

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015
FOR
PALLADIUM UNDERWRITING LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2015

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PALLADIUM UNDERWRITING LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2015

DIRECTORS:

J P Booth
J R Clare
K Mahony

REGISTERED OFFICE:

10F Buntsford Park Road
Aston Fields
Bromsgrove
Herefs and Worcs
B60 3DX

REGISTERED NUMBER:

03850773 (England and Wales)

AUDITORS:

Price Firman
Prince Consort House
Albert Embankment
London
SE1 7TJ

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

CHANGE OF NAME

The company passed a special resolution on 1 May 2015 changing its name from Palladium Insurance Marketing Services Limited to Palladium Underwriting Limited.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of an independent insurance intermediary.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

J P Booth
J R Clare

Other changes in directors holding office are as follows:

Mrs J M Houghton - resigned 5 November 2015
K Mahony - appointed 1 October 2015

The directors note the negative balance of the retained earnings. The company has undergone restructuring after the sale of the company in 2014. The directors are pleased to see that since restructuring, turnover has increased and overheads have fallen. The directors are confident that the company will be profit making in the near future.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent;
- 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Price Firman, will be proposed for re-appointment at the forthcoming Annual General Meeting.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2015

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

ON BEHALF OF THE BOARD:

K Mahony - Director

13 April 2016

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PALLADIUM UNDERWRITING LIMITED

We have audited the financial statements of Palladium Underwriting Limited for the year ended 31 December 2015 on pages six to ten. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PALLADIUM UNDERWRITING LIMITED

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Virginia Underhill (Senior Statutory Auditor)
for and on behalf of Price Firman
Prince Consort House
Albert Embankment
London
SE1 7TJ

13 April 2016

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
TURNOVER			793,047		760,064
Cost of sales			498,324		491,209
GROSS PROFIT			294,723		268,855
Distribution costs		-		(749)	
Administrative expenses		<u>433,511</u>		<u>348,886</u>	
			433,511		348,137
OPERATING LOSS	2		(138,788)		(79,282)
Interest receivable and similar income			307		334
			(138,481)		(78,948)
Amounts written off investments	3		-		(2,076)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(138,481)		(76,872)
Tax on loss on ordinary activities	4		-		-
LOSS FOR THE FINANCIAL YEAR			<u>(138,481)</u>		<u>(76,872)</u>

The notes form part of these financial statements

PALLADIUM UNDERWRITING LIMITED (REGISTERED NUMBER: 03850773)

BALANCE SHEET
31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
FIXED ASSETS					
Tangible assets	5		34,233		31,831
CURRENT ASSETS					
Debtors	6	287,827		309,817	
Cash at bank and in hand		<u>294,009</u>		<u>337,294</u>	
		581,836		647,111	
CREDITORS					
Amounts falling due within one year	7	<u>606,735</u>		<u>531,127</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(24,899)</u>		<u>115,984</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,334</u>		<u>147,815</u>
CAPITAL AND RESERVES					
Called up share capital	9		17,500		17,500
Capital redemption reserve	10		2,500		2,500
Profit and loss account	10		<u>(10,666)</u>		<u>127,815</u>
SHAREHOLDERS' FUNDS			<u>9,334</u>		<u>147,815</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on 13 April 2016 and were signed on its behalf by:

K Mahony - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

Turnover represents commission receivable on premiums due in the period. The premium is due at the commencement of each individual policy.

Tangible fixed assets

Fixture, fittings and equipment - 25% straight line

Motor vehicles - 25% straight line

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Insurance debtors and creditors

The company acts as an agent in placing the insurable risks of its clients and, as such, is not liable as principle for amounts arising from these transactions. Notwithstanding its legal relationship with clients and underwriters, the company has followed generally accepted accounting practice by showing cash, debtors and creditors relating to insurance business as assets and liabilities of the company.

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2. **OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	2015	2014
	£	£
Depreciation - owned assets	18,496	14,135
Profit on disposal of fixed assets	-	(749)
Auditors' remuneration	6,000	5,700
Pension costs	<u>5,347</u>	<u>5,291</u>
Directors' remuneration and other benefits etc	<u>96,732</u>	<u>60,406</u>

3. **AMOUNTS WRITTEN OFF INVESTMENTS**

	2015	2014
	£	£
Amounts w/o invs	<u>-</u>	<u>(2,076)</u>

4. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2015 nor for the year ended 31 December 2014.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2015	129,328
Additions	20,898
At 31 December 2015	<u>150,226</u>
DEPRECIATION	
At 1 January 2015	97,497
Charge for year	18,496
At 31 December 2015	<u>115,993</u>
NET BOOK VALUE	
At 31 December 2015	<u>34,233</u>
At 31 December 2014	<u>31,831</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade debtors	270,133	242,872
Other debtors	17,694	66,945
	<u>287,827</u>	<u>309,817</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	14,311	8,031
Taxation and social security	6,796	4,007
Other creditors	585,628	519,089
	<u>606,735</u>	<u>531,127</u>

8. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2015	2014
	£	£
Expiring:		
Within one year	<u>26,400</u>	<u>26,400</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2015	2014
			£	£
17,500	Ordinary	£1	<u>17,500</u>	<u>17,500</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015

10. RESERVES

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 January 2015	127,815	2,500	130,315
Deficit for the year	<u>(138,481)</u>		<u>(138,481)</u>
At 31 December 2015	<u>(10,666)</u>	<u>2,500</u>	<u>(8,166)</u>

11. RELATED PARTY DISCLOSURES

Included in creditors is a subordinated loan of £100,000 (2014 - £nil) due to a director, Dr J P Booth. Interest has been charged at market rate and the loan will be repaid in accordance with the loan agreement.

12. ULTIMATE CONTROLLING PARTY

The company is jointly controlled by the directors.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.