

Company No: 00214549

WILLIAM POWELL & SONS LIMITED
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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**William Powell & Sons Limited (Registered Company number 00214549
For the Year ended 31 December 2014
Company Information**

DIRECTORS:

W D Johns-Powell
J N Johns-Powell
V C Johns-Powell
Z K Johns-Powell
W J Johns-Powell
C A N Johns-Powell

SECRETARY:

J N Johns-Powell

REGISTERED OFFICE:

Cottrell Park
St Nicholas
CARDIFF
CF5 6SJ

REGISTERED NUMBER:

00214549 (England and Wales)

AUDITORS:

KTS OWENS THOMAS LIMITED
Chartered Accountants and Statutory Auditor
The Counting House
Celtic Gateway
Cardiff
CF11 0SN

The directors present their strategic report of the Company and the Group for the year ended 31 December 2014.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The results for the year and financial position of the Group are shown in the annexed financial statements.

RESULTS AND DIVIDENDS

The results for the Group for the year are shown on pages 8 and 9. The profit on ordinary activities after taxation amounted to £682,148 (2013: £1,454,939). The directors do not propose the payment of a dividend (2013: £nil).

The Group results include: William Powell & Sons Limited which made a loss of £4,574,803 (2013: profit £237,841) Powell Underwriting LLP which contributed a profit of £965,568 (2013: £1,144,550) and Cottrell Park Limited which made a profit of £23,452 (2013: £11,280).

ENVIRONMENT

The Group is committed to protecting the environment predominately through recycling and energy efficiency.

FINANCIAL INSTRUMENTS

William Powell & Sons Limited and Cottrell Park Limited do not enter into any hedging transactions. Powell Underwriting LLP participates upon 12 insurance entities in the Lloyd's Insurance Market, known that do not hedge currency exposure at a member level.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group manages and monitors its key risks through its board of directors. The board of directors consider the key risk areas facing the Group are as follows:

- **Insurance Risk**

Insurance risk is the risk that the claims payable on an insurance or reinsurance book of policies outweigh the premiums charged. Such a risk could crystallise as a result of under-pricing premiums, a major claim event, such as a hurricane, or a general (or "attritional") value of claims that exceeds expectations. The risk is managed by spreading underwriting capacity between various syndicates that write differing classes of risks. The board of directors are advised by one members agency regarding syndicate selection. There are also clear authority limits in place known as "realistic disaster scenarios" ('RDS') which seek to estimate the effect of certain loss events, such as windstorms and earthquakes.

- **Financial Risk**

Financial risk arises where the value of assets and liabilities changes as a result of movements in foreign exchange rates, interest rates and market prices. The Group adopts a conservative approach to its investment portfolio as it believes that the business should be focused on insurance risk and returns.

KEY PERFORMANCE INDICATORS

The Group monitors its underwriting performance against the Lloyd's Market median result. The Golf Club activities in Cottrell Park Limited are monitored using profit margins and facility utilisation.

FUTURE OUTLOOK

The Group continues to develop its underwriting activities through Powell Underwriting LLP by the acquisition of syndicate capacity and exploring opportunities for the expansion of its golfing/leisure facility.

EMPLOYEE INVOLVEMENT

It is the policy of the Group to encourage and develop all members of staff to realise their maximum potential. Wherever possible, vacancies are filled from within the Group and adequate opportunities for internal promotion are created. The Group supports the principle of equal opportunities in employment and opposes all forms of unlawful or unfair discrimination on the grounds of race, age, nationality, religion, ethnic or national origin, sexual orientation, gender or gender reassignment, marital status or disability. It is also the policy of the Group, where possible, to give sympathetic consideration to disabled persons in their application for employment with the Group and to protect the interests of existing members of the staff who are disabled.

ON BEHALF OF THE BOARD:



.....
J N Johns-Powell - Director

Date:

30.10.15

William Powell & Sons Limited (Registered Company number 00214549)

Report of the Directors

For the Year ended 31 December 2014

The directors present their annual report and the Group's audited financial statements for the year ended 31 December 2014.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Group's principle activities are:

- Powell Underwriting LLP, (the company is a 90% Partner), being a limited liability partnership which is member of Lloyd's and it's business is the underwriting of insurance. Lloyd's requires members to provide capital as security to support their Lloyd's underwriting business and the Partnership has provided this capital by way of an equity portfolio.
- Cottrell Park Limited, (100% Shareholding held), being a limited Company whose business is the operation of a golfing and leisure facility in South Wales.

EVENTS SINCE THE END OF THE YEAR

There is no disclosable information relating to events since the end of the year.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

W D Johns-Powell
J N Johns-Powell
C A N Johns-Powell
V C Johns-Powell
Z K Johns-Powell
W J Johns-Powell

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 Group Company and the profit or loss of the Group 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 and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 Group auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

William Powell & Sons Limited (Registered Company number 00214549)

Report of the Directors

For the Year ended 31 December 2014

AUDITORS

The auditors, KTS OWENS THOMAS LIMITED, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
J N Johns-Powell - Director

Date:

30.10.15



We have audited the financial statements of William Powell & Sons Limited for the year ended 31 December 2014 on pages 8 to 32. 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).

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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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 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 Group's and the parent 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 Group Strategic Report and the Report of the Directors 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 mis-statements 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 Group's and of the parent Company's affairs as at 31 December 2014 and of the Group's profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Group Strategic Report and the Report of the Directors 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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

Gareth Lynn (Senior Statutory Auditor)
for and on behalf of KTS OWENS THOMAS LIMITED
Chartered Accountants and Statutory Auditor
The Counting House
Celtic Gateway
Cardiff
CF11 0SN
Date: 30.10.15

William Powell & Sons Limited (Registered Company number 00214549)
Consolidated Profit and Loss Account
For the Year ended 31 December 2014

	Notes	2014 £	2013 £
TECHNICAL ACCOUNT – GENERAL BUSINESS			
Premiums written			
Gross premium written	2	9,533,291	11,701,108
Outward reinsurance premiums		(2,170,609)	(2,526,140)
Net premiums written		7,362,682	9,174,968
Change in the provision for unearned premiums			
Gross provision		608,557	(279,874)
Reinsurers' share		(55,564)	210,937
Earned premiums, net of reinsurance		7,915,675	9,106,031
Allocated investment return transferred from the non-technical account		217,333	125,579
Other technical income, net of reinsurance		-	-
Claims paid			
Gross amount		(5,134,792)	(6,184,952)
Reinsurers' share		869,714	1,260,808
Net claims paid		(4,265,078)	(4,924,144)
Change in provision for claims			
Gross amount		149,807	1,082,186
Reinsurers' share		256,058	(343,808)
Change in the net provisions for claims		405,865	738,378
Claims incurred, net of reinsurance		(3,859,213)	(4,185,766)
Changes in other technical provisions, net of reinsurance		-	-
Net operating expenses	3	(3,280,243)	(3,589,580)
Other technical charges, net of reinsurance		-	-
BALANCE ON THE TECHNICAL ACCOUNT FOR GENERAL BUSINESS		993,552	1,456,264

