Registration number: 09154730

EUNA Underwriting Ltd

Annual Report and Financial Statements

31 December 2023

EUNA Underwriting Ltd

Directors	Keith Harrison Robert Munden Peter Newson
Company secretary	Dentons Secretaries Limited
Registered number	09154730
Registered office	One Fleet Place London EC4M 7WS
Independent auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

Strategic Report
for the Year Ended 31 December 2023

The directors present their strategic report for EUNA Underwriting Ltd (the "Company" or "EUNA") for the year ended 31 December 2023.

Business review
The turnover has increased from £4,237,281 to £5,503,362 in the current year. This was driven by increased sales volumes from the existing business lines.

The administrative expenses have increased from £2,404,425 to £3,369,302 due to increased staff costs.

Principal risks and uncertainties
The principal risks and uncertainties of the Company are managed on a Group basis. They include the following risks set out below:

Regulatory environment

The Company operates in an environment regulated by the Financial Conduct Authority and as such adheres to the regulated environment with a strong framework of compliance provided by internal staff and independent external consultants. The Directors believe that by ensuring the Company is compliant within this framework through robust risk management and compliance monitoring and audit processes these external risk factors are minimised. The Directors have a rolling process of improvements and enhancements to the compliance processes and meeting regulatory changes.

Key performance indicators ("KPIs")
The Directors measure the performance of the Company using a variety of KPIs. Aside from Turnover and Profit for the financial year, where appropriate, the Directors monitor non-financial KPIs including retention rates and new business conversion rates. The regular monitoring of these KPIs aids decision making. The profit after tax for the year, which is considered a KPI, amounted to £1,639,129 (2022: £1,493,846). Net assets of the Company totalled £2,095,778 (2022: £1,256,649).

Future developments
The business continues to grow, offsetting risk with diversification of business classes.

Financial risk management
The Company is exposed to a range of financial risks, in particular the key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations.

The components of this financial risk are market risk, credit risk and liquidity risk.

Market risk

Market risk arises where the value of assets and liabilities change as a result of movements in interest rates or foreign exchange rates.

The assets are denominated in Sterling. The related currency risk is closely monitored by management and where appropriate action taken to eliminate any exchange rate risk to the Company.

Strategic Report
for the Year Ended 31 December 2023

Credit risk

Credit risk arises where counterparties fail to meet their financial obligations in full as they fall due.

The primary sources of credit risk for the Company are:

- amounts due from insurance contract holders;
- amounts due from insurance intermediaries;
- counterparty risk of cash and cash equivalents

The Company manages the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparty. Such risks are subject to regular review. The exposure to individual counterparties is also managed by other mechanisms, such as the right to offset where counterparties have both payables and receivables balances of the Company and through credit review meetings.

Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. This risk is mitigated by regular reviews of aged debtors and creditors.

Section 172(1) statement

This section of the report describes how the Directors have had regard to the matters set out in Section 172(1) (a) to (f) and forms the Directors' statement required under Section 414CZA of the Companies Act 2006. The Directors are required to act in a way to promote the success of the Company for the benefits of its members as a whole and in doing so consider the following matters:

Long term decision making

The Directors consider that their commitment to longer term decision making, and planning is disclosed appropriately throughout the rest of this strategic report in line with the results of the business.

Interests of company employees

The Company has a small number of employees and a flat organisational structure which always allows immediate and direct access for all employees to senior management. In addition, there are regular meetings with staff and communications by email.

Business relationships with suppliers, customers, and others

Time is taken to know the people we work with and work for - our customer base. These relationships are key parts of the Company's business and are managed through an extensive programme of formal and informal contact including monitoring of legal, contractual, and regulatory obligations. All complaints are monitored and treated with appropriate care and attention.

Impact on the environment

Our plans consider the impact of the Company's operations on the community, the environment, and wider societal responsibilities. The Board considers that the Company has little impact on environmental issues and is committed to a responsible approach to the impact via a number of initiatives such as recycling, saving on print and paper and waste.

Strategic Report
for the Year Ended 31 December 2023

Reputation for high standards of business conduct

It is the intention of the Board to behave responsibly and ensure that the business is operated in a responsible manner, within the high standards of business and regulatory conduct expected.

Fair treatment of shareholders

As a Board, our intention is to behave responsibly toward our shareholders, recognising our obligation is to generate value for them whilst balancing the needs of our stakeholders.

12/04/2024

Approved by the Board on .... and signed on its behalf by:

DocuSigned by:

Rob Munden

93120B25B0CD4A3...

Robert Munden
Director

Directors' Report
for the Year Ended 31 December 2023

The directors present their annual report and the audited financial statements for the year ended 31 December 2023.

