

Registered number: 05510364

OPERATIONAL RISK CONSORTIUM LIMITED

(A company limited by guarantee)

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2023

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	4	21,263	-
Tangible assets	5	10,884	16,236
		<u>32,147</u>	<u>16,236</u>
Current assets			
Debtors: amounts falling due within one year	6	1,711,011	1,136,277
Bank and cash balances		311,738	603,395
		<u>2,022,749</u>	<u>1,739,672</u>
Creditors: amounts falling due within one year	7	(1,706,384)	(1,416,300)
Net current assets		<u>316,365</u>	<u>323,372</u>
Total assets less current liabilities		<u>348,512</u>	<u>339,608</u>
Net assets		<u>348,512</u>	<u>339,608</u>
Capital and reserves			
Profit and loss account		348,512	339,608
		<u>348,512</u>	<u>339,608</u>

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.

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 by:

J Rangel De Almeida
Director
Date: 20 August 2024

The notes on pages 2 to 7 form part of these financial statements.

OPERATIONAL RISK CONSORTIUM LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

Operational Risk Consortium Limited, is a private company, which is limited by guarantee, whose principal activity is operational risk consortium for the (re)insurance and asset management sector. The address of its registered office is 2nd Floor, 168 Shoreditch High Street, London E1 6RA.

The company is incorporated in England and Wales.

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

On the basis of their assessment of the Company's financial position and resources, the directors believe that the Company is well placed to manage its business risks. Therefore, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the next 12 months. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Turnover

Turnover comprises income receivable from subscription to the membership services provided by the Company. Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the subscription fee received or receivable, excluding discounts and value added tax. Subscription fees are recognised as turnover over the period of membership to which they relate.

2.4 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.

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.

The estimated useful lives range as follows:

Computer equipment	- 3 years
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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 profit or loss.

OPERATIONAL RISK CONSORTIUM LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.5 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.8 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is pounds sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.11 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.13 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.

3. Employees

The average monthly number of employees, including directors, during the year was 6 (2022 - 7). ORICs board consisted of 12 (2022: 12) directors of whom 1 director (2022:1) received remuneration for services during the year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. Intangible assets

**Computer
software**
£

Cost

Additions

21,263

At 31 December 2023

21,263

Net book value

At 31 December 2023

21,263

At 31 December 2022

-

5. Tangible fixed assets

**Computer
equipment**
£

Cost

At 1 January 2023

30,767

Additions

2,948

Disposals

(470)

At 31 December 2023

33,245

Depreciation

At 1 January 2023

14,531

Charge for the year on owned assets

8,292

Disposals

(462)

At 31 December 2023

22,361

Net book value

At 31 December 2023

10,884

At 31 December 2022

16,236

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6. Debtors

	2023	<i>2022</i>
	£	<i>£</i>
Trade debtors	1,543,047	<i>969,645</i>
Other debtors	14,911	<i>11,588</i>
Prepayments and accrued income	125,049	<i>136,163</i>
Deferred taxation	28,004	<i>18,881</i>
	<u>1,711,011</u>	<i><u>1,136,277</u></i>

7. Creditors: Amounts falling due within one year

	2023	<i>2022</i>
	£	<i>£</i>
Trade creditors	28,956	<i>8,440</i>
Other taxation and social security	226,437	<i>187,255</i>
Other creditors	9,585	<i>4,656</i>
Accruals and deferred income	1,441,406	<i>1,215,949</i>
	<u>1,706,384</u>	<i><u>1,416,300</u></i>

8. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

9. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £49,952 (2022: £40,854). Contributions totalling £6,525 (2022: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. Commitments under operating leases

At 31 December 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

		2023 £	2022 £
Not later than 1 year		74,940	70,950
Later than 1 year and not later than 5 years	Page 6	12,590	11,990
		<u>87,530</u>	<u>82,940</u>

11. Controlling party

Each member company of ORIC has one vote at a general meeting and are not linked to the amount members pay in subscriptions. No one group has a controlling interest in ORIC. Therefore, ORIC's financial statements are not consolidated with those of any other entity.

12. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2023 was unqualified.

The audit report was signed on 20 August 2024 by Stephen Tanner BSc(Econ) FCA (Senior statutory auditor) on behalf of Kreston Reeves LLP.