The notes on pages 15 to 32 form part of these Financial Statements

William Powell & Sons Limited (Registered Company number: 00214549)
Consolidated Profit and Loss Account (Continued)
For the Year ended 31 December 2014

	Notes	2014 £	2013 £
NON - TECHNICAL ACCOUNT			
Balance on the technical account for general business		993,552	1,456,264
Investment Income	4	385,705	549,927
Unrealised gains on investments		71,286	133,269
Investment expenses and charges	5	(79,041)	(130,990)
Unrealised losses on investments		(64,933)	(141,869)
Allocated investment return transferred to the general business technical account		(217,333)	(125,579)
Income from other activities	6	1,303,368	1,424,047
Total income		2,392,604	3,165,069
Interest receivable		27	205
Interest payable		(40,234)	(23,851)
Operating expenses, including value adjustments		(1,221,047)	(1,642,414)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	7	1,131,350	1,499,009
Tax on profit on ordinary activities	9a	(449,202)	(44,070)
PROFIT ON ORDINARY ACTIVITIES AFTER TAX		682,148	1,454,939
Non equity minority interest		(96,557)	(114,414)
RETAINED PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP	18/19	585,591	1,340,525

Revenue and operating profits and losses derive wholly from continuing operations.

The notes on pages 15 to 32 form part of these Financial Statements.

William Powell & Sons Limited (Registered Company number: 00214549)
Consolidated Statement of Total Recognised Gains and Losses and Note of Historical
Cost Profits and Losses
For the Year ended 31 December 2014

Statement of Total Recognised Gains and Losses

	Notes	2014 £	2013 £
PROFIT FOR THE FINANCIAL YEAR		585,591	1,340,525
Revaluation of other investments	13a	(74,359)	329,855
Revaluation of Fixed Assets	18	(1,031,550)	-
Other movements		-	6,339
TOTAL RECOGNISED GAINS AND			
LOSSES RELATING TO THE YEAR		(520,318)	1,676,719

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.

The notes on pages 15 to 32 form part of these Financial Statements

William Powell & Sons Limited (Registered Company number: 00214549)
Consolidated Balance Sheet
as at 31 December 2014

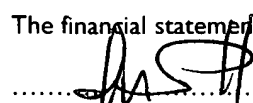
	Notes	Syndicate £	2014 Other £	Total £	Syndicate £	2013 Other £	Total £
ASSETS							
Intangible fixed assets	10	-	248,188	248,188	-	138,088	138,088
Fixed assets	11	-	4,072,094	4,072,094	-	5,382,666	5,382,666
Other financial investments							
Other financial investments	12/13	10,669,437	5,965,125	16,634,562	10,429,708	3,808,921	14,238,629
Deposits with ceding undertakings		1,584	-	1,584	2,523	-	2,523
		<u>10,671,021</u>	<u>10,285,407</u>	<u>20,956,428</u>	<u>10,432,231</u>	<u>9,329,675</u>	<u>19,761,906</u>
Reinsurers' share of technical provisions							
Provision for Unearned premium		787,795	-	787,795	807,042	-	807,042
Claims outstanding		3,383,043	-	3,383,043	3,778,941	-	3,778,941
		<u>4,170,838</u>	<u>-</u>	<u>4,170,838</u>	<u>4,585,983</u>	<u>-</u>	<u>4,585,983</u>
Debtors							
Debtors arising out of direct insurance operations		2,446,920	-	2,446,920	2,372,593	-	2,372,593
Debtors arising out of reinsurance operations		1,911,090	-	1,911,090	2,494,540	-	2,494,540
Other debtors	14	546,104	343,090	889,194	919,778	182,684	1,102,462
		<u>4,904,114</u>	<u>343,090</u>	<u>5,247,204</u>	<u>5,786,911</u>	<u>182,684</u>	<u>5,969,595</u>
Other assets							
Stocks		-	22,588	22,588	-	20,598	20,598
Cash at bank and in hand		914,217	849,945	1,764,162	812,700	368,620	1,188,320
Other assets		844,712	-	844,712	1,009,807	-	1,009,807
		<u>1,758,929</u>	<u>872,533</u>	<u>2,631,462</u>	<u>1,829,507</u>	<u>389,218</u>	<u>2,218,725</u>
Prepayments and accrued income							
Accrued interest		4,341	-	4,341	4,415	-	4,415
Deferred acquisition costs		1,008,467	-	1,008,467	1,054,085	-	1,054,085
Other prepayments and accrued income		45,658	-	45,658	48,915	48,105	97,020
		<u>1,058,466</u>	<u>-</u>	<u>1,058,466</u>	<u>1,107,415</u>	<u>48,105</u>	<u>1,155,520</u>
TOTAL ASSETS		<u>22,563,368</u>	<u>11,501,030</u>	<u>34,064,398</u>	<u>23,742,047</u>	<u>9,949,682</u>	<u>33,691,729</u>

The notes on pages 15 to 32 form part of these financial statements

William Powell & Sons Limited (Registered Company number: 00214549)
Consolidated Balance sheet (Continued)
as at 31 December 2014

	Notes	2014			2013		
		Syndicate	Other	Total	Syndicate	Other	Total
		£		£	£	£	£
LIABILITIES							
Capital and reserves							
Called up share capital	17	-	91,102	91,102	-	91,102	91,102
Freehold property revaluation reserve	18	-	102,131	102,131	-	1,423,520	1,423,520
Capital redemption reserve	18	-	19,000	19,000	-	19,000	19,000
Investment property revaluation reserve	18	-	69,063	69,063	-	69,063	69,063
Other revaluation reserve	18	-	169,555	169,555	-	563,269	563,269
Profit and loss account	18	1,573,648	7,946,468	9,520,116	1,093,849	7,231,482	8,325,331
Total Shareholders' funds	19	1,573,648	8,397,319	9,970,967	1,093,849	9,397,436	10,491,285
Non equity minority interest		-	(48,505)	(48,505)	-	(102,128)	(102,128)
Capital employed		1,573,648	8,348,814	9,922,462	1,093,849	9,295,308	10,389,157
Technical provisions							
Provision for unearned premium		4,277,419	-	4,277,419	4,659,642	-	4,659,642
Claims outstanding - gross amount		14,017,869	-	14,027,869	14,740,568	-	14,740,568
		18,295,288	-	18,295,288	19,400,210	-	19,400,210
Deposit received from reinsurers		2,183	-	2,183	2,566	-	2,566
Creditors: due within one year							
Creditors arising out of direct insurance operations		302,237	-	302,237	320,336	-	320,336
Creditors arising out of reinsurance operations		1,661,672	-	1,661,672	1,819,488	-	1,819,488
Amounts owed to credit institutions		-	-	-	-	-	-
Other creditors including taxation and social security	15	667,553	940,547	1,608,100	953,205	228,057	1,181,262
		2,631,462	940,547	3,572,009	3,093,029	228,057	3,321,086
Creditors: due after one year							
Other creditors	15	-	2,077,164	2,077,164	-	54,576	54,576
Accruals and deferred income							
	15	60,787	134,505	195,292	152,393	371,741	524,134
Total liabilities		22,563,368	11,501,030	34,064,398	23,742,047	9,949,682	33,691,729