The Directors Report should be read in conjunction with the Strategic Report as it contains some information required to be in the Directors Report.

Directors of the Company
The directors who held office during the year and up to the date of signing these financial statements were as follows:

Christopher James Hobbs (resigned 16 February 2024)

Christopher Lee-Smith (resigned 10 January 2023)

Keith Harrison

Robert Munden

Peter Newson

Principal activity
EUNA is a Managing General Agency, underwriting and distributing specialised business lines on behalf of a number of insurance companies and capacity providers. Euna is 100% owned by Accelerant, which provides the majority of the MGA's capacity. All EUNA business is for UK domiciled clients, transacted via Insurance brokers and intermediaries. With an experienced team of underwriters, EUNA continues to deliver profitable growth for its shareholders and capacity partners and is well positioned by way of its relationships with capacity and brokers, its experienced underwriting and management team and its overall expertise in the markets in which it writes, to continue this growth over the coming years.

Results and dividends
The Company made a profit before tax during the year of £2,129,981 (2022: £1,830,609). The total distribution of dividends approved for the year ended 31 December 2023 is £800,000 (2022: £1,724,490).

Going concern
The Directors intend the Company's current principal activities to remain unchanged for the foreseeable future. The results for the year are as set out in the audited statement of comprehensive income. There is a reasonable expectation that the Company will continue in operational existence for the foreseeable future. For this reason the Directors adopt the going concern basis in preparing the financial statements.

Matters covered in the strategic report
The Company's key business and financial instrument risks are disclosed within the Strategic Report.

Independent auditors
The auditors PricewaterhouseCoopers LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Directors' Report
for the Year Ended 31 December 2023

Directors' confirmations
In the case of each director in office at the date the directors' report is approved:

- so far as each director is 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 on 12/04/2024 and signed on its behalf by:

DocuSigned by:
Rob Munden
93120B25B0CD4A3...

Robert Munden
Director

Statement of Directors' Responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 year. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Independent auditors' report to the members of EUNA Underwriting Ltd

Report on the audit of the financial statements

Opinion

In our opinion, EUNA Underwriting Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: Statement of financial position as at 31 December 2023; Statement of comprehensive income and Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is 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.

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 an auditors' report 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.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance. Audit procedures performed by the engagement team included:

- Discussions with management and senior management involved in the company's Risk and Compliance functions and legal function, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing relevant meeting minutes; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, posted by infrequent users, or posted with descriptions indicating a higher level of risk.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Sean Forster (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
12 April 2024

Statement of Comprehensive Income
for the year ended 31 December 2023

	Note	*2023* £	*2022* £
Turnover	4	5,503,362	4,237,281
Administrative expenses		(3,369,302)	(2,404,425)
Operating profit		2,134,060	1,832,856
Interest payable and similar expenses		(4,079)	(2,247)
Profit before tax	5	2,129,981	1,830,609
Tax on profit	8	(490,852)	(336,763)
Profit for the year		1,639,129	1,493,846

The above results were derived from continuing operations.

The notes on pages 14 to 24 form an integral part of these financial statements.

Statement of Financial Position
as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	9	16,740	7,252
Current assets			
Debtors	10	834,520	928,002
Cash at bank		1,819,711	908,988
		2,654,231	1,836,990
Creditors: Amounts falling due within one year	11	(575,193)	(587,593)
Net current assets		2,079,038	1,249,397
Total assets less current liabilities		2,095,778	1,256,649
Capital and reserves			
Called up share capital	13	1	1
Profit and loss account		2,095,777	1,256,648
Total equity		2,095,778	1,256,649

12/04/2024

The financial statements on page 11 to page 24 were approved by the Board of Directors on .... and signed on its behalf by:

DocuSigned by:
Rob Munden
93T2DB25B0CD4A3...

Robert Munden
Director

The notes on pages 14 to 24 form an integral part of these financial statements.

Statement of Changes in Equity
for the Year Ended 31 December 2023

	Note	Called up share capital £	Profit and loss account £	Total £
At 1 January 2022		1	1,487,292	1,487,293
Profit for the year		-	1,493,846	1,493,846
Dividends	14	-	(1,724,490)	(1,724,490)
At 31 December 2022		1	1,256,648	1,256,649
At 1 January 2023		1	1,256,648	1,256,649
Profit for the year		-	1,639,129	1,639,129
Dividends	14	-	(800,000)	(800,000)
At 31 December 2023		1	2,095,777	2,095,778

The notes on pages 14 to 24 form an integral part of these financial statements.

Notes to the Financial Statements
for the Year Ended 31 December 2023

1 General information

The company is a private company, limited by shares, incorporated and domiciled in England and Wales.

