

THOMAS MILLER PROFESSIONS LTD

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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Company number: 01206978

CONTENTS	Page
Officers and professional advisers	2
Directors' report	3
Strategic report	4
Directors' responsibilities statement	5
Independent auditor's report	6
Profit and loss account	7
Balance sheet	8
Notes to the accounts	9-12

THOMAS MILLER PROFESSIONS LTD

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R Cunningham

R A A Harnal

B M Kesterton

Resigned 13 February 2013

A Salim

V Teasdale

Resigned 2 August 2013

F J G Van Kempen

SECRETARY

K P Halpenny

REGISTERED OFFICE

90 Fenchurch Street

London

EC3M 4ST

AUDITOR

Deloitte LLP

Chartered Accountants

London

United Kingdom

THOMAS MILLER PROFESSIONS LTD

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013**

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report, for the year ended 31 December 2013.

The directors' report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006.

Results and dividends

The profit and loss account for the year is set out on page 7. The profit on ordinary activities after taxation amounted to £177,810 (2012 - loss £20,233).

No dividend has been proposed by the directors (2012 - £nil).

Directors

The present membership of the board of directors is shown on page 2, all of whom held office throughout the year, except as noted.

Directors' indemnity

The ultimate parent company Thomas Miller Holdings Ltd. has made qualifying third party indemnity provisions for the benefit of its subsidiaries' directors that remain in force at the date of this report.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

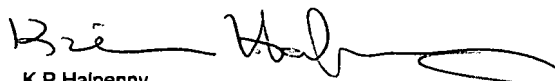
- (1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of the information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

90 Fenchurch Street
London
EC3M 4ST

By order of the board


K P Halpenny
Secretary

1 May 2014

THOMAS MILLER PROFESSIONS LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Review of activities and future developments

The main activities of the company during 2013 have been the provision of underwriting, due diligence and claims management services to commercial After the Event "ATE" insurers. The company is in partnership with AMTrust Europe Ltd to provide solicitors cover for indemnity insurance, with AMTrust providing the cover and Thomas Miller Professions doing the claims handling.

During the year turnover increased by 87% compared to last year. The increase in revenue has been offset against an increase in administrative expenses due to increased employment costs. The increased employment costs are due to the company's desire to increase its business in the litigation funding area. The investments in litigation funding are accounted for in the financial statements of the parent company, Thomas Miller Holdings Ltd.

Thomas Miller Professions profit before tax for the year of £231,982 (2012 - loss £26,345) was significantly higher than last year. Going forward the directors expect the company to make steadily increasing profits.

Thomas Miller & Co. Limited provides the personnel, the office space and other services and equipment required for the conduct of the company's business, and charges the company accordingly. No change is envisaged in these arrangements for 2014 and beyond.

Principal risks and uncertainties

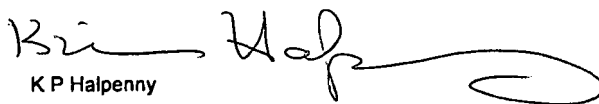
The company has formally assessed its risk exposures and systems of risk management, which are detailed in a "Risk Register" that is formally reviewed by the Board on a regular basis. The principal risks to which the company is exposed are those that arise from errors, omissions and/or negligence on the part of its directors, officers and staff (for example, the provision of incorrect advice to clients or the inadvertent breach of laws or regulations). Such risks are managed by having stringent internal control procedures in place to minimise the risk of breaches occurring.

Financial risk management

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the only financial risks the directors consider relevant to this company are credit risk and liquidity risk. These risks are mitigated by the normal credit control policies put in place by the directors of the company.

90 Fenchurch Street
London
EC3M 4ST

By order of the board


K P Halpenny
Secretary

1 May 2014

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOMAS MILLER PROFESSIONS LTD

We have audited the financial statements of Thomas Miller Professions Ltd for the year ended 31 December 2013 which comprise the profit and loss account, the balance sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.