The financial statements were approved by the Board of Directors on 30.10.15 and were signed on its behalf by:


J N Johns-Powell – Director

The notes on pages 15 to 32 form part of these financial statements

William Powell & Sons Limited (Registered Company number: 00214549)
Company Balance sheet
As at 31 December 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	11	25,000	5,021,972
Investments	13	10,630,523	6,924,627
		<u>10,655,523</u>	<u>11,946,599</u>
CURRENT ASSETS			
Other debtors	14	299,337	177,740
Cash at bank		621,435	138,748
		<u>920,772</u>	<u>316,488</u>
CREDITORS			
Amounts falling due within one year			
Other creditors including taxation and social security	15	(435,337)	(32,841)
Accruals and deferred income	15	(11,116)	(9,001)
		<u>(446,453)</u>	<u>(41,842)</u>
NET CURRENT ASSETS		<u>474,319</u>	<u>274,646</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,129,842</u>	<u>12,221,245</u>
CREDITORS			
Amounts falling due after more than one year	15	(2,011,465)	-
NET ASSETS		<u>9,118,377</u>	<u>12,221,245</u>
CAPITAL AND RESERVES			
Called up share capital	17	91,102	91,102
Freehold property revaluation reserve	18	23,718	1,763,258
Capital redemption reserve	18	19,000	19,000
Investment property revaluation reserve	18	69,063	69,063
Other revaluation reserves	18	2,361,746	1,209,166
Profit and loss account	18	6,553,748	9,069,656
SHAREHOLDERS' FUNDS	19	<u>9,118,377</u>	<u>12,221,245</u>

The financial statements were approved by the Board of Directors on 30.10.15 and were signed on its behalf by:


 J N Johns-Powell - Director

The notes on pages 15 to 32 form part of these financial statements

William Powell & Sons Limited (Registered Company number: 00214549)
Consolidated Cashflow Statement
For the Year ended 31 December 2014

	Notes	2014 £	2013 £
OPERATING ACTIVITIES			
Net cash inflow from operating activities	20a	496,057	28,542
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		27	205
Non equity minority interest paid		(40,234)	(23,851)
		(40,207)	(23,646)
TAXATION			
UK Corporation paid		(19,417)	(1,875)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS			
Purchase of syndicate capacity		(238,775)	(99,934)
Sale of syndicate capacity		60,700	77,325
Purchase of tangible fixed assets		(121,257)	(40,652)
Sale of tangible fixed assets		548,384	39,437
Purchase of investments		(2,738,425)	(1,527,315)
Sale of investments		292,787	1,456,237
		(2,196,586)	(94,902)
FINANCING		2,241,478	(68,835)
NET CASH INFLOW/(OUTFLOW) FOR THE YEAR		481,325	(160,716)

The notes on pages 15 to 32 form part of these financial statements

I. ACCOUNTING POLICIES

a. BASIS OF PREPARATION

i) Current basis

The financial statements have been prepared in accordance with:

- a) In respect of the underwriting activity, Section 396 of the Companies Act 2006, Schedule 3 of SI 2008 (No. 410), the large and medium sized companies and groups (accounts and report) regulations 2008, and the recommendations of the Statement of Recommended Practice on Accounting for Insurance Business issued by the Association of British Insurers in December 2005, as amended in December 2006. The financial statements have also been prepared in accordance with the Statement of Recommended Practice on Accounting by Limited Liability Partnerships dated March 2010.
- b) In respect of all other activity, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

ii) Basis of consolidation

The consolidated financial statements include the assets, liabilities and results of the Company and its subsidiary undertakings up to the year end. The results of subsidiary undertakings are consolidated from the date of acquisition to the date of disposal. No individual profit and loss account is presented for the Company, as permitted by S408 of the Companies Act 2006.

iii) Recognition of Insurance transactions

Preparing financial statements in accordance with Statutory Instrument 2008 410 requires the Company to recognise its proportion of all the transactions undertaken by the Lloyd's syndicates in which it participates ("the syndicates").

For each such syndicate, the Group's proportion of the underwriting transactions, investment return and operating expenses are reflected within the Group's profit and loss account. Similarly, its proportion of the syndicate's assets and liabilities are reflected in its balance sheet (under the column heading "syndicate"). The "syndicate" assets are held subject to trust deeds for the benefit of the Group's insurance creditors. The proportion referred to above is calculated by reference to the Group's participation as a percentage of the syndicate's total capacity.

The Group has delegated sole management and control of its underwriting through each syndicate to the managing agent of the syndicate ("the managing agent") and it has further undertaken not to interfere with the exercise of such management and control. The managing agents of the syndicates are therefore responsible for determining the insurance transactions to be recognised by the Company. The only exception to this rule is the level of provision for the outstanding claims. These provisions have been determined by the directors of the Company.

iv) Sources of data

The information used to compile the technical account and the "syndicate" balance sheet is based on returns prepared for this purpose by the managing agents of the syndicates ("the Returns"). These Returns are subjected to audit by the syndicate auditors and are based on the audited syndicate returns to Lloyd's and the audited annual reports to the syndicate members.

b. ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention modified by the revaluation of certain assets and investments and in accordance with applicable Accounting Standards in the United Kingdom.

c. BASIS OF ACCOUNTING FOR UNDERWRITING RESULTS

The financial statements are prepared using the annual basis of accounting. Under the annual basis of accounting a result is determined at the end of each accounting period reflecting the profit or loss from providing insurance coverage during that period and any adjustments to the profit or loss providing insurance cover during earlier accounting periods.

Amounts reported in the general business technical account relate to movements in the period in respect of all relevant years of account of the syndicates on which the Limited Liability Partnership participates.

Assets and liabilities arising as a result of the underwriting activities are mainly controlled by the syndicate's managing agents. Accordingly, these assets and liabilities have been shown separately in the consolidated balance sheet as "Syndicate Participation". Other assets and liabilities are shown as "Partnership". The syndicate assets are held subject to trust deeds for the benefit of the syndicate's insurance creditors.

The information included in these financial statements in respect of the syndicates has been supplied by the managing agent based upon the accounting policies they have adopted.