The address of its registered office is:
One Fleet Place
London
EC4M 7WS

2 Accounting policies

Statement of compliance
The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

Basis of preparation
These financial statements have been prepared using the historical cost convention.

Summary or disclosure exemptions
The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- the requirements of Section 7 Statement of Cash Flows.
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7;
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a) (iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.

Summary of significant accounting policies and key accounting estimates
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.

Going concern
The Directors intend the Company's current principal activities to remain unchanged for the foreseeable future. The results for the year are as set out in the audited statement of comprehensive income. There is a reasonable expectation that the Company will continue in operational existence for the foreseeable future. For this reason the Directors adopt the going concern basis in preparing the financial statements.

Revenue recognition
Turnover represents the commission and fees receivable from placing insurance policies and is recognised upon placement of the policy.

Notes to the Financial Statements
for the Year Ended 31 December 2023

Tangible assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date, the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets, the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Statement of Comprehensive Income during the year in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives using the reducing balance method. Depreciation is provided on the following basis:
Fixtures and fittings - 33% reducing balance
Computer equipment - 33% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Financial instruments

The Company has chosen to adopt Sections 11 and Section 12 of FRS 102 in respect of financial instruments.

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors, trade and other creditors and loans with related parties.

i. Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Subsequently, such assets are carried at amortised cost using the effective interest rate method.

Notes to the Financial Statements
for the Year Ended 31 December 2023

At the end of each reporting year, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial liabilities

Basic financial liabilities, including trade and other payables, and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Subsequently, such assets are carried at amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii. Offsetting

Financial assets and liabilities are offset, and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The Company is part of a tax group where, in line with tax legislation, current tax liabilities can be offset by current tax losses arising in other companies within the same tax group. Payment for group relief is made equal to the tax benefit and amounts are included within the current tax disclosures.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year. Deferred income taxes are calculated using the balance sheet liability method.

Notes to the Financial Statements
for the Year Ended 31 December 2023

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognised in full, although IAS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Company does not recognise deferred tax on temporary differences relating to goodwill, or to its investments in subsidiaries.

Cash and cash equivalents
Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise of cash within the bank.

Defined contribution pension obligation
The Company operates a defined contribution post-employment obligation scheme.

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Insurance Broking Debtors and Creditors
Insurance intermediaries act as agents in the placement of insurable risks. As such, they are not liable, as principal, for amounts arising from such transactions. In recognition of this relationship, debtors from insurance intermediary transactions are not included as an asset of the Company. Other than the receivable for brokerage, commissions, or fees earned on a transaction, no recognition of the insurance transaction occurs until the Company receives cash in respect of the premiums or claims. At that point, a corresponding liability is established in favour of the insurer or the cedant, unless the cash is held in trust, in which case neither the cash nor the corresponding liability is reflected in the Company's financial statements.

Dividends
Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting year in which the dividends are declared.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of these financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities as at the statement of financial position date. In the event that such estimates and assumptions which are based on the best judgement of the Directors as at the statement of the financial position date deviate from the actual circumstances in the future, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

Notes to the Financial Statements

for the Year Ended 31 December 2023

Critical judgements

The Directors believe that there are no critical accounting judgements made in the process of applying the Company's accounting policies that would have a significant effect on the amounts recognised in the statutory financial statements.

Key sources of estimation uncertainty

The Directors believe that there are no key assumptions concerning the future, and other key sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 Turnover

The analysis of the Company's turnover for the year from continuing operations is as follows:

	2023	*2022*
	£	*£*
Commissions received	4,977,539	4,237,281
Fees received	525,823	-
	5,503,362	4,237,281

All turnover arises in the United Kingdom.

5 Profit before tax

Arrived at after charging:

	2023	*2022*
	£	*£*
Depreciation - owned assets	6,459	4,534
Audit fees payable to the Company's auditors	43,000	30,000

6 Staff costs

The average number of employees during the year was 15 (2022: 11).

The aggregate payroll costs were as follows:

	2023	*2022*
	£	*£*
Wages and salaries	1,869,585	1,660,519
Social security costs	236,848	180,530
Other pension costs	58,820	43,249
	2,165,253	1,884,298

Notes to the Financial Statements
for the Year Ended 31 December 2023

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2023 £	*2022* £
Directors' emoluments	1,228,675	322,090
Company contributions to defined contribution pension scheme	7,752	7,462
	1,236,427	329,552

During the year the number of directors who were receiving benefits were as follows:

	2023 *No.*	*2022* *No.*
Accruing benefits under defined contribution pension scheme	1	1

In respect of the highest paid director:

	2023 £	*2022* £
Directors' emoluments	1,001,926	236,086
Company contributions to defined contribution pension scheme	7,752	7,462
	1,009,678	243,548

Other directors of the company did not receive any remuneration from the company during the year. They were remunerated for their services by other companies within the group to which EUNA Underwriting Limited belongs and consider it is not possible to determine the proportion of their remuneration which relates to qualifying services for this company.

