

Registered Number : 07889205  
England and Wales

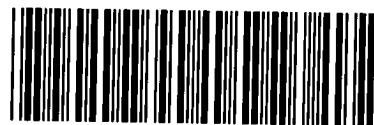
Unaudited Financial Statements for the year ended

31 March 2017

for

PRECISION UNDERWRITING (UK) LIMITED

WEDNESDAY



\*L6M56ZMQ\*

LD2

27/12/2017

#269

COMPANIES HOUSE

PRECISION UNDERWRITING (UK) LIMITED  
Contents Page  
For the year ended 31 March 2017

Company Information	3
Directors' Report	4
Statement of Financial Position	5
Notes to the Financial Statements	7

# PRECISION UNDERWRITING (UK) LIMITED

## Directors' Report

For the year ended 31 March 2017

The directors present their report and accounts for the year ended 31 March 2017.

### Principal activities

The Company's principal activity during the year is that of a Managing General Agency (MGA) specialising in the provision of professional indemnity insurance (PII), household property insurance aimed at mid net worth customers and a specialist niche property offering for beach hut owners.

### Directors

The directors who served the company throughout the year were as follows:

Mr T J Smyth

Mr G Aguilar-Millan

Mr A Mitchell (Resigned 11th of August 2016)

### Statement of director's responsibilities

The directors are responsible for preparing 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 (Financial Reporting Standard 102 1A and applicable law). The financial statements are required by law to 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 proper accounting records that 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. The directors 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.

### Status of this Directors' Report

The report of the Directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

The financial statements set out on pages 5 to 11 were approved by the board of directors on 21 December 2017 and have been signed on its behalf by:

Signed on behalf of the board



Mr G Aguilar-Millan  
Director

Date approved: 21 December 2017

PRECISION UNDERWRITING (UK) LIMITED  
Company Information  
For the year ended 31 March 2017

<b>Directors</b>	Mr T J Smyth Mr G Aguilar-Millan Mr A Mitchell (Resigned 11th of August 2016)
<b>Registered Number</b>	07889205
<b>Registered Office</b>	Epsilon House West Road Ipswich IP3 9FJ
<b>Bankers</b>	HSBC Bank plc City of London Office 60 Queen Victoria Street London EC4N 4TR

**PRECISION UNDERWRITING (UK) LIMITED**  
**Statement of Financial Position**  
**As at 31 March 2017**

	<b>Notes</b>	<b>31/03/2017</b> £	<b>31/03/2016</b> £
<b>Fixed assets</b>			
Intangible fixed assets	2	27,935	144,899
Tangible fixed assets	3	950	1,379
		<u><b>28,885</b></u>	<u><b>146,278</b></u>
<b>Current assets</b>			
Debtors	4	89,008	139,936
Cash at bank and in hand	5	243,757	293,599
		<u><b>332,765</b></u>	<u><b>433,535</b></u>
<b>Creditors: amount falling due within one year</b>	6	(1,091,610)	(883,666)
<b>Net current liabilities</b>		<u><b>(758,845)</b></u>	<u><b>(450,131)</b></u>
<b>Total assets less current liabilities</b>		<u><b>(729,960)</b></u>	<u><b>(303,853)</b></u>
<b>Net liabilities</b>		<u><b>(729,960)</b></u>	<u><b>(303,853)</b></u>
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Share premium account		5,927	5,927
Capital Contribution		928,750	928,750
Profit and loss account		(1,665,637)	(1,239,530)
<b>Shareholders funds</b>		<u><b>(729,960)</b></u>	<u><b>(303,853)</b></u>

PRECISION UNDERWRITING (UK) LIMITED

Statement of Financial Position

As at 31 March 2017

For the year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' Responsibilities:

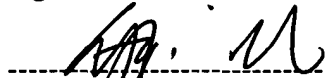
1. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
2. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

These accounts have been prepared in accordance with the provision of FRS 102 Section 1A - Small entities. The notes on pages 7 to 11 form part of these financial statements.

The directors have elected not to include the profit and loss account within the financial statements.

Signed on behalf of the board of directors



Mr G Aguilar-Millan  
Director

Date approved by the board: 21 December 2017

**PRECISION UNDERWRITING (UK) LIMITED**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2017**

**Statutory Information**

Precision Underwriting (UK) Limited is a private limited company, limited by shares, domiciled in England and Wales registration number 07889205.

The presentation currency is £ sterling.

**1. Accounting Policies**

**Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with section 1A of the Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. These financial statements are the first financial statements that are required to comply with FRS102 Section 1A small entities. The date of transition is 1 April 2015. The transition to FRS102 Section 1A small entities has not, apart from the:

- reclassification of computer software development costs as intangible fixed assets; and
  - netting down of insurance debtors of £418,093 against insurance creditors;
- resulted in any changes in the accounting policies previously applied. These have not had an impact on equity or profit or loss.

