

**STRATEGIC REPORT, DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015  
FOR  
WESTINSURE GROUP LIMITED**

WEDNESDAY



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**WESTINSURE GROUP LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2015**

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**WESTINSURE GROUP LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**DIRECTORS:**

T J Gallagher  
M Pike

**SECRETARY:**

W McGowan

**REGISTERED OFFICE:**

The Walbrook Building  
25 Walbrook  
London  
EC4N 8AW

**REGISTERED NUMBER:**

03927018 (England and Wales)

**INDEPENDENT AUDITOR:**

Ernst & Young LLP  
Statutory Auditor  
25 Churchill Place  
Canary Wharf  
London  
E14 5EY

## **WESTINSURE GROUP LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

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

#### **REVIEW OF BUSINESS**

The principal activity of the Company in the period under review was that of an insurance intermediary company providing services for business in the insurance market. The company provides its members access to a wide variety of insurance markets and allows members to harness flexible pricing, professional underwriting and beneficial commission structures. As at 1 June 2015 the Company transferred the majority of assets and liabilities to Arthur J. Gallagher Insurance Brokers Limited, and therefore ceased trading from this date.

The Company is a wholly owned subsidiary of Arthur J. Gallagher & Co., a company incorporated in the United States of America and is included in the publicly available consolidated financial statements of Arthur J. Gallagher & Co. ("the Group"). The Group's strategic focus continues to be on the organic growth of existing core business and the acquisition of businesses to enhance future turnover and profitability.

The results of the Company for the year ended 31 December 2015 are set out in the financial statements on pages 6 to 14.

For the year ended 31 December 2015 the Company has recorded a profit before tax of £1,043k compared to the profit before tax of £831k in 2014. The principal driver of this increase in profit was due to the release of the VAT appeal provision in 2015, which was provided for in 2014. This provision, of £531k, was released after the Company won its appeal against HM Revenue and Customs for the treatment of VAT on its commission income. Additional movements in the profit relates to the extended period in 2014 compared to shortened period, due to the hive up of the Company's assets and liabilities, in June 2015.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Group's international operations and debt profile expose it to a variety of financial risks including the effects of change in foreign currency exchange rates, counterparty credit risks, price risk, liquidity and interest rates. The Group's Board of Directors are responsible for setting the Group's risk appetite and ensuring that it has an appropriate and effective risk management framework and monitors the ongoing process for identifying, evaluating, managing, and reporting significant risks faced. To facilitate this, the Group maintains a risk framework, through which the key risks affecting the Group are identified, assessed and monitored.

The Company has in place a risk management programme and policies in the context of the wider Group risk framework. This risk management programme seeks to manage any adverse impact upon the Company caused by the nature of its principal activity. The approach to the significant risks is noted below:

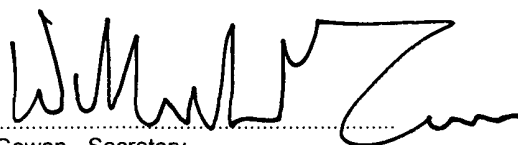
##### **Borrowing facilities and liquidity risk**

Operations for the Group are financed by a mixture of shareholders' funds, external borrowing facilities, inter-group borrowings and cash reserves. The objective is to ensure a mix of funding methods offering flexibility and cost effectiveness to match the needs of the Company. Forward looking cash flow projections are prepared on a regular basis to assess funding requirements.

##### **Interest rate risk**

Interest rates on the Company's formal intra-group loans are fixed in nature and set in accordance with the wider Group treasury and transfer pricing policies.

#### **BY ORDER OF THE BOARD:**



W McGowan - Secretary

Date: 23 September 2016

## **WESTINSURE GROUP LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

The Directors present their report with the audited financial statements of the Company for the year ended 31 December 2015. The results for the Company for the year ended 31 December 2015 and future developments are discussed in the Strategic Report.

#### **DIRECTORS OF THE COMPANY**

The Directors who have held office during the period from 1 January 2015 to the date of this report are as follows:

M Pike - appointed 26 January 2015  
M Mugge - resigned 26 January 2015  
D Ross - resigned 9 February 2015  
S Dalgarno - appointed 9 February 2015 and resigned 17 March 2015  
T Gallagher - appointed 17 March 2015

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2015 (2014: £nil).

#### **EMPLOYEES**

The Company is an equal opportunities employer and bases all decisions on individual ability regardless of race, religion, gender, age or disability.

#### **DIRECTORS' INDEMNITY PROVISIONS**

The Directors have benefited from qualifying third party indemnity provisions during the financial year and to the date of this report.

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The Directors are responsible for preparing the Strategic Report, 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 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". 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 applicable 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.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR'S**

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 auditor is unaware, and each Director has 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 auditor is aware of that information.