General Business:

i) Premiums

Premiums written comprise the total premiums receivable in respect of business incepted during the year, together with any differences between booked premiums for prior years and those previously accrued, and include estimates of premiums due but not yet receivable or notified to the syndicates on which the Limited Liability subsidiary undertaking participates, less an allowance for cancellations. All premiums are shown gross of commission payable to intermediaries and exclude taxes and duties levied on them.

ii) Unearned premiums

Written premium is earned according to the risk profile of the policy. Unearned premiums represent the proportion of premiums written in the year that relate to unexpired terms of policies in force at the balance sheet date, calculated on a time apportionment basis having regard, where appropriate, to the incidence of risk. The specific basis adopted by each syndicate is determined by the relevant managing agent.

iii) Deferred Acquisition Costs

Acquisition costs, which represent commission and other related expenses, are deferred over the period in which the related premiums are earned.

iv) Reinsurance Premiums

Reinsurance premium costs are allocated by the managing agent of each syndicate to reflect the protection arranged in respect of the business written and earned.

v) Claims Incurred and Reinsurer's share

Claims incurred comprise claims and settlement expenses (both internal and external) occurring in the year and changes in the provisions for outstanding claims, including provisions for claims incurred but not reported and settlement expenses, together with any other adjustments to claims from previous years. Where applicable, deductions are made for salvage and other recoveries.

The provision for claims outstanding comprises amounts set aside for claims notified and claims incurred but not yet reported (IBNR). The amount included in respect of IBNR is based on statistical techniques of estimation applied by each syndicate's in house reserving team and reviewed by external consulting actuaries. These techniques generally involve projecting from past experience the development of claims over time to form a view of the likely ultimate claims to be experienced for more recent underwriting, having regard to variations in the business accepted and the underlying terms and conditions. The provision for claims also includes amounts in respect of internal and external claims handling costs. For the most recent years, where a high degree of volatility arises from projections, estimates may be based in part on output from rating and other models of the business accepted and assessments of underwriting conditions.

The reinsurers' share of provisions for claims is based on calculated amounts of outstanding claims and projections for IBNR, net of estimated irrecoverable amounts, having regard to each syndicate's reinsurance programme in place for the class of business, the claims experience for the year and the

current security rating of the reinsurance companies involved. Each syndicate uses a number of statistical techniques to assist in making these estimates.

Accordingly the two most critical assumptions made by each syndicate's managing agent as regards claims provisions are that the past is a reasonable predicator of the likely level of claims development and that the rating and other models used including pricing models for recent business are reasonable indicators of the likely level of ultimate claims to be incurred.

The level of uncertainty with regard to the estimates within these provisions generally decreases with time since the underlying contracts were exposed to new risks. In addition the nature of short tail claims such as property where claims are typically notified and settled within a short period of time will normally have less uncertainty after a few years than long tail risks such as some liability business where it may be several years before claims are fully advised and settled. In addition to these factors if there are disputes regarding coverage under policies or changes in the relevant law regarding a claim this may increase the uncertainty in the estimation of the outcomes.

The assessment of these provisions is usually the most subjective aspect of an insurer's accounts and may result in greater uncertainty within an insurer's accounts than within those of many other businesses. The provisions for gross claims and related reinsurance recoveries have been assessed on the basis of the information currently available to the directors of each syndicate's managing agent. However, ultimate liability will vary as a result of subsequent information and events and this may result in significant adjustments to the amounts provided. Adjustments to the amounts of claims provisions established in prior years are reflected in the Financial Statements for the period in which the adjustments are made. The provisions are not discounted for the investment earnings that may be expected to arise in the future on the funds retained to meet the future liabilities. The methods used, and the estimated made, are reviewed regularly.

vi) Unexpired Risks Provision

Provision for unexpired risks are made where the costs of outstanding claims, related expenses and deferred acquisition costs are expected to exceed the unearned premium provision carried forward at the balance sheet date. The provision for unexpired risks is calculated separately by reference to classes of business which are managed together, after taking into account relevant investment return. The provision is made on a syndicate by syndicate basis by the relevant managing agent.

vii) Closed Years of Account

At the end of the third year, the underwriting account is normally closed by reinsurance in to the following year of account. The amount of the reinsurance to close premium payable is determined by the managing agent, generally by estimating the cost of claims notified but not settled at 31 December, together with the estimated cost of claims incurred but not reported at that date, and an estimate of future claims handling costs. Any subsequent variation in the ultimate liabilities of the closed year of account is borne by the year of account into which it is reinsured.

The payment of reinsurance to close premium does not eliminate the liability of the closed year for outstanding claims. If the reinsuring syndicate was unable to meet its obligations and the other elements of Lloyd's chain of security were to fail, then the closed underwriting account would have to settle outstanding claims.

The Directors consider that the likelihood of such a failure of the reinsurance to close is extremely remote, and consequently the reinsurance to close has been deemed to settle the liabilities outstanding at the closure of an underwriting account. The Group has included its share of the reinsurance to close premiums payable as technical provisions at the end of the current period, and no further provision is made for any potential variation in the ultimate liability of that year of account.

viii) Run-off Years of Account

Where a year of account is not closed the end of the third year (a "run-off" year of account) a provision is made for the estimated cost of all known and unknown outstanding liabilities of that year. The provision is determined initially by the managing agent on a similar basis to the reinsurance to close. However, any subsequent variation in the ultimate liabilities for that year remains within the

underwriting members participating therein. As a result any run-off year will continue to report movements in its results after the third year until such as it secures a reinsurance to close.

ix) Income from Other Activities

Income from other activities represents the net invoiced rent, goods and services, excluding value added tax arising within the Group.

x) Net Operating Expenses (including acquisition costs)

Net operating costs include acquisition costs, profit and loss on exchange and other amounts incurred by the syndicates on which the Limited Liability Partnership subsidiary participates.

Acquisition costs, comprising commission and other costs related to the acquisition of new insurance contracts are deferred to the extent that they are attributable to premiums unearned at the Balance Sheet date.

xi) Distribution of Profit and Collection of Losses

Lloyd's operates a detailed set of regulations regarding solvency and the distribution of profits and payment of losses between syndicates and their underwriting members. Lloyd's continues to require membership of syndicates to be on a year of account basis and profits and losses belong to underwriting members according to their membership of a year of account. Normally profits and losses are transferred between the syndicate and underwriting members after results for a year of account are finalised after 36 months. This period may be extended if a year of account goes into run-off. The syndicate may make earlier on account distributions or cash calls according to the cash flow of a particular year of account and subject to Lloyd's requirements.

xii) Investments

Investments are stated at current value, including accrued interest at the Balance Sheet date.

xiii) Investment Return

Investment return comprises all investment income, realised investment gains and losses and movement in unrealised gains and losses, net of investment expenses and charges.

Realised and unrealised gains and losses are measured by reference to the original cost of the investment if purchase in the year or if held at the beginning of the year by reference to the current value at that date.