Colin Rawlings (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor

London, UK

6 May 2014

THOMAS MILLER PROFESSIONS LTD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Turnover	1,2	1,008,137	539,547
Administrative expenses		<u>(776,155)</u>	<u>(565,892)</u>
Profit / (loss) on ordinary activities before taxation	3	<u>231,982</u>	<u>(26,345)</u>
Tax (charge) / credit on loss on ordinary activities	5	<u>(54,172)</u>	<u>6,112</u>
Profit / (loss) on ordinary activities after taxation	10	<u>177,810</u>	<u>(20,233)</u>

There are no recognised gains or losses other than the profit for the current financial year and the loss for the preceding year shown above. Accordingly, no statement of total recognised gains and losses is required.

All amounts derive from continuing operations.

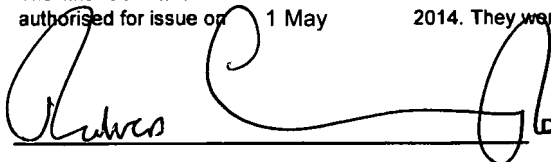
The notes on pages 9 to 12 form an integral part of these financial statements.

THOMAS MILLER PROFESSIONS LTD

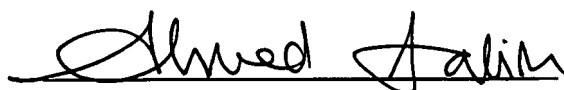
BALANCE SHEET AS AT 31 DECEMBER 2013

	Notes	2013 £	2012 £
Current assets			
Debtors	6	445,423	214,375
Cash at bank		100,988	21,638
		<u>546,411</u>	<u>236,013</u>
Creditors: Amounts falling due within one year	8	<u>(291,156)</u>	<u>(158,568)</u>
Net current assets		<u>255,255</u>	<u>77,445</u>
Total assets less current liabilities		<u>255,255</u>	<u>77,445</u>
Capital and reserves			
Called up share capital	9	5,000	5,000
Share premium		498,820	498,820
Profit and loss account		<u>(248,565)</u>	<u>(426,375)</u>
Shareholder's funds	10	<u>255,255</u>	<u>77,445</u>

The financial statements of Thomas Miller Professions Ltd (registration number 01206978) were approved by the board of directors and authorised for issue on 1 May 2014. They were signed on its behalf by:

 Director

R Cunningham

 Director

A Salim

The notes on pages 9 to 12 form an integral part of these financial statements.

NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2013

1. Accounting policies

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost convention. The accounting policies that have been adopted have been applied consistently throughout the year and preceding year. The specific policies are:

1.1 Turnover

Turnover, which excludes value added tax, represents the value of consultancy services and ATE fees attributable to the accounting year. Amounts not attributable to the accounting year are recognised as deferred income.

1.2 Going concern

The business activities of the company are set out in the strategic report.

The company has strong relationships with its clients and has increased its revenue. The needs of the company's clients will reduce as a result of the Jackson review in (April) 2013. While the effects of the Jackson review is not immediately known, it is anticipated that the volume of business could be reduced over the coming years. The company has net current assets, the majority of which consist of intercompany balances and amounts owed by its clients. Liquidity is provided by Thomas Miller & Co. Ltd, a fellow subsidiary undertaking. The directors do not foresee any significant impact on the current level of income, as a result of the current economic climate. The financial position of the company and how the key risks faced by the business are mitigated are discussed within the strategic report.

As a consequence, the directors believe that the company is well placed to manage its business risks successfully in the current economic climate.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.3 Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

1.4 Cash flow statements

The company is exempt from producing a cash flow statement under FRS1 (revised 1996) "Cash flow statements" as more than 90% of the voting rights are owned by its ultimate parent undertaking whose published, publicly available, accounts include a consolidated cash flow statement (note 13).

1.5 Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that it is regarded more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

THOMAS MILLER PROFESSIONS LTD

NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2013 (continued)

2. Turnover

	2013	2012
	£	£
Turnover by location of client:		
United Kingdom and Europe	<u>1,008,137</u>	<u>539,547</u>

All turnover derives from the principal activities of the company.

3. Profit / (loss) on ordinary activities before taxation

All auditor's remuneration relating to the audit of the annual accounts of £2,800 (2012 - £2,650) was borne by a fellow subsidiary company. All directors' remuneration is borne by other group companies and they are not paid for services specifically provided to this company in the current or prior year. The company has no employees (2012 - none).