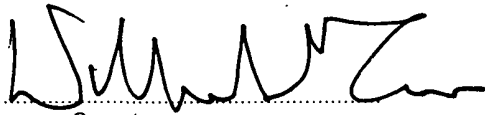
**WESTINSURE GROUP LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**AUDITOR**

The auditor, Ernst & Young LLP, will be proposed for re-appointment in accordance with section 487(2) of the Companies Act 2006.

**BY ORDER OF THE BOARD:**

  
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W McGowan - Secretary

Date: 23 September 2016

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTINSURE GROUP LIMITED**

We have audited the financial statements of Westinsure Group Limited for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 16. 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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Strategic Report, Directors' Report and financial statements 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 profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 Strategic Report and 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.

*Ernst & Young LLP*

John Headley (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
Statutory Auditor  
London

Date: *27 September 2016*

**WESTINSURE GROUP LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015**

		<b>Year Ended 31.12.15 £'000</b>	<b>Period 1.9.13 to 31.12.14 £'000</b>
	<b>Notes</b>		
<b>TURNOVER</b>	2	629	2,484
Other operating income	5	531	-
Administrative expenses		<u>(132)</u>	<u>(1,657)</u>
<b>OPERATING PROFIT</b>	5	1028	827
Interest receivable and similar income	6	<u>15</u>	<u>4</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1043	831
Tax on profit on ordinary activities	7	<u>(278)</u>	<u>(221)</u>
<b>PROFIT FOR THE FINANCIAL YEAR /PERIOD</b>		765	610
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD</b>		<u><u>765</u></u>	<u><u>610</u></u>

**DISCONTINUED OPERATIONS**

The Company hived all aspects of its business to Arthur J. Gallagher Insurance Brokers Limited, a fellow Group subsidiary during the year ended 31 December 2015. In June 2015 all the company's trade and the majority of its assets and liabilities were transferred and the company ceased trading from this date.



**WESTINSURE GROUP LIMITED (REGISTERED NUMBER: 03927018)**

**STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2015**

	Notes	2015 £'000	2014 £'000
<b>FIXED ASSETS</b>			
Investments	8	-	-
<b>CURRENT ASSETS</b>			
Debtors	9	5,995	5,297
Cash at bank		-	381
		5,995	5,678
<b>CREDITORS</b>			
Amounts falling due within one year	10	900	817
<b>NET CURRENT ASSETS</b>		<u>5,095</u>	<u>4,861</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,095	4,861
<b>PROVISIONS FOR LIABILITIES</b>	11	-	531
<b>NET ASSETS</b>		<u>5,095</u>	<u>4,330</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	313	313
Share premium	13	86	86
Capital redemption reserve	13	28	28
Retained earnings	13	4,668	3,903
<b>SHAREHOLDERS' FUNDS</b>		<u>5,095</u>	<u>4,330</u>

The financial statements were approved and authorised for issue by the Board of Directors on 23/9/16 and were signed on its behalf by:



M Pike - Director

The notes form part of these financial statements

**WESTINSURE GROUP LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Retained earnings reserve £'000	Total equity £'000
<b>Balance at 1 September 2013</b>	313	86	28	3,293	3,720
<b>Changes in equity</b>					
Total comprehensive income	-	-	-	610	610
<b>Balance at 31 December 2014</b>	<u>313</u>	<u>86</u>	<u>28</u>	<u>3,903</u>	<u>4,330</u>
<b>Changes in equity</b>					
Total comprehensive income	-	-	-	765	765
<b>Balance at 31 December 2015</b>	<u>313</u>	<u>86</u>	<u>28</u>	<u>4,668</u>	<u>5,095</u>

The notes form part of these financial statements

## **WESTINSURE GROUP LIMITED**

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

#### **1. ACCOUNTING POLICIES**

##### **Accounting convention**

These financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland", and with the Companies Act 2006. The financial statements have been prepared on a going concern basis, under the historical cost convention.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 16 for an explanation of the transition.

The financial statements for the prior period are for a 16 month period due to the reporting date being brought into line with the rest of the Group; therefore the comparative amounts presented in these financial statements are not directly comparable.

##### **Basis of preparation**

The Company has taken advantage of Section 401 of the Companies Act 2006 in not preparing consolidated financial statements on the basis that the results of the Company are included within the consolidated financial statements of Arthur J. Gallagher & Co., a company incorporated in the United States of America and for which results are publicly available from the Company's registered office.

The company has also taken advantage of the exemptions, under FRS 102 paragraph 1.12(b) & (e) respectively, from preparing a Statement of Cash Flows and disclosure of key management compensation, on the basis that it is a qualifying entity and its ultimate parent company, Arthur J. Gallagher & Co., includes such disclosures in its own consolidated financial statements.

