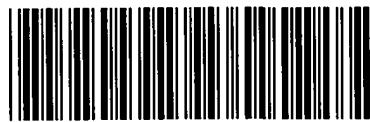

Greenhill Sturge Underwriting Limited

Annual Report

31 December 2015

FRIDAY



A58CO44R

A11

03/06/2016

#230

COMPANIES HOUSE

Registered Number 03380556

GREENHILL STURGE UNDERWRITING LIMITED

ANNUAL REPORT

for the year ended 31 December 2015

Contents	Page
Directors and officers	2
Directors' report	3
Independent auditors' report to the Members of Greenhill Sturge Underwriting Limited	5
Income statement	7
Statement of changes in equity	8
Statement of financial position	9
Notes to the financial statements	10

GREENHILL STURGE UNDERWRITING LIMITED

DIRECTORS AND OFFICERS

Directors

I D Beckerson
I A Turner

Company Secretary

E. Felton Smith

Registered office

Plantation Place
30 Fenchurch Street
London
EC3M 3BD

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

GREENHILL STURGE UNDERWRITING LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2015.

Principal activity

The principal activity of Greenhill Sturge Underwriting Limited (the Company) is that of an approved insurance underwriting agent for QBE Insurance (Europe) Limited, underwriting and distributing QBE Insurance (Europe) Limited's insurance products throughout France. The Company's insurance portfolio is in run-off.

The Company is a limited company registered in England and Wales with registration number 03380556. The address of the registered office is given on page 2. The Company is a wholly owned subsidiary of QBE European Operations plc (the Group), which is the holding company for the European Operations division (QBE EO) of QBE Insurance Group Limited (QBE Group). The Company is managed at the QBE EO divisional level.

Business review and future developments

The results of the Company for the year are set out in the income statement on page 7. The loss for the financial year was €57,151 (2014 loss €63,749). The directors do not recommend the payment of a dividend (2014 €nil).

On 6 May 2015 the Company issued additional share capital of £250,000 (€335,875) to its shareholder Greenhill International Holdings Limited. This was raised in order to ensure sufficient working capital for the Company.

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business. Under S414B Companies Act 2006, the Company is not required to produce a strategic report.

Principal risks and uncertainties

The Company's activities expose the business to a number of key risks which have the potential to affect the Company's ability to achieve its business objectives. The Board is responsible for ensuring that an appropriate structure for managing these risks is maintained. The Board acknowledges that it is not realistic or desirable to eliminate risk entirely, and therefore seeks to ensure that the appropriate controls are in place to effectively manage risks in line with the agreed tolerance.

The Company, as part of QBE EO, continues to develop its risk management capability to ensure that an effective framework exists to support the management of all types of risk. Elements of this framework include the regular identification and assessment of key risks and controls and clearly defined ownership of both the risks and controls. These are disclosed within QBE European Operations plc's annual report, which does not form part of this report. Copies of QBE European Operations plc's annual report are available from the Company's registered office.

The directors consider that preparation of these financial statements on the going concern basis is appropriate as QBE European Operations plc has agreed to provide financial support to the Company for at least the next 12 months from the date of approval of these financial statements with respect to all operating costs and settlement of any liabilities that fall due.

Directors

Details of the directors that served during the year and up to the date of the signing of the financial statements are shown on page 2.

Directors' indemnities

A qualifying third party indemnity provision (as defined in section 234 of the Companies Act 2006) was in force during the course of the financial year ended 31 December 2015 and up to the date of approval of the financial statements for the benefit of all past and present directors of the Company. This provision remains in force for the benefit of the directors and provides indemnity protection in relation to certain losses, expenses and liabilities which they may incur in the actual or purported execution and/or discharge of their duties.

GREENHILL STURGE UNDERWRITING LIMITED

DIRECTORS' REPORT (continued)

Statement of 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 prepared the financial statements in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework". 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 judgements and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 "Reduced Disclosure Framework" 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.

Statement of disclosure of information to auditors

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

- so far as the director is aware, there is no information relevant to the audit of the Company's financial statements for the year ended 31 December 2015 of which the auditors are unaware; and
- 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 auditors are aware of that information.

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the Board,



Director
Greenhill Sturge Underwriting Limited
Registered Number 03380556
London
23 May 2016

GREENHILL STURGE UNDERWRITING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREENHILL STURGE UNDERWRITING LIMITED

Our opinion

In our opinion, Greenhill Sturge Underwriting Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss 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.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the Statement of Financial Position as at 31 December 2015;
- the Income Statement for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

GREENHILL STURGE UNDERWRITING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREENHILL STURGE UNDERWRITING LIMITED (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

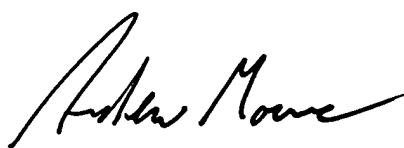
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.