4. Directors' remuneration

The directors of the company include a number of directors who are also directors of other companies within the Thomas Miller Holdings group. The directors do not consider it practicable or appropriate to allocate directors' services between individual subsidiary companies. The directors of the company received aggregate emoluments of £896,582 (2012 - £657,108) relating to their services to all companies within the Thomas Miller Holdings group.

The value of contributions paid, or treated as paid, by a person other than the director to whom retirement benefits are accruing in respect of directors' qualifying services to the extent that the contributions might lead to money purchase benefits being payable was £122,601 (2012 - £154,568).

The number of directors who:

	2013	2012
	Number	Number
Are members of a defined benefit scheme	4	4
Are members of a defined contribution scheme	4	4
Exercised options over shares in the parent company	1	5
Had awards receivable in the form of shares under a long term incentive scheme	5	2

5. Tax charge / (credit) on loss on ordinary activities

	2013	2012
	£	£
a) Analysis of tax charge / (credit) for the year		
Current tax:		
UK corporation tax at 23.25% (2012 - 24.5%)	54,104	(6,183)
Tax charge / (credit) on profit / (loss) on ordinary activities	<u>54,104</u>	<u>(6,183)</u>
Deferred taxation:		
Origination and reversal of timing differences	38	50
Effect of changes in tax rates	30	21
Total deferred tax (note 7)	<u>68</u>	<u>71</u>
Tax charge / (credit) on profit / (loss) on ordinary activities	<u>54,172</u>	<u>(6,112)</u>

THOMAS MILLER PROFESSIONS LTD

NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2013 (continued)

5. Tax charge / (credit) on loss on ordinary activities (continued)

	2013 £	2012 £
b) Factors affecting tax charge / (credit) for the year		
The tax charge / (credit) for the year is higher / lower than the standard rate of corporation tax for the year. This is explained below:		
Profit / (loss) on ordinary activities before tax	231,982	(26,345)
Profit / (loss) on ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	53,928	(6,454)
Expenses not deducted for tax purposes	214	321
Capital allowances in excess of depreciation	(38)	(50)
Tax charge / (credit) on profit / (loss) on ordinary activities	54,104	(6,183)

Under the Finance Act 2013, the rate of corporation tax was reduced from 24% to 23% from 1 April 2013. A further reduction to 20% from 1 April 2015 was also included in the Act and has been taken into account in calculating the deferred tax assets as at 31 December 2013.

6. Debtors

	2013 £	2012 £
Amounts owed by group undertakings	106,135	-
Trade debtors	339,139	214,158
Deferred tax (note 7)	149	217
	445,423	214,375

7. Deferred tax

	2013 £	2012 £
Accelerated capital allowances	149	217
Asset at 1 January	217	288
Credit for the year (note 5)	(68)	(71)
Asset at 31 December	149	217

8. Creditors

	2013 £	2012 £
Amounts falling due within one year:		
Amounts owed by group undertakings	-	83,651
Trade creditors	264,104	74,917
Corporation tax payable	27,052	-
	291,156	158,568

9. Share capital

	2013 £	2012 £
Called up, allotted and fully paid:		
Equity interests: 5,000 ordinary shares of £1	5,000	5,000

NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2013 (continued)

10. Reconciliation of movements in shareholder's funds

	2013 £	2012 £
Shareholder's funds at 1 January	77,445	97,678
Profit / (loss) for the financial year	177,810	(20,233)
Shareholder's funds at 31 December	<u>255,255</u>	<u>77,445</u>

11. Company status

The company is incorporated in the United Kingdom and registered in England and Wales with limited liability.

12. Related parties

The company has taken advantage of the exemption available under Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions between entities, of those whose voting rights are controlled 100% within the group.

Some of the directors who had awards receivable in the form of shares under a long term incentive scheme, took up the option to have part of their remuneration, as included in note 4, paid into the pension schemes of close family members.

13. Ultimate controlling parties

The company's immediate and ultimate parent company and controlling party is Thomas Miller Holdings Ltd., a company registered in Bermuda. Thomas Miller Holdings Ltd. is the parent undertaking of the smallest and largest group in which the company is consolidated. Copies of the financial statements for Thomas Miller Holdings Ltd. may be obtained from the Company Secretary, Thomas Miller Holdings Ltd., 90 Fenchurch Street, London, EC3M 4ST.