

HEBRIDES INVESTMENTS NO.2 LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015



LB GROUP
Number One
Vicarage Lane
London
England
E15 4HF

HEBRIDES INVESTMENTS NO.2 LIMITED

COMPANY INFORMATION

Directors

Mr A G Smith
Mr C G Harman
Mr B A King

Company number

07829575

Registered office

Number One
Vicarage Lane
London
England
E15 4HF

Accountants

LB Group Limited (Stratford)
Number One
Vicarage Lane
London
England
E15 4HF

HEBRIDES INVESTMENTS NO.2 LIMITED

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HEBRIDES INVESTMENTS NO.2 LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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

Principal activities

The principal activity of the company continued to be that of an investment holding company.

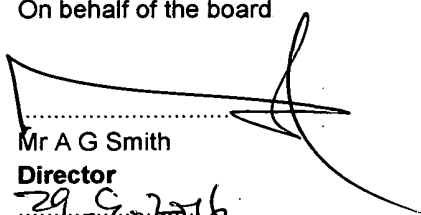
Directors

The following directors have held office since 1 January 2015:

Mr A G Smith
Mr C G Harman
Mr B A King

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

On behalf of the board


Mr A G Smith
Director
29.9.2016

HEBRIDES INVESTMENTS NO.2 LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF HEBRIDES INVESTMENTS NO.2 LIMITED FOR THE YEAR ENDED 31 DECEMBER 2015

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Hebrides Investments No.2 Limited for the year ended 31 December 2015 set out on pages 3 to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at:

<http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Hebrides Investments No.2 Limited, as a body, in accordance with the terms of our engagement letter dated 1 June 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Hebrides Investments No.2 Limited and state those matters that we have agreed to state to the Board of Directors of Hebrides Investments No.2 Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hebrides Investments No.2 Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Hebrides Investments No.2 Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Hebrides Investments No.2 Limited. You consider that Hebrides Investments No.2 Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Hebrides Investments No.2 Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

LB Group Limited

LB Group Limited (Stratford)
Chartered Accountants
Vicarage Lane
London

England
E15 4HF

29.09.2016

HEBRIDES INVESTMENTS NO.2 LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Administrative expenses		(57,095)	(1,513)
Operating loss		(57,095)	(1,513)
Loss on disposal of investments	2	(875)	-
Loss on ordinary activities before taxation		(57,970)	(1,513)
Tax on loss on ordinary activities	3	-	-
Loss for the year	9	(57,970)	(1,513)

HEBRIDES INVESTMENTS NO.2 LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Investments	4		112,600		875
Current assets					
Debtors	5	50		188,423	
Cash at bank and in hand		22,685		2,707	
		22,735		191,130	
Creditors: amounts falling due within one year	6	(2,170)		(870)	
Net current assets			20,565		190,260
Total assets less current liabilities			133,165		191,135
Creditors: amounts falling due after more than one year	7		(199,950)		(199,950)
			(66,785)		(8,815)
Capital and reserves					
Called up share capital	8		250		250
Profit and loss account	9		(67,035)		(9,065)
Shareholders' funds			(66,785)		(8,815)

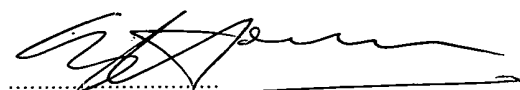
For the financial year ended 31 December 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board for issue on 29 September 2016



Mr C G Harman
Director

Company Registration No. 07829575

HEBRIDES INVESTMENTS NO.2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

1.1 Accounting convention

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

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis in preparing the financial statements.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.4 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Investment income

	2015 £	2014 £
Loss on disposal of investments	(875)	-

3 Taxation

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.

HEBRIDES INVESTMENTS NO.2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

4 Fixed asset investments

	Unlisted investments	Shares in group undertakings and participating interests	Total
	£	£	£
Cost			
At 1 January 2015	-	875	875
Additions	112,600	-	112,600
Disposals	-	(875)	(875)
At 31 December 2015	112,600	-	112,600
Net book value			
At 31 December 2015	112,600	-	112,600
At 31 December 2014	-	875	875

Holdings

The company holds significant interests in the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Other significant interests			
Resolution Underwriting Holdings Limited	UK	Ordinary	8.78
Resolution Underwriting Holdings Limited	UK	Preference	8.70

On 18 September 2015, as part of a restructuring exercise, the company's entire shareholding in Resolution Underwriting Partnership Limited was exchanged for shares in Resolution Underwriting Holdings Limited.

5 Debtors	2015 £	2014 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	188,373
Other debtors	50	50
	50	188,423
6 Creditors: amounts falling due within one year	2015 £	2014 £
Other creditors	2,170	870

HEBRIDES INVESTMENTS NO.2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

7	Creditors: amounts falling due after more than one year	2015	2014
		£	£
	Other creditors	<u>199,950</u>	<u>199,950</u>
	Analysis of loans		
	Wholly repayable within five years	<u>199,950</u>	<u>199,950</u>
8	Share capital	2015	2014
		£	£
	Allotted, called up and fully paid		
	250,000 Ordinary of 0.1p each	<u>250</u>	<u>250</u>
9	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 January 2015		(9,065)
	Loss for the year		<u>(57,970)</u>
	Balance at 31 December 2015		<u>(67,035)</u>
10	Control		
	There is no one ultimate controlling party.		
11	Related party relationships and transactions		
	In addition to the loans below, two additional loan advances of £50,000 each, made by Mr R B Morgan and Mr C M King in previous periods, were outstanding at the balance sheet date. Mr R B Morgan and Mr C M King are both shareholders of the company, and the terms of the loans are the same as those advanced by the directors.		

HEBRIDES INVESTMENTS NO.2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

11 Related party relationships and transactions

Mr C G Harman

Director and shareholder

The loan balance of £24,950 advanced by Mr C G Harman remains unchanged. No interest was charged during the year and the loan is repayable in 2026.

	2015 £	2014 £
Amounts due to related party at the balance sheet date	24,950	24,950

Mr B A King

Director and shareholder

The loan balance of £49,950 advanced by Mr B A King remains unchanged. No interest was charged during the year and the loan is repayable in 2026.

	2015 £	2014 £
Amounts due to related party at the balance sheet date	49,950	49,950

Mr A G Smith

Director and shareholder

The loan balance of £25,000 advanced by Mr A G Smith remains unchanged. No interest was charged during the year and the loan is repayable in 2026.

	2015 £	2014 £
Amounts due to related party at the balance sheet date	25,000	25,000

HEBRIDES INVESTMENTS NO.2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

11 Related party relationships and transactions

Resolution Underwriting Partnership Limited

An entity in which the company has an indirect shareholding

During the year, the company's holding of subordinated loans were exchanged for 112,500 £1 preference shares with a coupon rate of 6%, which represented the fair value of the loans at that time. The remaining balance of the cost of the subordinated loans in excess of the par value of preference shares acquired was written off.

	2015	2014
	£	£
Amounts due from related party at the balance sheet date	-	188,373