

Company registration number: 3440814

Gracechurch UTG No 306 Limited

Report and Financial Statements 31 December 2015

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Gracechurch UTG No 306 Limited

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Gracechurch UTG No 306 Limited

Company Information

Directors

Jeremy Richard Holt Evans
Nomina Plc

Company Secretary

Hampden Legal Plc

Registered Office

5th Floor, 40 Gracechurch Street
London
EC3V 0BT

Auditors

PKF Littlejohn LLP
Statutory Auditor
1 Westferry Circus
Canary Wharf
London
E14 4HD

Gracechurch UTG No 306 Limited

Report of the Directors

The Directors present their Report together with the Financial Statements of the Company for the year ended 31 December 2015

Principal activities

The principal activity of the Company was that of a corporate member at Lloyd's. The Company has ceased underwriting and all years of account on which the Company participated have closed.

Results and dividends

The results for the year are set out on page 6 of the Financial Statements. Dividends totalling £nil were paid in the year (2014: £33,495).

Directors

The Directors who served at any time during the year were as follows:

Jeremy Richard Holt Evans
Nomina Plc

Directors' responsibilities

The Directors are responsible for preparing the Report of the Directors, the Strategic Report and the Financial Statements in accordance with applicable laws 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 Accounting Standards and applicable law (UK and 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 those 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 applicable accounting standards have been followed, subject to any material departures 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 to 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.

Auditors

- i PKF Littlejohn LLP has signified its willingness to continue in office as auditors.
- ii Disclosure of information to the Auditors.

In the case of each of the persons who are Directors at the time this report is approved, the following applies:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board of Directors on 2 August 2016 and signed on its behalf by


Hampden Legal Plc
Secretary

Gracechurch UTG No 306 Limited

Strategic Report

The Directors present their Strategic Report for the year ended 31 December 2015

Business review and future developments

The Company has ceased underwriting and all years of account on which the Company participated have closed

Principal risks and uncertainties

As the Company no longer participates in the capacity of the managed syndicates, there are no major risks or uncertainties. The Company has no debt finance and therefore has no interest rate risk exposure in relation to borrowings. The Company's assets and liabilities are stated and denominated in Pound Sterling, therefore, there is no exposure to currency risk.

Approved by the Board of Directors on 2 August 2016 and signed on its behalf by

Hampden Legal Plc

Hampden Legal Plc
Secretary

Gracechurch UTG No 306 Limited

Independent Auditor's Report

Independent Auditor's report to the Members of Gracechurch UTG No 306 Limited

We have audited the Financial Statements of Gracechurch UTG No 306 Limited for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Shareholders' Equity, the Cash Flow Statement 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), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Report of the Directors and Strategic 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 2015 and of its result 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 Report of the Directors and Strategic 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.



Carmine Papa (Senior statutory auditor)
For and on behalf of PKF Littlejohn LLP
Statutory auditor
2 August 2016

1 Westferry Circus
Canary Wharf
London
E14 4HD

Gracechurch UTG No 306 Limited

Profit and Loss Account for the year ended 31 December 2015

	Note	2015 £	2014 £
Investment income	5	-	5,585
Unrealised gains on investments	5	-	-
Investment expenses and charges	5	-	-
Unrealised losses on investments	5	-	(4,044)
Other income		-	6
Other charges		(1,197)	523
Profit/(loss) on ordinary activities before taxation	6	(1,197)	2,070
Tax on profit/(loss) on ordinary activities	7	(28)	26
Profit/(loss) for the financial year		(1,225)	2,096

Statement of Comprehensive Income

	2015 £	2014 £
Profit/(loss) for the financial year	(1,225)	2,096
Other comprehensive income	-	-
Currency translation differences	-	-
Total comprehensive income for the financial year	(1,225)	2,096

All amounts relate to discontinued operations

The Notes are an integral part of these Financial Statements

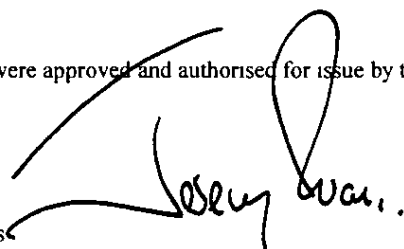
Gracechurch UTG No 306 Limited

Balance Sheet as at 31 December 2015

		31 December 2015 £	31 December 2014 £
Assets			
Debtors	Note		
Other debtors	8	1	26
Other assets			
Cash at bank and in hand		909	2,109
Total assets		<u>910</u>	<u>2,135</u>
Liabilities and shareholders' funds			
Capital and reserves			
Called up share capital	9	773	773
Share premium account		-	-
Profit and loss account		<u>137</u>	<u>1,362</u>
Shareholders' funds		<u>910</u>	<u>2,135</u>
Creditors			
Other creditors including taxation and social security	10	-	-
Accruals and deferred income		-	-
Total liabilities		<u>-</u>	<u>-</u>
Total liabilities and shareholders' funds		<u>910</u>	<u>2,135</u>

The Financial Statements were approved and authorised for issue by the Board of Directors on 2 August 2016 and signed on its behalf by

