

**Pardus Underwriting Limited**

**Report of the Directors and**

**Financial Statements for the Year Ended 31 December 2022**

**Contents of the Financial Statements  
for the Year Ended 31 December 2022**

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**Pardus Underwriting Limited**

**Company Information**  
**for the Year Ended 31 December 2022**

**DIRECTORS:**

Mr M E Allen  
Mr B A King  
Mr D J Stockman  
Mr K D Thompson

**REGISTERED OFFICE:**

C/o PKF Littlejohn 15 Westferry Circus  
Canary Wharf  
London  
E14 4HD

**REGISTERED NUMBER:**

08641930 (England and Wales)

**AUDITORS:**

Swindells LLP  
Chartered Accountants  
and Statutory Auditor  
Atlantic House  
8 Bell Lane  
Bellbrook Industrial Estate  
Uckfield  
East Sussex  
TN22 1QL

**Report of the Directors  
for the Year Ended 31 December 2022**

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

**FUTURE DEVELOPMENTS**

Pardus has seen the first six months of 2023 operate on a profitable basis with UK Business generating some £5million of Gross Premium Income, representing an increase of 121% compared to the same period 2022. Pardus has also seen a 95% increase in Income (commission) for the first six months of 2023. The development of business at this level should see Gross Premium Income reach in excess of £10 million for the year and the Company reporting a profit. This in turn provides the directors with confidence that the company will be able to meet its financial obligations throughout the next twelve months.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

Mr M E Allen  
Mr B A King  
Mr D J Stockman  
Mr K D Thompson

**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.

**Report of the Directors  
for the Year Ended 31 December 2022**

**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 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 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:**

Mr K D Thompson - Director

22 September 2023

## **Report of the Independent Auditors to the Members of Pardus Underwriting Limited**

### **Opinion**

We have audited the financial statements of Pardus Underwriting Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material uncertainty related to going concern**

In forming our opinion on the financial statements which is not qualified, we draw your attention to note 2 in the financial statements concerning going concern. The company reported a net loss of 218,008 for the year ended 31 December 2022.

As at the balance sheet date, the company's total liabilities exceeded its total assets by £1,076,948. This, along with other matters explained in the notes to the financial statements, indicates the existence of a material uncertainty which may cast doubt about the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Report of the Independent Auditors to the Members of  
Pardus Underwriting Limited**

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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.

**Responsibilities of directors**

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, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Report of the Independent Auditors to the Members of Pardus Underwriting Limited**

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the company's internal controls have been discussed and understood prior to our audit testing. Internal controls have been tested through walkthrough testing, to assess whether controls are adequate, whether they are being followed, and whether irregularities and fraud are prevented.
- deficiencies in internal controls have been highlighted and explained to management, along with recommendations as to how deficiencies can be improved and the risk of irregularity and fraud occurrence minimised.
- representations have been provided by management that there were no identified cases of fraud or instances of non-compliance during or since the accounting period.
- substantive testing has been carried out to test the validity of transactions, with entries in the accounting system vouched to corresponding third party documentation and evidence of appropriate authorisation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



**Report of the Independent Auditors to the Members of  
Pardus Underwriting Limited**

**Use of our report**

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.

Melanie Richardson BA(Hons) FCA (Senior Statutory Auditor)  
for and on behalf of Swindells LLP  
Chartered Accountants  
and Statutory Auditor  
Atlantic House  
8 Bell Lane  
Bellbrook Industrial Estate  
Uckfield  
East Sussex  
TN22 1QL

25 September 2023

**Income Statement  
for the Year Ended 31 December 2022**

		2022	2021 as restated
	Notes	£	£
<b>TURNOVER</b>		680,429	103,686
Administrative expenses		<u>890,687</u>	<u>725,756</u>
<b>OPERATING LOSS</b>	4	(210,258)	(622,070)
Interest receivable and similar income		<u>962</u>	<u>7</u>
		(209,296)	(622,063)
Interest payable and similar expenses		<u>8,712</u>	<u>503</u>
<b>LOSS BEFORE TAXATION</b>		(218,008)	(622,566)
Tax on loss		<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(218,008)</u>	<u>(622,566)</u>

The notes form part of these financial statements

**Balance Sheet**  
**31 December 2022**

		2022		2021 as restated	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		3,384		3,562
<b>CURRENT ASSETS</b>					
Debtors	7	180,695		34,831	
Cash at bank		<u>7,014</u>		<u>11,581</u>	
		187,709		46,412	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	8	<u>1,236,370</u>		<u>698,081</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(1,048,661)</u>		<u>(651,669)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(1,045,277)</u>		<u>(648,107)</u>
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	9		<u>31,671</u>		<u>210,833</u>
<b>NET LIABILITIES</b>			<u>(1,076,948)</u>		<u>(858,940)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			2,500,000		2,500,000
Retained earnings			<u>(3,576,948)</u>		<u>(3,358,940)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>(1,076,948)</u>		<u>(858,940)</u>

