

C-1455

Report & Financial Statements

For the year ended 31 December 2009

**Greenwich Lloyd's
Underwriting Limited**

Company Registration Number 3228631

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GREENWICH LLOYD'S UNDERWRITING LIMITED

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COMPANY INFORMATION

DIRECTORS

C J Hodgson
G P Nash

COMPANY SECRETARY

G P Nash

COMPANY REGISTRATION NUMBER

3228631

REGISTERED ADDRESS

Pingle House
Priors Hardwick
Southam
Warwickshire CV47 7SL

AUDITOR

Mazars LLP
Tower Bridge House
St Katharine's Way
London E1W 1DD

BANKERS

National Westminster Bank PLC
1 Princes Street
London EC2V 8PA

DIRECTORS' REPORT

The directors submit their report together with audited financial statements for the year ended 31 December 2009

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company continued to wind down its remaining members' agency business. The company is not acting for any Names in respect of the 2003 or subsequent years of account and it will be deregistered as a Lloyd's members' agent as soon as is practical.

Both the level of business and the year end position were in line with expectations.

An enhanced business review has been undertaken from a group perspective and presented in the parent company accounts (note 13).

RESULTS AND DIVIDENDS

The result for the year is as shown in the profit and loss account on page 6. The board proposes no dividend (2008: £nil).

DIRECTORS

The directors who served during the year were

C J Hodgson
G P Nash

DIRECTORS' INTERESTS

None of the directors had any interest in the share capital of the company.

Mr C J Hodgson and Mr G P Nash are also directors of the ultimate parent undertaking, Greenwich Insurance Holdings Plc. Their interests in the share capital of that company are shown in its financial statements.

DIRECTORS' RESPONSIBILITIES

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 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

DIRECTORS' REPORT (continued)

FINANCIAL INSTRUMENTS

Treasury operations and financial instruments

The company operates a centralised treasury function which is responsible for managing the liquidity and associated risks with the company's activities

Liquidity risk

The company manages its cash and borrowing requirements centrally to maximise interest income and minimise interest expense, to meet the operating need of their business

Credit risk

Investments of cash surpluses are made through banks. Receivable balances are monitored on an ongoing basis and provision is made for doubtful debts where necessary

DISCLOSURE OF INFORMATION TO AUDITORS

Under the Companies Act 2006 section 418, we confirm that

(a) so far as we are aware, there is no relevant audit information of which the Company's auditors are unaware, and

(b) we have taken all the steps that we ought to have taken as directors in order to make us aware of any relevant information and to establish that the Company's auditors are aware of that information

AUDITORS

Mazars LLP will continue in office in accordance with CA 2006, s 487(2)

Approved by the board of the directors and signed on behalf of the board by



Graham P Nash
Director

13 May 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREENWICH LLOYD'S UNDERWRITING LIMITED

We have audited the financial statements of Greenwich Lloyd's Underwriting Ltd for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 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 (APB's) Ethical Standards for Auditors. This report, including our opinion, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Article 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on the 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 2009 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 the other matter prescribed by the Companies Act 2006

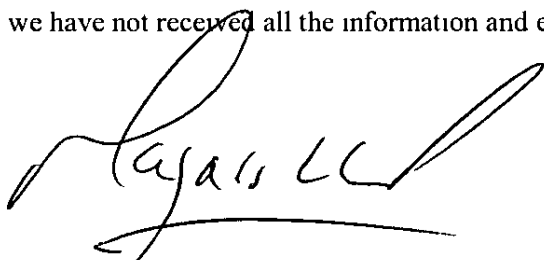
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
GREENWICH LLOYD'S UNDERWRITING LIMITED (continued)**

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

A handwritten signature in black ink, appearing to read 'A Hubbard', with a long horizontal flourish underneath.

Mazars LLP, Chartered Accountants (Statutory auditor)

Andrew Hubbard (Senior statutory auditor)

Tower Bridge House

St Katharine's Way

London

E1W 1DD

13 May 2010

PROFIT AND LOSS ACCOUNT**For the year ended 31 December 2009**

	Notes	2009 £	2008 £
TURNOVER	2	-	-
Other operating income			5,380
Administrative expenses		9,314	(6,637)
OPERATING PROFIT/(LOSS)		9,314	(1,257)
Interest receivable	3	158	1,997
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	9,472	740
Taxation	6	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	12	9,472	740

All turnover and results are derived from discontinued operations. The company had no recognised gains or losses in the year ended 31 December 2009 other than through the Profit and Loss Account.

There is no difference between the loss on ordinary activities before and after taxation and the historical cost equivalent.

The notes on pages 8 to 11 form part of these financial statements.

GREENWICH LLOYD'S UNDERWRITING

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Company Registration Number: 3228631
BALANCE SHEET as at 31 December 2009

	Notes	2009 £	2008 £
CURRENT ASSETS			
Debtors	7	116	117
Cash at bank and in hand	8	89,286	81,345
		<u>89,402</u>	<u>81,462</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR			
	9	<u>(38,408)</u>	<u>(39,940)</u>
NET CURRENT ASSETS		50,994	41,522
CREDITORS AMOUNTS FALLING DUE AFTER ONE YEAR			
	10	<u>(307,618)</u>	<u>(307,618)</u>
NET LIABILITIES		<u><u>(256,624)</u></u>	<u><u>(266,096)</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	837,382	837,382
Profit and loss account	12	<u>(1,094,006)</u>	<u>(1,103,478)</u>
Shareholders' funds	12	<u><u>(256,624)</u></u>	<u><u>(266,096)</u></u>

These financial statements were approved by the Board on 13 May 2010 and signed on its behalf by



G Nash
Director

The notes on pages 8 to 11 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2009**1. PRINCIPAL ACCOUNTING POLICIES**

As at 31st December 2009 the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

(a) Turnover

Turnover comprises agency salaries, winding up fees, profit commission, advisory fees and other related income, exclusive of value added tax.

