

Reports & Financial Statements

For the year ended 31 December 2016

H. W. Wood International Limited

Registered number: 02118721

THURSDAY



L6C231PC

LD2

03/08/2017

#85

COMPANIES HOUSE

DIRECTORS:

S G Rudduck
J C White (appointed 16 February 2017)
P H Chamberlain

SECRETARY:

P H Chamberlain

REGISTERED OFFICE:

The Baltic Exchange
38 St Mary Axe
LONDON EC3A 8BH

STATUTORY AUDITOR:

Grant Thornton UK LLP
30 Finsbury Square
LONDON
EC2P 2YU

CONTENTS

Page

Officers and Professional Advisors

1

Strategic Report

2

Directors' Report

3 - 4

Independent Auditor's Report

5 - 6

Statement of Comprehensive Income

7

Statement of Financial Position

8

Statement of Changes in Equity

9

Notes to the Financial Statements

10 - 14

STRATEGIC REPORT

The Directors present their strategic report for the Company for the year ended 31 December 2016.

Review and analysis of the business

The Company continued its principal activities throughout the current year, which are those of insurance and reinsurance broking. The Company's portfolio is managed on its behalf by H. W. Wood Limited, a fellow Group company.

Key performance indicators

Management use a range of financial and non-financial key performance indicators to monitor and manage the business. The performance measures are as set out below.

Turnover

As reported in the statement of comprehensive income on page 7, turnover increased during the year by 3% reflecting the market conditions for the Company's categories of business.

Profit margins

The company incurred a loss due to the costs of its branch operation in Amsterdam which is yet to achieve a profitable position.

Net Assets

As at 31 December 2016 the Company's net assets stood at £300,001 (2015: £599,580). Management continue to put emphasis on creating long term shareholder value.

Principal risks and uncertainties facing the business

Management continually monitor the key risks facing the Company. The principal risks and uncertainties facing the Company are as follows:

Exchange rate risk

A significant portion of the Company's underlying trading is denominated in currencies other than Sterling. The Company seeks to mitigate the subsequent exchange rate risk by maintaining bank accounts in foreign currencies (in order to match assets and liabilities in the same currency).

Liquidity risk

The Company manages its cash closely to ensure it has sufficient liquid resources to finance operations on a day to day basis. Projected future cash requirements are closely monitored and banks used by the Company to hold cash periodically reviewed.

Insurances

The Company considers that it carries sufficient insurance cover to mitigate most losses it might reasonably encounter in the course of business or claims likely to be brought against it. However, the directors are mindful of the fact that no insurance cover can ever be purchased that will offer complete protection against all possible claims that might arise.

Approval

This report was approved by the board on 28 July 2017 and signed on its behalf by:



Philip Chamberlain
Director

DIRECTORS' REPORT

The directors have pleasure in presenting their report and financial statements for the year ended 31 December 2016. The Company registration number is 02118721.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The principal activity of the Company during the year was insurance and reinsurance broking.

The directors are satisfied with the results for the year and the state of affairs of the Company at the year end date. The principal risks and uncertainties facing the business and key performance indicators are set out in the Strategic Report as permitted by section 414C (11) of the Companies Act 2006.

RESULTS AND DIVIDENDS

The trading results for the year and the state of the Company's affairs at the end of the year are shown in the attached financial statements on pages 7 to 14.

The directors have declared and paid dividends totalling £200,000 in the year.

DIRECTORS

The directors at the date of this report are shown on page 1. Unless otherwise indicated, all held office throughout the period. J.D. Hoare, who was a director for the whole of 2016, resigned on 6th February 2017.

DIRECTORS' REPORT (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

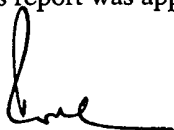
Each director confirms that so far as he is aware there is no relevant audit information of which the company's auditor is unaware. Furthermore, each director confirms that he has taken all of the steps that he ought to have taken as a director in order to make himself aware of any such information and to establish whether the auditor is aware of that information.