Investment return is initially recorded in the non-technical account. A transfer is made from the non-technical account to the general business technical account to reflect the investment return on funds supporting the underwriting business.

xiv) Basis of Currency Translation

Syndicates maintain separate funds in Sterling, United States dollars, Canadian dollars and Euros.

Income and expenditure in US dollars, Canadian dollars and Euros is translated at the average rate of exchange for the year. Underwriting transactions denominated in other foreign currencies are included at the rate of exchange ruling at the date the transaction is processed.

Assets and liabilities are translated into Sterling at the rates of exchange at the Balance Sheet date.

Differences arising on translation of foreign current amounts in syndicates are included in the non-technical account.

xv) Debtors/Creditors arising from Insurance/Reinsurance Operations

The amounts shown in the Balance Sheet include the totals of all the syndicates outstanding debit and credit transactions as processed by the Lloyd's central facility; no account has been taken of any offsets which may be applicable in calculating the net amounts due between the syndicates and each of their counterparty insureds, reinsurers or intermediaries as appropriate.

c. MEMBERS' REMUNERATION (SUBSIDIARY)

Under the partnership agreement the net profit of the LLP subsidiary is allocated to each Member in accordance with their respective profit share for relevant underwriting years of account on a fair and equitable basis.

Under the agreement the net profits are divided between Members when determined. Accordingly the net profits have been treated as an expense in the Profit and Loss Account. To the extent they remain unpaid at the year end they are shown as liabilities in the Balance Sheet.

d. TAXATION

The Group is taxed on its share of the underwriting results of syndicates and these are deemed to accrue evenly over the calendar year in which they are declared.

Other profits are assessable to Corporation tax in the year as they are recognised for accounting purposes, after adjustment in accordance with tax legislation. HM Revenue and Customs ("HMRC") determines the taxable results of syndicates on the basis of computations submitted by the management agent. Any adjustments that may be necessary to the tax provisions established by the Company as a result of HMRC's agreement of individual syndicate taxable results will be reflected in the financial statements of subsequent years.

e. CASHFLOW

The Group has no control over the disposition of assets and liabilities at Lloyd's. Consequently, the Cash Flow Statement in respect of the accounts of the Partnership Subsidiary is prepared reflecting only the movement in corporate funds, which includes transfers to and from syndicates at Lloyd's.

f. INTANGIBLE FIXED ASSETS

Costs incurred by the Partnership Subsidiary in the Corporation of Lloyd's auctions in order to acquire rights to participate on syndicates' underwriting years are included within intangible fixed assets and amortised over a five year period beginning in the year the underwriting commences in respect of the purchased syndicate participation.

Goodwill, being the amount paid in connection with the acquisition of a business in 2004, is being amortised evenly over its estimated useful life of twenty years.

g. TANGIBLE FIXED ASSETS

Plant and machinery, fixtures and fittings are stated at historical cost net of depreciation and any provision for impairment. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant & Machinery	- Straight line over 5 – 10 years
Fixtures & Fittings	- Straight line over 5 years

Freehold property is valued at an open market value. The surplus or deficit on revaluation is transferred to the revaluation reserve unless the impairment creates a deficit below original cost, in which case the impairment is recognised in the Profit and Loss Account for the year.

No depreciation is provided in respect of freehold property; this constitutes a departure from the statutory rules requiring fixed assets to be depreciated over their economic lives and is necessary to enable the financial statements to give a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

h. DEFERRED TAX

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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 with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- 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 differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the Balance Sheet date.

i. HIRE PURCHASE AND LEASING COMMITMENTS

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

j. INVESTMENT PROPERTIES

The directors have revalued the fixed asset investment properties to the value which they consider to be the open market value as at 31 December 2014. No subsequent valuations or impairments are considered necessary. The surplus or deficit on revaluation is transferred to the investment property revaluation reserve, unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the Profit and Loss Account for the year.

No depreciation has been provided as investment properties are not required to be depreciated under Statements of Standard Accounting Practice 19. This is a departure from the requirements of the Companies Act 2006 which requires all properties to be depreciated. Such properties are not held for consumption but for investment and the directors consider that to depreciate them would not give a true and fair view.

k. LISTED INVESTMENTS

Listed investments are valued at market value. The surplus or deficit on revaluation is transferred to the "Other Revaluation Reserve", unless the impairment creates a deficit below original cost on an individual investment which is expected to be permanent, in which case the impairment is recognised in the Profit and Loss Account for the year,

l. OTHER INVESTMENTS

Other investments are valued by the directors based on the percentage of the investments in the net assets of the relevant undertaking. The surplus or deficit on revaluation is transferred to the "Other Revaluation Reserve".

William Powell & Sons Limited (Registered Company number: 00214549)

For the Year ended 31 December 2014

Notes to the accounts

2. CLASS OF BUSINESS

	Gross Premiums Written £	Gross Premiums Earned £	Gross Claims Incurred £	Net Operating Expenses £	Re- insurance Balance £	Total £
2014						
Direct Insurance						
Accidental and health	457,717	482,132	(209,352)	(196,240)	(35,646)	40,894
Motor – third party						
liability	36,046	38,916	(21,698)	(13,604)	(2,369)	1,245
Motor – other classes	553,992	997,029	(684,812)	(319,809)	41,419	33,827
Marine, aviation &						
transport	1,114,271	1,106,303	(575,462)	(366,967)	(67,912)	95,962
Fire & other damage to						
property	2,934,481	2,846,169	(1,080,826)	(920,337)	(494,961)	350,045
Third party liability	1,764,733	1,663,258	(1,359,883)	(544,612)	1,023	(240,214)
Credit and suretyship	141,969	132,132	(96,888)	(30,972)	(5,105)	(833)
Legal expenses	20,678	22,687	(8,020)	(12,716)	(116)	1,835
Assistance	-	-	-	-	-	-
Miscellaneous	303,951	434,986	(149,727)	(220,260)	(32,485)	32,514
Total direct	7,327,838	7,723,612	(4,186,668)	(2,625,517)	(596,152)	315,275
Reinsurance	2,205,453	2,418,236	(798,317)	(654,726)	(504,249)	460,944
Total	9,533,291	10,141,848	(4,984,985)	(3,280,243)	(1,100,401)	776,219
	Gross Premiums Written £	Gross Premiums Earned £	Gross Claims Incurred £	Net Operating Expenses £	Re- insurance Balance £	Total £
2013						
Direct Insurance						
Accidental and health	488,652	436,039	(239,261)	(178,711)	(24,198)	(6,131)
	38,959	33,143	(21,216)	(12,075)	(35)	(183)
Motor – third party	1,430,925	1,507,460	(1,127,166)	(515,194)	12,562	(122,338)
liability						
Motor – other classes						
	1,131,608	1,101,353	(448,118)	(326,804)	(104,060)	222,371
Marine, aviation &						
transport	2,941,436	2,857,092	(1,121,581)	(940,482)	(461,566)	333,463
Fire & other damage to	1,730,169	1,609,963	(1,070,703)	(537,499)	(1,487)	274
property						
Third party liability	177,542	171,355	(36,111)	(54,296)	(39,457)	41,491
Credit and suretyship	28,068	25,760	(11,823)	(12,990)	(1,354)	(407)
Legal expenses	-	-	-	-	-	-
Assistance	362,737	421,667	(124,777)	(219,537)	(45,597)	31,756
Miscellaneous						
	8,330,096	8,163,832	(4,200,756)	(2,797,588)	(665,192)	500,296
Total direct	3,371,012	3,257,402	(902,010)	(791,992)	(733,011)	830,389
Reinsurance						
Total	11,701,108	11,421,234	(5,102,766)	(3,589,580)	(1,398,203)	1,330,685

All insurance business is underwritten in the UK in the Lloyd's insurance market, which has been treated as one geographical segment for the purpose of SSAP25: Segmental Reporting. All other trading activities occur in the UK.