Notes to the Financial Statements
for the Year Ended 31 December 2023

8 Tax on profit

Tax charged in the statement of comprehensive income

	2023 £	2022 £
Current taxation		
UK corporation tax	505,233	370,369
Adjustment in respect of previous periods	(12,390)	16,635
	492,843	387,004
Deferred taxation		
Origination and reversal of timing differences	(1,779)	(21,521)
Adjustment in respect of previous periods	-	(16,738)
Effect of changes in tax rates	(212)	(11,982)
Total deferred taxation	(1,991)	(50,241)
Tax charge in the statement of comprehensive income	490,852	336,763

The tax on profit for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK of 23.52% (2022: 19%).

The differences are reconciled below:

	2023 £	2022 £
Profit before tax	2,129,981	1,830,609
Corporation tax at standard rate	500,983	347,816
Expenses not deductible	2,559	1,272
Income not taxable	(89)	(240)
Adjustment from previous periods	(12,390)	(103)
Tax rate changes	(212)	(11,982)
Roundings	1	-
Total tax charge	490,852	336,763

Notes to the Financial Statements

for the Year Ended 31 December 2023

Deferred tax asset

	2023 £	2022 £
At 1 January	(52,759)	(2,518)
Adjustment in respect of prior years	-	(16,738)
Deferred tax charge to income statement for the period	(1,991)	(33,503)
At 31 December	(54,750)	(52,759)

	2023 £	2022 £
Fixed asset timing differences	1,220	(1,804)
Short term timing differences - trading	(55,970)	(50,955)
	(54,750)	(52,759)

Changes to tax rates

The current UK corporation tax rate is 25% (2022: 19%). On 3 March 2021, the Chancellor of the Exchequer announced that the main rate of corporation tax will increase from 19% to 25% from 1 April 2023. Income taxes in the profit and loss account are measured at 23.52% (blended average) and deferred taxes at the balance sheet date are measured at 25%.

Notes to the Financial Statements
for the Year Ended 31 December 2023

9 Tangible assets

	Fixtures and fittings £	*Computer equipment* £	*Total* £
Cost			
At 1 January 2023	17,020	65,199	82,219
Additions	20,166	-	20,166
Disposals	-	(4,218)	(4,218)
At 31 December 2023	37,186	60,981	98,167
Depreciation			
At 1 January 2023	16,522	58,445	74,967
Charge for the year	4,558	1,902	6,460
At 31 December 2023	21,080	60,347	81,427
Carrying amount			
At 31 December 2023	16,106	634	16,740
At 31 December 2022	498	6,754	7,252

10 Debtors

	2023 £	*2022* £
Trade debtors	773,770	875,243
Other debtors	6,000	-
Income tax asset	54,750	52,759
	834,520	928,002

Notes to the Financial Statements
for the Year Ended 31 December 2023

11 Creditors

	2023 £	2022 £
Amounts falling due within one year		
Trade creditors	23,314	96,855
Corporation tax	16,843	10,369
Accruals and deferred income	534,570	480,369
Deferred income	466	-
	575,193	587,593

12 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £58,820 (2022: £43,249).

There are no outstanding contributions payable to the scheme at the end of the year (2022: £6,712).

13 Called up share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Issued share capital of £1 each	1	1	1	1

14 Dividends

	2023 £	2022 £
Interim dividend of £800,000 (2022: £1,724,490) per ordinary share	800,000	1,724,490

Notes to the Financial Statements

for the Year Ended 31 December 2023

15 Parent undertaking and ultimate controlling party

The Company's immediate parent is Euna Acquisiton Co. Ltd. The ultimate parent of the group is Accelerant Holdings LP, a company incorporated in the Cayman Islands. Consolidated financial statements of the immediate parent are not prepared. EUNA Underwriting Ltd is included in the consolidated financial statements of Accelerant Holdings, an Exempted Company incorporated in the Cayman Islands, which is both the highest and lowest level of consolidation that includes the results and position of the Company. The consolidated financial statements are available, a copy can be obtained on request from PO Box 309, Ugland House, Grand Cayman, KYI-1104, Cayman Islands.

The ultimate controlling party of the Group is Keoni Schwartz, an individual who owns 10% of the funds in which the Accelerant Group is held and has 100% of the voting rights in Accelerant Holdings LP.