Andrew Moore (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 May 2016

GREENHILL STURGE UNDERWRITING LIMITED

INCOME STATEMENT

for the year ended 31 December 2015

	Note	2015 €	2014 €
Administrative expenses		(47,597)	(52,349)
Finance cost	4	(9,046)	(10,725)
Loss on ordinary activities before taxation	5	(56,643)	(63,074)
Tax on loss on ordinary activities	6	(508)	(675)
Loss for the financial year		(57,151)	(63,749)

The results above are all derived from discontinuing operations.

There is no difference between loss on ordinary activities after taxation for the current year and preceding financial year stated above and their historical cost equivalents.

There are no recognised gains and losses for the current and preceding year other than those included in the income statement above and therefore no statement of other comprehensive income has been prepared.

The notes set out on pages 10 to 14 form an integral part of these financial statements.

GREENHILL STURGE UNDERWRITING LIMITED

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2015

2015	Called up share capital €	Profit and loss account €	Total €
At 1 January	3	(2,256,822)	(2,256,819)
Issued share capital	335,875	-	335,875
Loss for the financial year	-	(57,151)	(57,151)
At 31 December	335,878	(2,313,973)	(1,978,095)

2014	Called up share capital €	Profit and loss account €	Total €
At 1 January	3	(2,193,073)	(2,193,070)
Loss for the financial year	-	(63,749)	(63,749)
At 31 December	3	(2,256,822)	(2,256,819)

The notes set out on pages 10 to 14 form an integral part of these financial statements.


GREENHILL STURGE UNDERWRITING LIMITED

STATEMENT OF FINANCIAL POSITION

as at 31 December 2015

	Note	2015 €	2014 €
Current assets			
Receivables	7	24,407	1,938
Cash and cash equivalents		41,319	17,057
		65,726	18,995
Creditors - amounts falling due within one year	9	(2,043,821)	(2,275,814)
Net current liabilities		(1,978,095)	(2,256,819)
Net liabilities		(1,978,095)	(2,256,819)
Capital and reserves			
Called up share capital	10	335,878	3
Profit and loss account		(2,313,973)	(2,256,822)
Total equity		(1,978,095)	(2,256,819)

These financial statements on 7 to 14 were approved and authorised for issue by the Board of directors on 23 May 2016 and signed on its behalf by:



Director

Greenhill Sturge Underwriting Limited
Registered Number: 03380556 (England & Wales)
Registered office: Plantation Place, 30 Fenchurch Street, London - EC3M 3BD

The notes set out on pages 10 to 14 form an integral part of these financial statements.

GREENHILL STURGE UNDERWRITING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

1. Accounting policies

(a) Basis of preparation

These financial statements are prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework".

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, the accounting policies set out below, and applicable accounting standards in the United Kingdom have been applied consistently throughout the year.

The directors consider that preparation of these financial statements on the going concern basis is appropriate as QBE European Operations plc has agreed to provide financial support to the Company for at least the next 12 months from the date of approval of these financial statements with respect to all operating costs and settlement of any liabilities that fall due.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the Company has adopted FRS 101 as issued by the Financial Reporting Council for the year ended 31 December 2015. The financial statements have therefore been prepared in accordance with FRS 101: Reduced disclosure framework.

This is the first set of financial statements to be prepared by the Company in accordance with FRS 101. IFRS 1: First Time Adoption of International Financial Reporting Standards has been applied in preparing these financial statements. When preparing these financial statements, management has reviewed the new accounting framework and concluded that there have not been changes in the accounting and valuation method in respect of the previous UK GAAP financial statements and as a result the comparative figures have not been restated.

These financial statements are presented in Euros, which is the currency of the primary economic environment in which the Company operates and generates cash flows.

(b) Disclosure Exemptions

The Company's financial results are included in the consolidated financial statements of QBE Insurance Group Limited. As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to the presentation of:

IAS 7: Presentation of a cash flow statement

IAS 8: Disclosures in respect of new standards and interpretations that have been issued but which are not yet effective

IAS 24: Related party transactions entered into with other wholly owned entities included in the QBE Insurance Group Limited group financial statements.

Equivalent disclosures have been given in the group financial statements of QBE Insurance Group Limited. The group financial statements of QBE Insurance Group Limited are available to the public and can be obtained as set out in note 11.

(c) Administrative expenses

Administrative expenses comprise overheads generated by conducting business and are taken into account on an accruals basis.

(d) Finance cost

Interest payable and similar charges are taken into account in the income statement on the accruals basis.

GREENHILL STURGE UNDERWRITING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2015

1. Accounting policies (continued)

(e) Taxation

The charge for taxation is based on the result for the year adjusted for disallowable items. Deferred taxation is provided in full on all timing differences using tax rates that have been substantively enacted by the balance sheet date. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

(f) Insurance receivables and payables

Insurance brokers act as agents in placing the insurable risks of their clients with insurers and, as such, are not liable as principals for amounts arising from such transactions. In recognition of this relationship, debtors from insurance broking transactions are not included as an asset of the Company, other than the receivable for fees and commissions earned on a transaction. No recognition of the insurance transaction occurs until the Company receives cash in respect of premiums or claims, at which time a corresponding liability is established in favour of the insurer or the client. In certain circumstances, the Company advances premiums, refunds or claims to insurance underwriters or clients prior to collection. These advances are made from the Company's own funds and are reflected in the balance sheet as part of trade receivables.