Jeremy Richard Holt Evans
Director



Company registration number 3440814

The Notes are an integral part of these Financial Statements

Gracechurch UTG No 306 Limited

Statement of Changes in Shareholders' Equity for the year ended 31 December 2015

	Note	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 January 2014		773	-	32,761	33,534
Profit/(loss) for the financial year		-	-	2,096	2,096
Other comprehensive income		-	-	-	-
Dividends paid	12	-	-	(33,495)	(33,495)
Proceeds from issue of shares	9	-	-	-	-
At 31 December 2014		773	-	1,362	2,135
At 1 January 2015		773	-	1,362	2,135
Profit/(loss) for the financial year		-	-	(1,225)	(1,225)
Other comprehensive income		-	-	-	-
Dividends paid	12	-	-	-	-
Proceeds from issue of shares	9	-	-	-	-
At 31 December 2015		773	-	137	910

The Notes are an integral part of these Financial Statements

Gracechurch UTG No 306 Limited

Cash Flow Statement for the year ended 31 December 2015

	2015 £	2014 £
Cash flows from operating activities		
Profit/(loss) on ordinary activities before tax	(1,197)	2,070
Adjustments for		
(Increase)/decrease in debtors	25	1
Increase/(decrease) in creditors	-	(8,002)
Investment income	-	(5,585)
Realised/unrealised (gains)/losses on investments	-	659
Income tax paid	(28)	(421)
Net cash inflow/(outflow) from operating activities	(1,200)	(11,278)
Cash flows from investing activities		
Investment income	-	5,585
Purchase of investments	-	-
Proceeds from sale of investments	-	7,781
Net cash inflow/(outflow) from investing activities	-	13,366
Cash flows from financing activities		
Equity dividends paid	-	(33,495)
Issue of shares	-	-
Net cash inflow/(outflow) from financing activities	-	(33,495)
Net increase/(decrease) in cash and cash equivalents	(1,200)	(31,407)
Cash and cash equivalents at beginning of year	2,109	33,516
Effect of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at end of year	909	2,109
Cash and cash equivalents comprise:		
Cash at bank and in hand	909	2,109
Other financial investments	-	-
Cash and cash equivalents	909	2,109

The Notes are an integral part of these Financial Statements

Gracechurch UTG No 306 Limited

Notes to the Financial Statements for the year ended 31 December 2015

1. General information

The Company is a private company limited by shares that was incorporated in England and whose registered office is 40 Gracechurch Street, London, EC3V 0BT. The Company participated in insurance business as an underwriting member of various syndicates at Lloyd's and all years of account on which the Company participated have closed.

2. Accounting policies

Basis of preparation

These Financial Statements have been prepared in accordance with United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', FRS 103 'Insurance Contracts', the Companies Act 2006 and Schedule 3 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations, relating to insurance.

The Directors do not consider the Company to be a financial institution under FRS 102.

Transition to FRS 102 and FRS 103

These Financial Statements for the year ended 31 December 2015 are the first Financial Statements that comply with FRS 102 and FRS 103. The date of transition is 1 January 2014. There is no impact on the opening Balance Sheet and Profit and Loss Account and therefore there is no requirement to restate comparative figures.

Going concern

The Company participated in insurance business as an underwriting member of various syndicates at Lloyd's and all years of account on which the Company participated have closed.

The Directors are of the opinion that the Company has access to adequate resources to meet its operational obligations, as these fall due, for the foreseeable future. Accordingly, the going concern concept has been adopted in the preparation of these Financial Statements.

Basis of accounting

The Financial Statements are prepared under the historical cost basis of accounting modified to include the revaluation through profit and loss of certain financial instruments held at fair value, through profit or loss.

The Company has ceased underwriting and all years of account on which the Company participated have closed. There are no syndicate transactions required to be reported in the general business technical account for the year ended 31 December 2015 and there are no assets or liabilities arising as a result of the underwriting activities that are required to be reported in the Balance Sheet at 31 December 2015.

Basis of currency translation

The presentational and functional currency of the Company is Pound Sterling, which is the currency of the primary economic environment in which it operates.

Income and expenditure in foreign currencies is translated to Pound Sterling at the average rate of exchange for the year.

Monetary assets and liabilities in foreign currencies are translated into Pound Sterling at the rates of exchange at the Balance Sheet date.

Differences arising on translation to the functional currency are reported within the Profit and Loss Account.

Investment return

Investment return comprises all investment income, realised investment gains and losses, movements in unrealised gains and losses, net of investment expenses and charges.

Realised and unrealised gains and losses are measured by reference to the original cost of the investment if purchased in the year, or if held at the beginning of the year by reference to the fair value at that date.

Gracechurch UTG No 306 Limited

Notes to the Financial Statements (continued) for the year ended 31 December 2015

2. Accounting policies (continued)

Taxation

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantially enacted by the period end. Current tax is recognized in the Profit and Loss Account.

Deferred taxation

Deferred tax is provided in full on timing differences which 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 current tax rates and law.

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 have not been discounted.