The notes form part of these financial statements

**Balance Sheet - continued**  
**31 December 2022**

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 22 September 2023 and were signed on its behalf by:

Mr K D Thompson - Director

Mr D J Stockman - Director

**Notes to the Financial Statements  
for the Year Ended 31 December 2022**

**1. STATUTORY INFORMATION**

Pardus Underwriting Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Commission is recognised when the company's contractual right to such income is established, and to the extent that the company's relevant obligations under the contracts concerned have been performed. For most of the company's underwriting activities, this means that commission is recognised at the inception of the underlying contract of insurance concerned.

Where the company has set up delegated authority facilities, income is recognised at the inception of the facility rather than the underlying insurance contracts only to the extent that such income can be reliably estimated, as the company's obligations have been performed in full at that point.

Profit commission arising from the placement of insurance contracts by the company is recognised when the right to such profit commission is established through a contract, but only to the extent that a reliable estimate of the amount receivable can be made. Such estimates are made on a prudent basis to reflect the level of uncertainty involved.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 33% on cost
Computer equipment	- 33% on cost

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company makes contributions into employees' pension funds. Contributions payable in the year are charged to the profit and loss account in the period to which they relate.

**Going concern**

Following the impact of Covid-19 on the group's trading activities, the directors implemented a business continuity plan, which included the signing of a new Binding Agreement (BAA) by the company in late July 2021.

This BAA started to generate income during the last 4 months of 2021. the BAA has continued to generate an increasing volume of business in 2022 and according to the budget and cashflow forecasts produce by the directors, is expected to generate sufficient income in 2023 to enable the group to meet liabilities going forward. This together with a capital injection following a successful capital raise by the group, should enable the company to generate a profit in 2023 and produce a positive cashflow. On this basis, the directors have prepared the financial statements on a going concern basis.

The company has also received confirmation from its parent undertaking that it will continue to provide financial support for at least 12 months from the date of the signing of these financial statements.

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**2. ACCOUNTING POLICIES - continued**

**Insurance balances**

The company acts as insurance intermediary in placing the insurable risks of their clients with insurers and as such, is not liable as a principal for amounts due to underwriters. In recognition of this relationship, the company does not include debtors, creditors and cash arising from insurance transactions in its own balance sheet. Therefore, other than commission received and receivable, there is no recognition of the insurance transactions in the company's financial statements.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 7 (2021 - 7) .

**4. OPERATING LOSS**

The operating loss is stated after charging:

	2022	2021 as restated
	£	£
Depreciation - owned assets	<u>2,359</u>	<u>2,114</u>

**5. PRIOR YEAR ADJUSTMENT**

The comparative figures in these financial statements have been amended to reflect the write off of amounts due to the parent company as at 31 December 2021 of £1,683,833, which was not included in error.

The effect of this adjustment is to decrease the retained loss brought forward by £1,683,833 and to reduce the amounts due to the company's parent company by £1,683,833.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2022	8,995	93,175	102,170
Additions	914	1,267	2,181
At 31 December 2022	<u>9,909</u>	<u>94,442</u>	<u>104,351</u>
<b>DEPRECIATION</b>			
At 1 January 2022	8,428	90,180	98,608
Charge for year	466	1,893	2,359
At 31 December 2022	<u>8,894</u>	<u>92,073</u>	<u>100,967</u>
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>1,015</u>	<u>2,369</u>	<u>3,384</u>
At 31 December 2021	<u>567</u>	<u>2,995</u>	<u>3,562</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 as restated £
Trade debtors	152,135	29,645
Other debtors	<u>28,560</u>	<u>5,186</u>
	<u>180,695</u>	<u>34,831</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 as restated £
Bank loans and overdrafts	9,996	10,000
Other loans	175,000	-
Amounts owed to group undertakings	676,758	235,397
Other creditors	15,096	-
Accrued expenses	<u>359,520</u>	<u>452,684</u>
	<u>1,236,370</u>	<u>698,081</u>



**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022	2021 as restated
	£	£
Bank loans - 1-2 years	20,000	10,000
Bank loans - 2-5 years	11,671	25,833
Other loans - 1-2 years	-	175,000
	<u>31,671</u>	<u>210,833</u>

**10. POST BALANCE SHEET EVENTS**

The company has continued to benefit from the support of Pardus Holdings Limited with an injection of some £400,000 following a successful capital raise completed in October 2022.

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.