3. NET OPERATING EXPENSES

	2014	2013
	£	£
Acquisition costs	2,669,441	3,136,451
Change in deferred acquisition costs	107,289	(92,245)
Administrative expenses	527,607	540,627
Reinsurance commission and profit participants	(320,021)	(332,041)
Personal expenses	295,927	336,788
	3,280,243	3,589,580

4. INVESTMENT INCOME

	2014	2013
	£	£
Income from Investments	290,415	484,101
Realised gains on Investments	95,290	65,212
Deposit interest	-	614
	385,705	549,927

5. INVESTMENT EXPENSES AND CHARGES

	2014	2013
	£	£
Investment management charges, including interest	21,055	28,322
Realised losses on investments	57,986	102,668
	79,041	130,990

6. INCOME FROM OTHER ACTIVITIES

	2014	2013
	£	£
Underwriting investment	125	(10,643)
Income from trading activities	1,303,243	1,434,690
	1,303,368	1,424,047

7. PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

	2014	2013
	£	£
Profit on ordinary activities before tax is stated after charging/(crediting):		
Amortisation of syndicate capacity	62,732	124,486
(Profit)/loss on disposal of syndicate capacity	(125)	10,643
(Profit)/loss on foreign currency exchange	(108,959)	157,438
Amortisation of goodwill	5,368	5,368
Depreciation of tangible fixed assets – owned assets	87,088	57,007
Depreciation on tangible fixed assets – hire purchase	687	-
Loss/(Profit) on disposal of investments	79,014	(141,341)
Profit on disposal of fixed assets	(220,447)	(29,548)
Hire of other assets under operating leases	-	50
Group Auditors Remuneration:		
- Parent Company and group accounts	4,281	4,284
- Audit of subsidiaries	9,000	15,360
Non Audit Remuneration:		
- Tax services	2,000	3,920
- Other services	26,735	2,166
Fees payable to other auditors:		
- the audit of a subsidiary	72	80

8. STAFF COSTS

	2014 £	2013 £
Salaries and associated expenses:		
Wages and salaries	422,786	438,222
Social security costs	29,493	30,027
Pensions	30,110	-
	482,389	468,249
Average number of employees:	2014	2013
Cottrell Park Ltd	15	22
William Powell & Sons Limited	6	-
Powell Underwriting LLP	-	-
Directors' remuneration	104,963	37,502

9. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2014 £	2013 £
Current tax		
United Kingdom corporation tax on profit of the year	22,749	15,381
Under provision in prior year	415,330	-
	438,079	15,381
Deferred tax		
Origination and reversal of timing differences (note 16)	11,123	28,689
Tax on profit on ordinary activities	449,202	44,070

(b) Factors affecting the tax charge for the year

Profit on ordinary activities before tax	1,131,350	1,499,009
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 20% (2013 20%)	226,270	299,802
Effects of:		
Expenses not deductible for tax purposes	1,922	2,684
Non-taxable income	(34,861)	(28,561)
Depreciation in excess of capital allowances	(4,236)	(2,685)
Marginal relief	473	-
Utilisation of tax losses	-	(15,662)
Tax adjustment for investments	-	(28,268)
Chargeable gains	55,876	29,234
Lloyds syndicate adjustments	(193,114)	(241,163)
Loss on sale of fixed assets	(29,581)	-
Under provision in prior year	415,330	-
Current tax charge for the year (see (a) above)	438,079	15,381

(b) Factors that may affect future tax charges

No provision has been made for deferred tax on gains recognised on revaluing freehold property to its market value. Such tax would become payable only if the property were sold without it being possible to claim

rollover relief. As the property has been held with the William Powell & Sons group since 1942, under current UK taxation legislation the charge would be based on the market value in 1982 and any subsequent additions the Directors do not consider this amount to be material to the statements.

10. INTANGIBLE FIXED ASSETS

Group	Purchased Syndicate Capacity £	Goodwill £	Total £
COST OR VALUATION			
At 1 January 2014	1,194,858	107,378	1,302,236
Additions	238,775	-	238,775
Disposals	(60,575)	-	(60,575)
At 31 December 2014	1,373,058	107,378	1,480,436
AMORTISATION			
At 1 January 2014	1,111,363	52,785	1,164,148
Provided during the year	62,732	5,368	68,100
Disposals	-	-	-
At 31 December 2014	1,174,095	58,153	1,232,248
NET BOOK VALUE			
At 31 December 2014	198,963	49,225	248,188
At 31 December 2013	83,495	54,593	138,088

11. TANGIBLE FIXED ASSETS

Group	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Total £
COST OR VALUATION				
At 1 January 2014	5,123,123	790,640	464,230	6,377,993
Additions	28,427	109,331	-	137,758
Disposals	(295,000)	(61,726)	-	(356,726)
Revaluation	(1,031,550)	-	-	(1,031,550)
At 31 December 2014	3,825,000	838,245	464,230	5,127,475
DEPRECIATION				
At 1 January 2014	-	531,129	464,198	995,327
Charge for year	-	87,743	32	87,775
Eliminated on disposals	-	(27,722)	-	(27,722)
At 31 December 2014	-	591,150	464,230	1,055,380
NET BOOK VALUE				
At 31 December 2014	3,825,000	247,095	-	4,072,095
At 31 December 2013	5,123,123	259,511	32	5,382,666

Included within the above netbook value of plant and machinery is £15,813 (2013: £nil) held under hire purchase contracts.

11. TANGIBLE FIXED ASSETS (CONTINUED)

Group (Continued)

Cost or valuation at 31 December 2014 is represented by:

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Total £
Valuation in 2014	441,870	-	-	441,870
Cost	3,383,130	838,245	464,230	4,685,605
Total	<u>3,825,000</u>	<u>838,245</u>	<u>464,230</u>	<u>5,127,475</u>

If freehold property had not been re-valued they would have been included at the following historical cost:

	2014 £	2013 £
Cost	<u>3,383,130</u>	<u>3,359,865</u>

Freehold land and buildings were valued on an open market basis on 17 June 2014 by Hicks Day Jones Westlake.

