

**Registered Number: 01824102**

**SWINCHAN HOLDINGS LIMITED**

**Annual Report and Accounts  
for the year ended 31 December 2014**



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# SWINCHAN HOLDINGS LIMITED

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# SWINCHAN HOLDINGS LIMITED

## Company information

### Directors

C D A Heiss

J A Margetts

### Secretary

Roysun Limited

### Registered office

St Mark's Court  
Chart Way  
Horsham  
West Sussex  
RH12 1XL

### Auditor

KPMG LLP  
Chartered Accountants and Statutory Auditor  
15 Canada Square  
London  
E14 5GL

# SWINCHAN HOLDINGS LIMITED

## Directors' report for the year ended 31 December 2014

The directors present their annual report on the affairs of the Company and the audited financial statements for the year ended 31 December 2014

### Business review and principal activity

The Company was the holding company of Surfeal Limited which was a non-trading company that was dissolved on 19 March 2013

The results for the Company show a profit on ordinary activities before tax of £149,732 (2013 £148,102) The shareholder funds of the Company were £23,488,369 as at 31 December 2014 (31 December 2013 £23,292,373)

### Future outlook

There is not expected to be any change to the business in the foreseeable future

### Dividends

The directors do not recommend payment of a dividend in respect of the year ended 31 December 2014 (2013 £nil)

### Principal risks and uncertainties

The Company has no principal risks or uncertainties because it has ceased to trade. The Company's risks are managed in accordance with RSA Insurance Group plc (the "Group") policies. The principal risks and uncertainties of the Group, which include those of the Company are set out in the estimation techniques, risks, uncertainties and contingencies on pages 132 to 136, and in the risk review 44 to 47 of the 2014 Annual Report & Accounts of the Group, which do not form part of this report

### Financial risk management

The Company's financial risks are managed and monitored at Group level. The risk management of the Group, which include those of the Company, are set out in the risk review on pages 44 to 47 of the 2014 Annual Report and Accounts of the Group, which do not form part of this report. The directors consider that there is minimal level of financial risk associated with the Company's assets and liabilities due to the nature of the Company's activities

### Key performance indicators

There are no KPIs produced for the Company as it has not traded for several years

### Directors

The names of the current directors are listed on page 1. Mr J M Mills served as a director until his resignation on 14 November 2014. The other directors served throughout the year.

The directors' responsibilities statement appears on page 4 and is incorporated by reference into this report.

None of the directors had any interests in the shares of the Company.

### Auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all steps that she ought to have taken as a director in order to make herself aware of any relevant audit information, and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

KPMG LLP were re-appointed auditors of the RSA Insurance Group plc at its Annual General Meeting on 8 May 2015 and will continue to act as auditor of the Company.

# SWINCHAN HOLDINGS LIMITED

## **Directors' report (continued)** for the year ended 31 December 2014

### **Going concern**

In considering the appropriateness of the going concern basis the Board have reviewed the Company's ongoing financial commitments for the next twelve months and beyond. As a result of this review, the directors have satisfied themselves that it is appropriate to prepare these financial statements on a going concern basis.

### **Strategic report**

The Company has taken advantage of the exemption in section 414A(2) of the Companies Act 2006 from the requirement to prepare a strategic report on the basis that it would be entitled to prepare accounts for the year in accordance with the small companies regime but for being a member of an ineligible group.

By order of the Board



M C Woudberg  
For and on behalf of  
Raysun Limited  
Secretary

28 August 2015

# SWINCHAN HOLDINGS LIMITED

## Directors' responsibilities statement

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## Independent auditor's report to the member of Swinchan Holdings Limited

We have audited the financial statements of Swinchan Holdings Limited for the year ended 31 December 2014 set out on pages 6 to 10. 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 member 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 member 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 member 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 set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### 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 2014 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 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 from the requirement to prepare a strategic report.



Stuart Crisp (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

15 Canada Square  
London  
E14 5GL

1 September 2015

# SWINCHAN HOLDINGS LIMITED

## **Profit and loss account** for the year ended 31 December 2014

		2014	2013
	Notes	£	£
Interest receivable	5	<u>149,732</u>	<u>148,102</u>
<b>Profit on ordinary activities before taxation</b>		<b>149,732</b>	<b>148,102</b>
Taxation on profit on ordinary activities	6	<u>46,264</u>	<u>42,621</u>
<b>Profit for the financial year</b>		<b><u>195,996</u></b>	<b><u>190,723</u></b>

All figures relate to continuing operations

There have been no recognised gains or losses in either reporting year other than those recorded in the profit and loss account  
Accordingly, no statement of total recognised gains and losses is presented

The notes on pages 8 to 10 form an integral part of these accounts



# SWINCHAN HOLDINGS LIMITED

Registered number: 01824102

## Balance sheet

As at 31 December 2014

	Notes	2014 £	2013 £
<b>Current assets</b>			
Debtors	7	41,603,652	41,450,277
		<u>41,603,652</u>	<u>41,450,277</u>
<b>Creditors</b>	8	(18,115,283)	(18,157,904)
<b>Total assets less current liabilities</b>		<u>23,488,369</u>	<u>23,292,373</u>
<b>Capital and reserves</b>			
Called up share capital	9	100	100
Profit and loss account	10	23,488,269	23,292,273
<b>Shareholder funds</b>		<u>23,488,369</u>	<u>23,292,373</u>