##### **Significant judgements and estimates**

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements include:

##### **i. Provisions**

Where a provision is required the Group will perform calculations based on a policy regarding each individual category of provision. Each of these policies will be based on a degree of estimate and judgements. These policies are included within note 11.

##### **Turnover**

Turnover represents brokerage and fees associated with placing insurance and reinsurance contracts. It is recognised net of commission payable and allowable discounts. It is recognised at the later of inception date and the date the placement is completed and confirmed. Turnover also includes membership fees and income from the annual expo event, which is recognised when earned.

##### **Interest receivable**

Interest receivable is recognised in the Statement of Comprehensive Income on an accruals basis based on the terms of the underlying contracts or agreements.

##### **Taxation**

Provision is made at current enacted rates for taxation. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax in future periods.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax assets and liabilities are not discounted.

##### **Discontinued operations**

The Group recognises as discontinued operations components which have been disposed of which represented a separate major line of business or geographical area of operation, which were part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation, or a subsidiary which was acquired exclusively for resale.

# WESTINSURE GROUP LIMITED

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

### 1. ACCOUNTING POLICIES - continued

#### Fixed asset investments

Fixed asset investments in the financial statements are stated at cost less provision for any impairment in value.

#### Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

#### Loans to/from group undertakings

Loans to/from other group undertakings are initially recognised at transaction price, less any transactional costs unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future payments discounted at a market rate of interest. In subsequent years the loans are carried at amortised cost, using the effective interest rate method.

Where loans are repayable on demand they are classified as short term debtors/creditors and recognised at the full amount payable. The loans are derecognised when the liability is extinguished, that is when the contractual obligation is discharged or cancelled.

#### Provisions

A provision is recognised where there is a present obligation, whether legal or constructive, as a result of a past event for which it is probable that a transfer of economic benefits will be required to settle the obligation.

#### Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the date of the Statement of Financial Position. All exchange rate differences are taken to the Statement of Comprehensive Income.

### 2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the Company and can be attributed to activities in the United Kingdom.

	Year Ended 31.12.15 £'000	Period 1.9.13 to 31.12.14 £'000
Commission and subscriptions	629	2,484

### 3. STAFF COSTS

	Year Ended 31.12.15 £'000	Period 1.9.13 to 31.12.14 £'000
Wages and salaries	-	181
Social security costs	-	13
Other pension costs	-	5
		199

The average monthly number of employees during the year was as follows:

	Year Ended 31.12.15	Period 1.9.13 to 31.12.14
Insurance broking and administration	-	6

The amounts relating to staff costs were incurred by the Company to 6 April 2014 after which the costs were incurred by Arthur J. Gallagher Services (UK). An amount of £172k (2014:£270k) was recharged back to the Company, and is accounted for in administrative expenses.

**WESTINSURE GROUP LIMITED**

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

**4. DIRECTORS' EMOLUMENTS**

	<b>Year Ended 31.12.15 £'000</b>	<b>Period 1.9.13 to 31.12.14 £'000</b>
Aggregate emoluments	-	12
Company contributions paid to money purchase schemes	-	-
	<u>-</u>	<u>12</u>
Members of money purchase schemes	-	1

The amounts in respect of the highest paid Director are:

	<b>Year Ended 31.12.15 £'000</b>	<b>Period 1.9.13 to 31.12.14 £'000</b>
Emoluments	-	12
Pension contributions to money purchase schemes	-	-
	<u>-</u>	<u>12</u>

The above amounts represent remuneration allocated to the Directors based on their directorships of entities within the Group. This is on a different basis to which Directors emoluments are recharged to the Company and are accounted for in administration expenses.

**5. OPERATING PROFIT**

The operating profit is stated after charging:

	<b>Year Ended 31.12.15 £'000</b>	<b>Period 1.9.13 to 31.12.14 £'000</b>
Auditor's remuneration		
- Statutory audit	4	4
VAT provision release	(531)	-
Foreign exchange differences	<u>1</u>	<u>-</u>

The VAT provision release is in relation to a successful appeal against HM Revenue and Customs, allowing for the provision in place from the prior year to be released to other operating income.