Company

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Total £
COST				
At 1 January 2014	5,021,900	365,585	464,230	5,851,715
Disposals	(4,996,900)	(365,585)	(464,230)	(5,826,715)
At 31 December 2014	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
DEPRECIATION				
At 1 January 2014	-	365,545	464,198	829,743
Eliminated on disposal	-	(365,545)	(464,198)	(829,743)
At 31 December 2014	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET BOOK VALUE				
At 31 December 2014	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
At 31 December 2013	5,021,900	40	32	5,021,972

11. TANGIBLE FIXED ASSETS (Continued)
Company (continued)

Cost or valuation at 31 December 2014 is represented by:

	Freehold Property	Plant & Machinery	Fixtures & Fittings	Total
	£	£	£	£
Valuation in 2014	23,717	-	-	23,717
Cost	1,283	-	-	1,283
Total	25,000	-	-	25,000

If freehold property had not been re-valued they would have been included at the following historical cost:

	2014	2013
	£	£
Cost	1,283	3,258,642

During the year Cottrell Park Golf Club and Resort was transferred from William Powell & Sons Limited to Cottrell Park Limited at £nil value. The remaining assets are valued on the basis of an open market value obtained on 29 July 2011 by Herbert R Thomas LLP.

12. SYNDICATE INVESTMENTS

Group	2014 Market Value	2014 Cost	2013 Market Value	2013 Cost
	£	£	£	£
Shares and other variable yield securities & units in unit trusts	1,848,892	1,811,075	1,626,373	1,599,475
Debt securities and other fixed income Securities	8,292,677	8,255,018	8,025,735	8,071,350
Participation investment pools	223,717	189,277	560,035	536,278
Loans secured by mortgages	8,973	8,942	22,242	22,087
Other loans	90,562	90,576	7,476	7,476
Deposits with credit institutions	10,169	10,148	9,677	9,677
Other	194,447	188,875	178,170	175,482
	10,669,437	10,553,911	10,429,708	10,421,825

Listed investments included within the above

10,365,286	10,255,370	10,212,143	10,207,103
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13. OTHER INVESTMENTS

(a) Group

	Listed & other Investments £	Investment properties £	Totals £
COST OR VALUATION			
At 1 January 2014	3,738,921	70,000	3,808,921
Additions	2,602,364	-	2,602,364
Disposals	(371,801)	-	(371,801)
Revaluations	(74,359)	-	(74,359)
At 31 December 2015	5,895,125	70,000	5,965,125
NET BOOK VALUE			
At 31 December 2014	5,895,125	70,000	5,965,125
At 31 December 2013	3,738,921	70,000	3,808,921

Cost or revaluation at 31 December 2014 is represented by:

	Listed & other investments £	Investment properties £	Total £
Valuation	169,553	69,063	238,616
Cost	5,725,572	937	5,726,509
Total	5,895,125	70,000	5,965,125

Listed and other investments

Included in the net book value of listed and other investments of £5,895,125 (2013: £3,738,921) are listed investments listed on the London Stock Exchange, the market value of which at 31 December 2014 amounted to £5,824,318 (2013: £3,250,967).

Investment properties

Investment properties were valued on an open market basis on 31 December 2014 by the directors and have been determined to be a fair value in the current market conditions.

(b) Company

	2014 £	2013 £
Shares in group undertakings	3,900,666	2,218,311
Loan to group undertaking	764,732	897,395
Other investments	5,965,125	3,808,921
	10,630,523	6,924,627

13. OTHER INVESTMENTS (CONTINUED)

Additional information is as follows:

	Shares in group undertakings £	Listed & other Investments £	Investment properties £	Totals £
COST OR VALUATION				
At 1 January 2014	2,218,311	3,738,921	70,000	6,027,232
Additions	136,061	2,602,364	-	2,738,425
Disposals	-	(371,801)	-	(371,801)
Revaluations	1,546,294	(74,359)	-	1,471,935
At 31 December 2014	3,900,666	5,895,125	70,000	9,865,791
NET BOOK VALUE				
At 31 December 2014	3,900,666	5,895,125	70,000	9,865,791
At 31 December 2013	2,218,311	3,738,921	70,000	6,027,232

Cost or revaluation at 31 December 2014 is represented by:

	Shares in group undertakings £	Listed & other Investments £	Investment properties £	Totals £
Valuation	2,328,254	169,553	69,063	2,566,870
Cost	1,572,412	5,725,572	937	7,298,921
Total	3,900,666	5,895,125	70,000	9,865,791

Share of group undertakings

On 7th July 2015, the percentage owned of Powell Underwriting LLP, was valued on an open market basis, by Humphrey & Co at £3,777,557. This valuation has been incorporated into the financial statements and the directors do not believe this to be materially different to the value of Powell Underwriting LLP at the 31 December 2014.

Listed and other investments

Included in the net book value of listed and other investments of £5,895,125 (2013: £3,738,921) are listed investments listed on the London Stock Exchange, the market value of which at 31 December 2014 amounted to £5,824,318 (2013: £3,250,987).

Investment properties

Investment properties were valued on an open market basis on 31 December 2014 by the directors and have been determined to be a fair value in the current market conditions.

Non LLP investment revaluation

LLP revaluations are disclosed in technical format as presented in the financial statements of the Powell Underwriting LLP (non technical account) in line with the stated accounting policy reference ie (xiii).

Shares in group undertakings

The Company's principal subsidiary undertakings at 31 December 2014 (and at 31 December 2013) were:

	Nature of Business	County of Registration	Basis of Control	Aggregate Capital & Reserves	Profit for the year
Cottrell Park Ltd	Golf Club	England & Wales	100% ordinary share capital	3,568,437	23,452
Powell Underwriting LLP	Underwriting Member of Lloyds	England & Wales	90% general partner	1,142,893	965,568

14. OTHER DEBTORS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Amounts receivable from managed Syndicates	546,104	919,778	-	-
Other	343,090	182,684	299,337	177,740
	889,194	1,102,462	299,337	177,740

Included within the above amount £889,194 (2013: £150,000) is due in more than one year.

The loan notes due within one year £75,000 (2013: £nil) accrue interest at 25% per annum (gross) and have a maturity date of 30th June 2015. The loan notes due in more than one year accrue interest at 10% per annum (gross). These loan notes are convertible, and repayments of the first tranche is 24 months from the date of the issue of the instrument certificate, provided the election to convert is not exercised.