**Going Concern**

The financial statements have been prepared on a going concern basis. The directors have prepared forecasts for the period to 31 March 2019. These have been based on a realistic best estimate of future business levels and indicate that the Company is expected to be loss-making in the financial periods 2017/18 and 2018/19. The Company is currently looking at ways in which it can increase its revenue and reduce its cost base. There are a number of initiatives which are expected to have a positive impact on the Company's performance. Accordingly, the directors are optimistic about the Company's prospects. However, it is likely that the Company's ability to continue as a going concern will be dependent on the continuing financial support of its parent company and their directors to enable it to meet its liabilities as and when they fall due. The parent company and its directors have committed to providing this support.

**Turnover**

Revenues from commissions and fees are recognised at the later of the inception date of the coverage or when cover has been confirmed to the broker.

**Insurance debtors, creditors and cash**

The Company acts as an agent in underwriting the insurable risks of its clients and is generally not liable as a principal for premiums due to underwriters, or for claims payable to clients. In recognition of this relationship, the Company does not include debtors or creditors on its own balance sheet, except to the extent that the creditors are matched by cash held in insurer trust bank accounts, on which the Company earns investment income.

**PRECISION UNDERWRITING (UK) LIMITED**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2017**

**Taxation**

The tax expense for the year comprises current and deferred tax. Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. 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.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

**Intangible assets**

Intangible assets represent the costs incurred in developing the Company's computer software. The costs are amortised on a straight line basis over four years. Impairment of intangible assets is only reviewed where circumstances indicate that the carrying value of an asset may not be fully recoverable.

**Tangible fixed assets**

Tangible fixed assets, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer equipment 25%  
Fixtures and fittings 25%



PRECISION UNDERWRITING (UK) LIMITED  
Notes to the Financial Statements  
For the year ended 31 March 2017

**2. Intangible fixed assets**

<b>Cost or Valuation</b>	<b>Total £</b>
At 1 April 2016	567,752
Additions	-
Disposals	-
At 31 March 2017	<u>567,752</u>
<b>Amortisation</b>	
At 1 April 2016	422,853
Charge for year	116,964
On disposals	-
At 31 March 2017	<u>539,817</u>
<b>Net book values</b>	
At 31 March 2017	<u>27,935</u>
At 31 March 2016	<u>144,899</u>

**3. Tangible fixed assets**

<b>Cost or Valuation</b>	<b>Computer Equipment £</b>
At 1 April 2016	2,144
Additions	-
Disposals	-
At 31 March 2017	<u>2,144</u>
<b>Depreciation</b>	
At 1 April 2016	765
Charge for year	429
On disposals	-
At 31 March 2017	<u>1,194</u>
<b>Net book values</b>	
Closing balance as at 31 March 2017	<u>950</u>
Opening balance as at 1 April 2016	<u>1,379</u>

PRECISION UNDERWRITING (UK) LIMITED  
Notes to the Financial Statements  
For the year ended 31 March 2017

4. Debtors: amounts falling due within one year	31/03/2017	31/03/2016
	£	£
Accrued Income	84,536	75,272
Other Debtors	1,149	64,664
Tax recoverable	3,323	-
	<u>89,008</u>	<u>139,936</u>

5. Cash at bank and in hand	31/03/2017	31/03/2016
	£	£
Cash at bank and in hand	14,551	39,789
Cash held in Insurer Trust bank account	229,206	253,810
	<u>243,757</u>	<u>293,599</u>

Monies held in the Insurer Trust bank account are not available to the Company to use for working capital purposes.

6. Creditors: amount falling due within one year	31/03/2017	31/03/2016
	£	£
Trade Creditors	359,306	410,659
Amounts Owed to Group Undertakings	557,640	377,760
Other taxes and social security	67,233	44,413
Other Creditors	92,692	31,441
Deferred income	14,739	19,393
	<u>1,091,610</u>	<u>883,666</u>

Included in trade creditors is £229,206 (2016: £253,810) relating to insurance creditors.

**PRECISION UNDERWRITING (UK) LIMITED**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2017**

**7. Related parties**

During the year the company entered into the following transactions with related parties:

	<b>Transaction value</b>		<b>Balance owed by/(owed to)</b>	
	<b>31/03/2017</b>	<b>31/03/2016</b>	<b>31/03/2017</b>	<b>31/03/2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Precision Support Services	279,192	279,192	557,640	377,670
Provego	-	-	(67,500)	-

**Precision Support Services Ltd**

During the year the Company was charged management fees of £279,192(2016: £279,192) by Precision Support Services Limited ('Precision'). At 31 March 2017 the Company owed Precision £557,640 (2016: £377,670). Precision is a related party because Mr TJ Smyth is a director of both companies.

**Provego Ltd**

During the year the Company received a short-term loan from Provego Ltd. No interest was charged on this loan. The amount outstanding at the end of the period was £67,500 (2016:nil). Provego is a related party because Mr T J Smyth is a director of both companies.

**8. Average number of employees during the year**

Underwriting

<b>Number</b>	<b>Number</b>
5	5
<u>5</u>	<u>5</u>

**9. Controlling party**

Precision Partnership Limited owns 100% of the share capital of Precision Underwriting (UK) Limited. The ultimate controlling party is Mr T J Smyth due to his majority shareholding.