Agency salaries are recognised in the year to which the fees relate. Winding up fees are accounted for when receivable. Profit commission is due when the underwriting year of account to which it relates is closed, normally at the end of three calendar years, and is accounted for when receivable.

(b) Taxation

Deferred taxation is provided in respect of the tax effect of all timing differences, at the rates of tax expected to apply when the timing differences reverse.

(c) Interest

Interest is accounted for on a receivable basis.

(d) Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No 1 (Revised 1996) on the grounds that it is entitled to as a wholly owned subsidiary of a parent undertaking which publishes a consolidated cash flow statement.

2. SEGMENTAL INFORMATION

The turnover, loss before taxation and net liabilities are attributable to the principal activity of the company. The company operates in the UK and the whole of its turnover is with the UK market.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2009 (continued)

3. INTEREST RECEIVABLE

	2009 £	2008 £
Bank interest	158	1,997

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2009 £	2008 £
The profit on ordinary activities is stated after charging		
Auditors' remuneration for audit services	5,500	6,475
Auditor's remuneration for non-audit services	3,173	2,580

5. STAFF COSTS AND DIRECTORS' REMUNERATION

No staff costs or directors' remuneration have been borne by the company (2008 £nil)

6. TAXATION

	2009 £	2008 £
(a) Analysis of charge in period		
Current tax		
UK corporation tax on losses for the period	-	-
Adjustment in respect of previous periods	-	-
Current tax charge for period (see (b) below)	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Tax on ordinary activities	-	-
(b) Factors affecting tax charge for period		
The tax assessment for the period is lower than the standard rate of corporation tax in the UK(28%).The differences are explained below:		
Profit on ordinary activities before tax	9,472	740
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 28.5%)	2,652	211
<i>Effects of</i>		
Expenses not deductible for tax purposes	-	-
Other temporary differences	(6,407)	(2,589)
Creation of tax losses	3,755	2,378
Current tax charge for period (see (a) above)	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2009 (continued)

6. TAXATION (continued)

(c) Deferred Tax

The amount of unprovided deferred tax is disclosed below

Losses carried forward	61,814	58,060
	<u>61,814</u>	<u>58,060</u>
Total unrecognised deferred tax asset	<u>61,814</u>	<u>58,060</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Other debtors	<u>116</u>	<u>117</u>

Provision of £1,249,876 (2008 £1,272,757) has been made against the total balance owed by group companies

8. CASH AT BANK

Cash at bank includes £25,149 (2008 £ 25,088) held in trust for Names

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Other taxation including social security costs	-	-
Accruals and deferred income	7,125	8,657
Sundry creditors	31,283	31,283
	<u>38,408</u>	<u>39,940</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2009 £	2008 £
Amount due to parent undertaking	<u>307,618</u>	<u>307,618</u>

The above amount constitutes an interest free loan by Greenwich Holdings Limited. The loan is subordinated to all other creditors and is repayable only if and when all such creditors have been paid or satisfied in full, and in any event shall not be repaid without prior written consent of the Council of Lloyd's

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2009 (continued)

11. SHARE CAPITAL

	2009	2008
	£	£
Authorised share capital		
Ordinary shares of £1 each	1,250,000	1,250,000
Allotted, issued and fully paid		
Ordinary shares of £1 each	<u>837,382</u>	<u>837,382</u>

12. MOVEMENT IN SHAREHOLDERS' FUNDS

	Share capital	Profit and loss account	Total
	£	£	£
At 1 January 2009	837,382	(1,103,478)	(266,096)
Profit for the year	<u>-</u>	<u>9,472</u>	<u>9,472</u>
At 31 December 2009	<u>837,382</u>	<u>(1,094,006)</u>	<u>(256,624)</u>

13. PARENT UNDERTAKING AND EXEMPTION FROM PRODUCING GROUP ACCOUNTS

The immediate parent undertaking is Greenwich Holdings Limited. The ultimate parent is Greenwich Insurance Holdings Plc. Copies of the consolidated Greenwich Insurance Holdings PLC statutory accounts may be obtained from the company secretary, Greenwich Lloyd's Underwriting Limited, Pingle House, Priors Hardwick, Southam, Warwickshire, CV47 7SL.

14. RELATED PARTY TRANSACTIONS

Under the provision of the Financial Reporting Standard No. 8, the company is exempt from disclosing transactions with group related parties, as it is a wholly owned subsidiary.

15. FLOATING CHARGE

On 31 December 1998, Greenwich Lloyd's Underwriting Limited gave European International Reinsurance Company Limited (EIR) a floating charge over all the assets of the company. However, the charge does not apply to any assets required by the company's capital and solvency requirements pursuant to the Underwriting Agents Byelaw (No. 2 of 2003). The annual financial return to Lloyd's as at 31 December 2009 showed a shortfall of net assets of £349,006 (2008: £358,478).

The secured amounts currently exceed the company's assets and the former fellow subsidiaries are unable to pay the sums owed. EIR has agreed, however, not to enforce its security provided Greenwich Insurance Holdings PLC makes and continues to make all reasonable efforts to maximise the realisable value of the security given by it and its subsidiaries.