**6. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>Year Ended 31.12.15 £'000</b>	<b>Period 1.9.13 to 31.12.14 £'000</b>
Interest on loans to group undertakings	<u>15</u>	<u>4</u>

# WESTINSURE GROUP LIMITED

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

### 7. TAXATION

#### Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	Year Ended 31.12.15 £'000	Period 1.9.13 to 31.12.14 £'000
Current tax:		
UK corporation tax on profits for the period	278	132
Adjustments in respect of previous periods	-	-
Total current tax	<u>278</u>	<u>132</u>
Deferred tax:		
Origination and reversal of timing differences	-	97
Effect of changes in tax rates	-	(8)
Total deferred tax	<u>-</u>	<u>89</u>
Total tax per income statement	<u>278</u>	<u>221</u>

The charge for the year can be reconciled to the profit per the income statement as follows:

	Year Ended 31.12.15 £'000	Period 1.9.13 to 31.12.14 £'000
Profit for the period	<u>1,043</u>	<u>831</u>
Tax on profit at standard UK tax rate 20.25% (2014: 21.87%)	211	182
Effects of:		
Expenses not deductible	(8)	3
Transfer pricing agreements	75	44
Tax rate changes	-	(8)
Tax charge for the year	<u>278</u>	<u>221</u>

The Company profits are taxable in the UK under the standard rate of corporation tax being 20.25% (2014 21.87%). The Company is expected to continue to attract the standard rate of UK corporation tax. The UK government legislated during 2015 to reduce the main rate of corporation tax to 19%, applicable from 1 April 2017 with a further reduction of 1% to 18% to apply from 1 April 2020. These reductions have been reflected in the closing deferred tax asset, as they were enacted at the date of the Statement of Financial Position.

Further legislation has been announced to reduce the corporation tax rate to 17% from 1 April 2020. The impact of this change is not quantifiable at this time.

# WESTINSURE GROUP LIMITED

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

### 8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £'s
<b>COST</b>	
At 1 January 2015 and 31 December 2015	<u>100</u>
<b>NET BOOK VALUE</b>	
At 31 December 2015	<u>100</u>
At 31 December 2014	<u>100</u>

The Company's investments at the Statement of Financial Position date, in the share capital of group undertakings, comprise the following:

Name of Company	Country of registration	Holding	Proportion of shares held
Westinsure Online Limited	England & Wales	Ordinary shares	100%

### 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £'000	2014 £'000
<b>Amounts falling due within one year:</b>		
Trade Debtors	1	4
Amounts owed by group undertakings	5,062	5,191
Other debtors	389	25
Prepayments and accrued income	-	77
	<u>5,452</u>	<u>5,297</u>
<b>Amounts falling due after more than one year:</b>		
Amounts owed by group undertakings	<u>543</u>	-
<b>Aggregate amounts</b>	<u>5,995</u>	<u>5,297</u>

Amounts owed by group undertakings are unsecured and repayable on demand. All loans are interest free with the exception of:

Aggregate loan value	Interest rate	Interest terms	Repayment period	Aggregate carrying value
£524k	6.19%	Compounded annually	10 years from commencement (2025) but the Company can recall on demand.	£543k

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £'000	2014 £'000
Amounts owed to group undertakings	135	710
Social security and other taxes	21	19
Other creditors	-	23
Corporation tax	278	-
Accruals and deferred income	<u>466</u>	<u>65</u>
	<u>900</u>	<u>817</u>

Amounts owed to group undertakings are unsecured, repayable on demand and are on an interest free basis.

# WESTINSURE GROUP LIMITED

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

### 11. PROVISIONS FOR LIABILITIES

	2015 £'000	2014 £'000
Other provisions	-	531

#### Other provisions:

	Other provisions £'000
At 1 January 2015	531
Released during year	(531)
At 31 December 2015	-

#### **Other provisions**

The Company successfully won its appeal against HM Revenue and Customs. Therefore the provision is no longer required.

### 12. CALLED UP SHARE CAPITAL

#### **Allotted, issued and fully paid:**

Number:	Class:	Nominal value:	2015 £'000	2014 £'000
312,541	Ordinary shares	£1	313	313

All shares rank equally in terms of voting rights (one vote for each share) and right to participate in all approved dividend distribution for that class of share.

### 13. RESERVES

Retained earnings - includes all current and prior period retained profits and losses.

Called up share capital - represents the nominal value of shares that have been issued.

Share premium - this reserve records the amount above the nominal value received for shares issued, less transaction costs.

Capital redemption reserve - represents the nominal value of shares repurchased by the Company.

### 14. ULTIMATE PARENT UNDERTAKING

The immediate parent company is Ink Underwriting Agencies Limited, a company registered in England and Wales. The largest group of undertakings of which the Company is a member and for which financial statements are prepared, is headed up by Arthur J. Gallagher & Co., a company incorporated in the United States of America, which is the ultimate parent undertaking. A copy of these consolidated financial statements is available from the registered office of the Company.

### 15. EVENTS AFTER THE REPORTING PERIOD

The Directors confirm that there are no events after the reporting period that are required to be disclosed.

### 16. TRANSITION TO FRS102

The Company transitioned to FRS 102 from previously extant UK Accounting Standards as at 1 September 2013. There is no material financial impact from the transition to FRS 102 in the financial statements. There were no changes in accounting policies arising from the transition to FRS 102.