The notes on pages 8 to 10 form an integral part of these accounts

The financial statements were approved by the Board of Directors on 28 August 2015 and are signed on its behalf by

Director  
28 August 2015  
C. Heiss



# SWINCHAN HOLDINGS LIMITED

## Notes to the accounts

### 1 Financial Statements

The financial statements are prepared in accordance with applicable UK Accounting Standards and in compliance with the Companies Act 2006

The financial statements have been prepared under the historical cost convention, on a going concern basis

In considering the appropriateness of the going concern basis the Board have reviewed the Company's ongoing financial commitments for the next twelve months and beyond. As a result of this review the directors have satisfied themselves that it is appropriate to prepare these financial statements on a going concern basis

A summary of the major accounting policies, which have been applied consistently throughout the year and the preceding year, is set out below

#### (a) Income

Income from intercompany loans is included in the profit and loss account on an accruals basis

#### (b) Taxation

Current tax, based on profits and income for the year, including UK corporation tax and foreign 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

### 2 Auditor's remuneration

Fees payable to KPMG LLP for the audit of the Company's annual accounts were £1,485 (2013 £1,485) which were borne by a Group company, Royal & Sun Alliance Insurance plc. Details of non-audit fees payable to KPMG LLP are disclosed in the RSA Insurance Group plc 2014 Annual Report & Accounts

### 3 Directors' emoluments

None of the directors received any emoluments from the Company during the year (2013 £nil). All the directors receive remuneration from Royal & Sun Alliance Insurance plc as employees of that company, and it is not appropriate, because of the non-executive nature of their services, to make an apportionment of their emoluments in respect of the Company

### 4 Employees and staff costs

The Company did not employ anyone during the year (2013 nil). All administrative duties are performed by employees of Royal & Sun Alliance Insurance plc at no cost to the Company (2013 £nil)

### 5 Other interest receivable and similar income

	2014	2013
	£	£
Income from Group undertakings	149,732	148,102

### 6 Taxation

The credit for taxation in the profit and loss account comprises

	2014	2013
	£	£
Current Tax		
UK corporation tax	(46,264)	(42,621)
Tax credit	(46,264)	(42,621)

# SWINCHAN HOLDINGS LIMITED

## Notes to the accounts (continued)

### 6 Taxation (continued)

The UK corporation tax for the current year is based on a rate of 21.5% (2013 23.2%). The rate of corporation tax has reduced from 23% to 21% effective 1 April 2014, and as a result a composite rate of 21.5% has been used in the accounts

Factors affecting the current tax credit

The current tax credit for the year is less than 21.5% (2013 less than 23.2%) due to the items set out in the reconciliation below

	2014 £	2013 £
<b>Profit on ordinary activities before tax</b>	<b>149,732</b>	<b>148,102</b>
<b>Tax at 21.5% (2013 23.2%)</b>	<b>32,182</b>	<b>34,429</b>
<b>Factors affecting credit</b>		
Fiscal adjustments	(78,446)	(77,050)
<b>Current tax credit for the year</b>	<b>(46,264)</b>	<b>(42,621)</b>

There were no deferred tax assets or liabilities at 31 December 2014 or 2013

### 7 Debtors amounts falling due within one year

	2014 £	2013 £
Amounts due from Group undertakings	41,557,388	41,407,656
Other taxation	46,264	42,621
	<b>41,603,652</b>	<b>41,450,277</b>

### 8 Creditors amounts falling due within one year

	2014 £	2013 £
Amounts owed to Group undertakings	18,115,283	18,157,904
	<b>18,115,283</b>	<b>18,157,904</b>

### 9 Share capital

	2014 £	2013 £
Allotted, issued and fully paid up		
100 (2013 100) ordinary shares of £1 each	100	100

### 10 Movements in shareholder funds

	Share capital £	Profit and loss account £	2014 £	2013 £
Shareholder funds at 1 January	100	23,292,273	23,292,373	23,101,650
Profit for the financial year	-	195,996	195,996	190,723
Shareholder funds at 31 December	100	23,488,269	23,488,369	23,292,373

# SWINCHAN HOLDINGS LIMITED

## Notes to the accounts (continued)

### 11 Cash flow statement

The Company is a wholly-owned subsidiary of RSA Insurance Group plc and the cash flows of the Company are included in the consolidated cash flow statement of RSA Insurance Group plc. The Company has thus taken advantage of the exemption permitted by FRS 1 (revised 1996) 'Cash flow Statements' and has elected not to prepare its own cash flow statement.

### 12 Related party transactions

Advantage has been taken of the exemption provided in FRS 8 'Related Party Disclosures' from disclosing details of transactions with RSA Insurance Group plc and its subsidiaries and associated undertakings.

### 13 Parent companies

The Company's immediate and ultimate parent company and controlling party is RSA Insurance Group plc, which is registered in England and Wales and is the parent company of the smallest and largest group to consolidate these financial statements. A copy of that company's accounts can be obtained from 20 Fenchurch Street, London, EC3M 3AU.