15. OTHER CREDITORS INCLUDING TAXATION AND SOCIAL SECURITY

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Amounts falling due within one year				
Amounts payable to managed syndicates	667,553	953,205	-	-
Other	940,547	228,057	435,337	32,841
Accruals and deferred income	195,292	524,134	11,116	9,001
	1,803,392	1,705,396	446,453	41,842
Amounts falling due after one year:				
Deferred taxation (note 16)	65,699	54,576	-	-
Other	211,265	-	211,465	-
Other Loans	1,800,000	-	1,800,000	-
	2,077,164	54,576	2,011,465	-

16. DEFERRED TAXATION

Group	2014	2013
	£	£
At 1 January 2014	54,576	25,887
Movement in provision	11,123	28,689
At 31 December 2014	65,699	54,576

Deferred tax consists entirely of accelerated capital allowances.

17. CALLED UP SHARE CAPITAL

	2014	2014	2013	2013
	Number	£	Number	£
Allotted and called up Ordinary £1 shares	91,102	91,102	91,102	91,102

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18. RESERVES

Group

	Profit & Loss Account £	Freehold Property Revaluation Reserve £	Capital Redemption Reserve £
At 1 January 2014	8,325,331	1,423,520	19,000
Profit for the year	585,591	-	-
Revaluation of assets	-	(1,031,550)	-
Release on sale of assets	609,194	(289,839)	-
At 31 December 2014	9,520,116	102,131	19,000

	Investment Property Revaluation Reserve £	Other Revaluation Reserve £	Totals £
At 1 January 2014	69,063	563,269	10,400,183
Profit for the year	-	-	585,591
Revaluation of assets	-	(74,359)	(1,105,909)
Release on sale of assets	-	(319,355)	-
At 31 December 2014	69,063	169,555	9,879,865

Company

	Profit & Loss Account £	Freehold Property Revaluation Reserve £	Capital Redemption Reserve £
At 1 January 2014	9,069,656	1,763,258	19,000
Deficit for the year	(4,574,803)	-	-
Revaluation of other investments	-	-	-
Release on sale of assets	2,058,895	(1,739,540)	-
At 31 December 2014	6,553,748	23,718	19,000

	Investment Property Revaluation Reserve £	Other Revaluation Reserve £	Totals £
At 1 January 2014	69,063	1,209,166	12,130,143
Profit for the year	-	-	(4,574,803)
Deficit for the year	-	-	-
Revaluation of other investments	-	1,471,935	1,475,935
Release on sale of other investments	-	(319,355)	-
At 31 December 2014	69,063	2,361,746	9,027,275

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Profit for the financial year	585,591	1,734,248	(4,574,803)	237,841
Other recognised gains and losses attributable to the Group (net)	(1,105,909)	(57,529)	1,471,935	336,194
Net addition to Shareholders' funds	(520,318)	1,676,719	(3,102,868)	574,035
Opening shareholders' funds	10,491,285	8,814,566	12,221,245	11,647,210
Closing shareholders' funds	9,970,967	10,491,285	9,118,377	12,221,245

20. a) CONSOLIDATED CASHFLOW STATEMENT

	2014	2013
	£	£
Profit on ordinary activities before tax	1,131,350	1,499,009
Interest receivable	(27)	(205)
Interest payable	40,234	23,851
Adjusted Profit on ordinary activities before tax	1,171,557	1,522,655
Profit attributable to syndicate transactions	(1,107,534)	(1,324,529)
Profit excluding syndicate transactions	64,023	198,126
(Increase)/decrease in stocks	(1,990)	5,157
(Increase)/decrease in debtors	(64,204)	304,775
Increase/(decrease) in creditors	482,843	(512,470)
(Loss)/profit on disposal of syndicate capacity	(125)	10,643
Amortisation of syndicate capacity	62,732	124,486
Amortisation of goodwill	5,368	5,368
Depreciation	87,775	57,007
Loss/(Profit) on sale of investment	79,014	(141,341)
Profit on sale of fixed assets	(219,379)	(29,548)
Release on sale of investment	-	6,339
Net cash inflow from operating activities	496,057	28,542

20. b) ANALYSIS OF CHANGES IN NET DEBT

	At beginning of year	Cashflow	At end of year
	£	£	£
Cash and at bank	368,620	481,325	849,945
Debt due within 1 year	-	(200,000)	(200,000)
Debt due more than 1 year	-	(1,800,000)	(1,800,000)
Finance leases	-	(8,250)	(8,250)
Total	368,620	(1,526,925)	(1,158,305)

21. NON EQUITY MINORITY INTEREST

The non equity minority interest represents a 10% holding of the members' yearly share capacity and a share of the profit in Powell Underwriting LLP from 1 January 2010 onwards. The holder of 5% of the non equity minority interest is also a 50% shareholder of William Powell & Sons Limited.

22. RELATED PARTY DISCLOSURE

There are no related party transactions to be disclosed. As consolidated group accounts under the Companies Act 2006 are filed at Companies House, the company has taken the exemption under FRS 8 not to disclose group accounting transactions with wholly owned subsidiaries. During the year £450,749 was received from 90% subsidiary Powell Underwriting LLP in respect of distributed profits. In the previous year £34,413 was paid to 90% subsidiary Powell Underwriting LLP in respect of reimbursement of the trading deficit of the LLP. At the balance sheet date £417,352 (2013: £313,515) was due to the company from Powell Underwriting LLP.

23. TRANSACTIONS WITH DIRECTORS

Mr W D Johns-Powell owed the Company £44,773 (2013: was owed £31,303) by the Group at the end of the year which consisted of £44,773 (2013: owed £25,101) in William Powell & Sons Limited and £Nil due from (2013: £6,202) Cottrell Park Limited. During the year he made drawings on this amount of £76,076 (2013: £60,262) and advanced £Nil (2013: £43,851) into his loan account.

Mr J N Johns-Powell and Mrs C Johns-Powell purchased land for £7,500 during the prior year from William Powell & Sons Limited, at the end of the year they each owed the Company £nil (2013: £3,750) in relation to this transaction.

Mr J N Johns-Powell owed the company £375 (2013: £711) at the end of the year. During the year he made drawings of £Nil (2013: £711) and introduced £3,361 (2013: £Nil) to the company. No interest (2013: £Nil) was accrued to Mr J N Johns-Powell at the balance sheet date.

During the year interest of nil (2013: 8%) was charged on directors' loan accounts.

Both loans are repayable on demand.

24. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

25. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent Company is not presented as part of these financial statements. The parent Company's loss for the financial year was £4,574,803 (2013: profit £237,841)

26. SECURED DEBT

There is a mortgage debenture with Allied Irish Bank (GB) over all the assets of the Company. Allied Irish Bank (GB) also hold a first legal mortgage over Cottrell Park Golf Resort.

A bank guarantee with Allied Irish Bank (GB) was replaced on the 5th June 2014 with a loan of £2,000,000. In addition on this date the first legal mortgage over Cottrell Park Golf Resort was replaced with a guarantee to the sum of £2m executed by Cottrell Park Limited and supported by a First Legal charge over Cottrell Park Limited.

Hire Purchase debts are secured on the assets to which they relate.