(729,960)
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(435,815)	(435,815)
<b>Other comprehensive income for the year</b>					
	-	-	-	-	-
<b>Total comprehensive income for the year</b>					
	-	-	-	(435,815)	(435,815)
<b>Total transactions with owners</b>					
	-	-	-	-	-
<b>At 31 March 2018</b>	<b>1,000</b>	<b>5,927</b>	<b>928,750</b>	<b>(2,101,452)</b>	<b>(1,165,775)</b>

The notes on pages 5 to 10 form part of these financial statements.

## **ONE COMMERCIAL SPECIALTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

#### **1. General information**

One Commercial Specialty Limited is a private limited company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Epsilon House, West Road, Ipswich, IP3 9FJ.

The financial statements are presented in pounds sterling which is the functional currency of the company.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The Directors have prepared a forecast for the period to 31st March 2020, which indicates that the company is not expected to be trading profitably by the end of this period. The Company will continue to look at ways in which it can increase its revenue and maintain prudent control of its costs. However, it is likely that the Company's ability to continue as a going concern will be dependant on the continuing financial support of its parent company, Precision Partnership Ltd (Precision) and a related trade creditor to enable it to meet its liabilities as and when they fall due. Precision and the related trade creditor have committed to providing this support, for a period of at least 12 months from the signing of these Financial Statements, and as such the financial statements have been prepared on a going concern basis.

##### **2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **2.4 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

##### **2.5 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

## ONE COMMERCIAL SPECIALTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### 2. Accounting policies (continued)

##### 2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	-	25%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

##### 2.6 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

##### 2.7 Insurance debtors, creditors and cash

The Company acts as an agent in underwriting the insurable risks of its clients and is generally not liable as a principle for premiums due to underwriters, or for claims payable to clients. In recognition of this relationship, the Company does not include debtors or creditors on its own balance sheet, except to the extent that the creditors are matched by cash held in insurer trust bank accounts, on which the Company earns investment income.

##### 2.8 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

##### 2.9 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**ONE COMMERCIAL SPECIALTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**3. Employees**

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2019 No.</b>	<b>2018 No.</b>
Underwriting	<b>5</b>	<b>5</b>

**4. Taxation**

	<b>2019 £</b>	<b>2018 £</b>
<b>Corporation tax</b>		
Current Tax adjustments in respect of previous periods	<b>(31,357)</b>	-
	<b>(31,357)</b>	-
<b>Total current tax</b>	<b>(31,357)</b>	-
<b>Deferred tax</b>		
Arising from origination and reversal of timing differences	<b>(13,471)</b>	-
<b>Total deferred tax</b>	<b>(13,471)</b>	-
<b>Taxation on (loss)/profit on ordinary activities</b>	<b>(44,828)</b>	-



**ONE COMMERCIAL SPECIALTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**4. Taxation (continued)**

**Factors affecting tax charge for the year**

	2019 £	2018 £
Profit on ordinary activities before tax	700,179	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	133,034	-
<b>Effects of:</b>		
Effects of expenses not deductible in determining taxable profit (tax loss)	631	-
Research and development tax credit in respect of prior periods	(31,357)	-
Increase (decrease) from tax losses for which no deferred tax was recognised	(157,682)	-
Tax increase arising from group relief surrendered	23,507	-
Deferred tax expense (credit) relating to change in tax rates or laws	54	-
Increase (decrease) due to no deferred tax being previously recognised	(13,015)	-
<b>Total tax charge for the year</b>	<b>(44,828)</b>	<b>-</b>

**5. Intangible assets**

	Computer software £
<b>Cost</b>	
At 1 April 2018	567,752
At 31 March 2019	567,752
<b>Amortisation</b>	
At 1 April 2018	567,752
At 31 March 2019	567,752
<b>Net book value</b>	
At 31 March 2019	-
At 31 March 2018	-

**ONE COMMERCIAL SPECIALTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**6. Tangible fixed assets**

	Computer equipment £
<b>Cost or valuation</b>	
At 1 April 2018	2,144
Additions	1,793
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At 31 March 2019	3,937
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<b>Depreciation</b>	
At 1 April 2018	2,144
Charge for the year on owned assets	187
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At 31 March 2019	2,331
	<hr/>
<b>Net book value</b>	
At 31 March 2019	1,606
	<hr/> <hr/>
At 31 March 2018	-
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**7. Debtors**

	2019 £	2018 £
Other debtors	198,533	-
Accrued income	22,686	77,249
Deferred taxation	13,471	-
	<hr/>	<hr/>
	234,690	77,249
	<hr/> <hr/>	<hr/> <hr/>

**8. Cash and cash equivalents**

	2019 £	2018 £
Bank current accounts	39,219	14,442
Cash held in Insurer Trust bank account	56,738	179,056
	<hr/>	<hr/>
	95,957	193,498
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## ONE COMMERCIAL SPECIALTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### 9. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	59,630	187,130
Amounts owed to group undertakings	625,474	1,199,040
Other taxation and social security	37,751	26,461
Other creditors	20,875	3,026
Accruals and deferred income	9,291	20,865
	<u>753,021</u>	<u>1,436,522</u>

Included within the trade creditors is insurance creditors of £56,762 (2018:£179,392)

#### 10. Related party transactions

During the year the company entered into the following transactions with related parties:

##### **Precision Support Services Ltd**

During the year the Company was charged management fees of £nil (2018:£279,192) by Precision Support Services Limited ('Precision'). At 31 March 2019 the company owed Precision £625,474 (2018:£1,199,040) following a repayment during the period of £573,566. Precision is a related party because T J Smyth is the controlling shareholder of both companies.

#### 11. Controlling party

Precision Partnership Limited owns 100% of the share capital of One Commercial Specialty Limited (formerly known as Precision Underwriting (UK) Limited). The ultimate controlling party is Mr T J Smyth due to his majority shareholding.

#### 12. Post balance sheet events

On 8th April 2019, Precision Partnership Ltd (PPL), the Company's immediate parent company, was acquired by Rural & Commercial Holdings Ltd.