Cash and cash equivalents and cash flow statement

Cash and cash equivalents include deposits held at call with banks, other short-term liquid investments with original maturities of three months or less and cash in hand.

Share capital

Ordinary share capital is classified as equity. The difference between fair value of the consideration received and the nominal value of the share capital being issued, is taken to the share premium account. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of taxes, from the proceeds.

Dividend distributions to shareholders

Dividend distributions to the Company's shareholders are recognised in the Financial Statements in the period in which the dividends are approved by the shareholders. These amounts are recognised in the Statement of Changes in Shareholders' Equity.

3. Key accounting judgements and estimation uncertainties

As the Company has ceased underwriting and all years of account on which the Company participated have closed, the Directors consider that there are no estimates and assumptions that have a significant effect on the Company's assets, liabilities and results.

4. Risk management

The Company has ceased underwriting and all years of account on which the Company participated have closed. The Directors do not consider the Company to face any significant financial or non-financial risks.

Gracechurch UTG No 306 Limited

Notes to the Financial Statements (continued) for the year ended 31 December 2015

5	Investment return	2015	2014
		£	£
	Investment income	-	-
	Dividend income	-	2,198
	Interest on cash at bank	-	2
	Other interest and similar income	-	-
	Realised gains on investments	-	3,385
	Investment income	-	5,585
	Investment management expenses	-	-
	Realised losses on investments	-	-
	Investment expenses and charges	-	-
	Unrealised gains and losses, net	-	(4,044)
	Total investment return	-	1,541

With the exception of interest on cash at bank, all other investment return is generated from financial investments held at fair value through profit or loss

6 Profit/(loss) on ordinary activities before taxation

The Company has not employed any staff during the current or preceding financial year

7.	Taxation	2015	2014
		£	£
	Analysis of charge in year		
	Current tax		
	UK corporation tax on profit/(loss) of the year	-	(26)
	Adjustment in respect of previous years	26	-
	Foreign tax	2	-
	Total current tax	28	(26)
	Deferred tax		
	Origination and reversal of timing differences	-	-
	Change in tax rate	-	-
	Total deferred tax	-	-
	Tax on profit/(loss) on ordinary activities	28	(26)

Factors affecting tax charge for year

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 20.00% (2014: 20.00%). The differences are explained below

Profit/(loss) on ordinary activities before tax	(1,197)	2,070
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2014: 20.00%)	(239)	414
Effects of		
Adjustment in respect of previous years	26	-
Group relief claimed	-	-
Change in deferred tax rate	-	-
Utilisation of tax losses	-	-
Foreign tax	2	-
Other corporation tax computation adjustments	239	-
Tax on charge/(credit) for the year	28	(26)

Gracechurch UTG No 306 Limited

Notes to the Financial Statements (continued) for the year ended 31 December 2015

8. Other debtors

	2015 £	2014 £
Amounts due from group undertakings	-	-
Proprietors' loan accounts	-	-
Funds at Lloyd's	-	-
Other	1	26
	<u>1</u>	<u>26</u>

Funds at Lloyd's ("FAL") represents assets deposited with the Corporation of Lloyd's (Lloyd's) to support the Company's underwriting activities as described in the Accounting Policies. The Company retains the rights to the economic benefit of these assets. The Company has entered into a Lloyd's Deposit Trust Deed which gives the Corporation the right to apply these monies in settlement of any claims arising from the participation on the syndicates. These monies can only be released from the provision of this Deed with Lloyd's express permission, and only in circumstances where the amounts are either replaced by an equivalent asset, or after the expiration of the Company's liabilities in respect of its underwriting.

9. Share capital

Allotted, called-up and fully paid

	2015		2014	
	Issued	Value £	Issued	Value £
Ordinary 25p shares	3,090	773	3,090	773

10. Other creditors including taxation and social security

	2015 £	2014 £
Corporation tax	-	-
Proprietors' loan accounts	-	-
Other creditors	-	-
Amount due to group undertakings	-	-
	<u>-</u>	<u>-</u>

11. Financial liabilities

All financial liabilities are measured at amortised cost

12. Dividends

	2015 £	2014 £
Equity dividends declared and paid	-	33,495

Gracechurch UTG No 306 Limited

Notes to the Financial Statements (continued) for the year ended 31 December 2015

13. Transition to FRS 102 and FRS 103

This is the first year that the Company has presented its results under FRS 102 and FRS 103. The previous Financial Statements under previous UK GAAP were for the period ended 31 December 2014. The date of transition to FRS 102 and FRS 103 was 1 January 2014.

There is no impact on the opening Balance Sheet or the Profit and Loss Account and therefore no comparative figures to restate.

14. Related party transactions

Nomina plc, a director of the Company, provides administration services to the Company. Nomina plc charged a management fee of £1,000 (2014: £1,000) to cover all the costs of basic administration of the Company. This fee was paid by the Corporation of Lloyd's.

15. Ultimate controlling party

The Company is controlled by Hampden Holdings Limited, Hampden Capital Plc, Nomina Plc and Nomina Services Limited.