(g) Foreign exchange

The functional currency of the Company is Euro (€). Transactions denominated in foreign currencies are translated into euro at the rates of exchange prevailing at the time of the transactions. Assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange prevailing at the balance sheet date, with the exception of non-monetary items, which are maintained at historic rates.

2. Employees

The Company does not employ any staff (2014 nil) as all staff are employed by QBE Management Services (UK) Limited, a fellow group undertaking. No recharge has been made to the Company for the services provided by these staff (2014 nil).

3. Directors' emoluments

The emoluments of the directors are paid by QBE Management Services (UK) Limited for their services to QBE EO as a whole. No emoluments were recharged to the Company in respect of the services provided by these directors for the year ended 31 December 2015 (2014 nil).

4. Finance cost

	2015 €	2014 €
Interest payable to fellow Group Undertaking	9,046	10,725

5. Loss on ordinary activities before taxation

Remuneration receivable by the Company's auditors for the auditing of these financial statements of €15,031 (2014 €13,043) is borne by QBE Management Services (UK) Limited. Fees for the supply of other services are also borne by QBE EO companies and are disclosed in total in the QBE European Operations plc group financial statements. There are no non-audit fees in respect to Greenhill Sturge Underwriting Limited.

GREENHILL STURGE UNDERWRITING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2015

6. Tax on loss on ordinary activities

	2015 €	2014 €
Analysis of charge in year		
<i>Current tax:</i>		
Overseas tax	-	73
Total current tax	-	73
<i>Deferred tax:</i>		
Origination and reversal of timing differences	314	457
Adjustments to tax in respect of prior year	194	145
Total deferred tax	508	602
Tax on loss on ordinary activities	508	675

Factors affecting tax charge for the year

The current tax charge for the year is higher (2014 higher) than the standard rate of corporation tax in the UK of 20.25% (2014 21.5%). The differences are explained below:

	2015 €	2014 €
Loss on ordinary activities before taxation	(56,643)	(63,074)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax rate of 20.25% (2014 21.5%)	(11,470)	(13,561)
<i>Effects of:</i>		
Overseas tax	-	73
Adjustments to tax in respect of prior year	194	145
Difference in tax rate	(39)	-
Group relief at no charge	11,823	14,018
Total tax charge	508	675

7. Receivables

	2015 €	2014 €
Amounts owed by group undertakings	22,977	-
Deferred tax (note 8)	1,430	1,938
	24,407	1,938

GREENHILL STURGE UNDERWRITING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2015

8. Deferred tax

	2015 €	2014 €
Deferred tax asset as at 1 January	1,938	2,540
Deferred tax charge in profit and loss account	(508)	(602)
Deferred tax asset as at 31 December	1,430	1,938
Comprising:		
Accelerated capital allowances	1,430	1,938
Undiscounted deferred tax asset	1,430	1,938

9. Creditors amounts falling due within one year

	2015 €	2014 €
Trade creditors	1,353,750	2,200,192
Amounts owed to group undertakings	690,071	70,839
Accruals and deferred income	-	4,783
	2,043,821	2,275,814

10. Called up share capital

	2015 €	2014 €
Called up, allotted and fully paid		
2 (2014: 2) Ordinary shares of £1 each	3	3
Issued share capital		
250,000 Ordinary shares of £1 each	335,875	-
Total share capital	335,878	3

The share capital of the Company has been translated into Euro at an exchange rate of 1.661, being the exchange rate at 30 June 2002.

On 6 May 2015 the Company issued additional share capital of £250,000 (€335,875) to its shareholder Greenhill International Holdings Limited. This was raised in order to ensure sufficient working capital for the Company. The additional share capital of the Company has been translated into Euro at an exchange rate of 1.3435, being the exchange rate at 6 May 2015.

GREENHILL STURGE UNDERWRITING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2015

11. Parent undertakings

The Company's ultimate parent undertaking and controlling entity is QBE Insurance Group Limited, which is incorporated in Australia. This is the largest group of undertakings into which the Company's financial statements are consolidated. The smallest group of undertakings into which the Company's financial statements are consolidated is headed by QBE European Operations plc, which is incorporated in the United Kingdom.

The consolidated financial statements for QBE Insurance Group Limited and QBE European Operations plc are available from the Company's registered office at Plantation Place, 30 Fenchurch Street, London, EC3M 3BD.

The Company's immediate parent company is Greenhill International Insurance Holdings Limited, which is incorporated in the United Kingdom. Greenhill International Insurance Holdings Limited is a 100% owned subsidiary of QBE European Operations plc.