The Company holds an indemnity policy which benefits all of its current directors and is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

AUDITORS

Mazars LLP resigned as auditors on 3 January 2017 and Grant Thornton UK LLP were appointed in their place. Grant Thornton UK LLP will continue in office in accordance with Companies Act 2006, section 487(2).

This report was approved by the Board on 28 July 2017.



Philip Chamberlain
Director

H. W. WOOD INTERNATIONAL LIMITED

We have audited the financial statements of H. W. Wood International Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's member 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 member those matters we are required to state to it in an auditor's report 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 member, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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 and express an opinion on 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

H. W. WOOD INTERNATIONAL LIMITED

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

Grant Thornton UK LLP

Sam Porritt

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

28 July 2017

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2016

	Notes	Year to 31 December 2016 £	Year to 31 December 2015 £
TURNOVER	2	304,163	295,429
Administrative expenses		(403,925)	(425,763)
OPERATING LOSS	3	(99,762)	(130,334)
Interest receivable	4	213	-
Interest payable and similar charges	4	(30)	(25)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(99,579)	(130,359)
Taxation on profit on ordinary activities	5	-	-
LOSS AFTER TAXATION		(99,579)	(130,359)

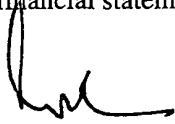
The company's turnover and expenses all relate to continuing operations. There are no items of other comprehensive income other than those reflected in the loss for the period. Accordingly, no separate statement of other comprehensive income is given.

The notes on pages 10 to 14 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION as at 31 December 2016

	Notes	31 December 2016 £	31 December 2015 £
CURRENT ASSETS			
Debtors	8	680,944	633,504
Cash at bank and in hand		5,933	39,982
		<u>686,877</u>	<u>673,486</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(386,876)	(73,906)
NET ASSETS		<u>300,001</u>	<u>599,580</u>
CAPITAL AND RESERVES			
Called up share capital	10	100,000	100,000
Profit and loss account		200,001	499,580
SHAREHOLDER'S FUNDS		<u>300,001</u>	<u>599,580</u>

The financial statements were approved by the Board and authorised for issue on 28 July 2017.



Philip Chamberlain

Director

Registered number: 02118721

The notes on pages 10 to 14 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2016

	Called up Share Capital £	Profit & Loss Reserve * £	Total Equity £
As at 1 January 2015	100,000	779,939	779,939
Loss for the year	-	(130,359)	(130,359)
Total comprehensive income for the year	-	(130,359)	(130,359)
Dividend paid	-	(150,000)	(150,000)
At 31 December 2015	<u>100,000</u>	<u>499,580</u>	<u>599,580</u>
As at 1 January 2016	100,000	499,580	599,580
Loss for the year	-	(99,579)	(99,579)
Total comprehensive income for the year	-	(99,579)	(99,579)
Dividend paid	-	(200,000)	(200,000)
At 31 December 2016	<u>100,000</u>	<u>200,001</u>	<u>300,001</u>

* The Profit & Loss Reserve represents accumulated comprehensive income for the year and prior periods.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

1. ACCOUNTING POLICIES

(a) Statement of compliance

H.W. Wood International Limited is a company incorporated in the United Kingdom. The registered office is The Baltic Exchange, 38 St Mary Axe, London, EC3A 8BH.

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standards 102 – 'The Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland' (FRS 102) – and the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value of certain financial instruments as specified in the accounting policies below.

(b) Going concern

After reviewing forecasts and projections for the coming year, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

(c) Foreign currencies

Profit and loss account transactions in foreign currencies are recorded using the average monthly rate. Assets and liabilities in overseas currencies have been translated into Sterling at the rates of exchange ruling at the balance sheet date. Gains and losses on translation are included in the statement of comprehensive income.

(d) Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences at the rates of tax expected to apply when the timings differences reverse. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is not discounted.

(e) Pensions

Defined Contribution Schemes

Contributions payable to the company's pension scheme and other executive pension schemes are charged to the profit and loss account in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

2. TURNOVER

	2016 £	2015 £
Rest of Europe	304,163	295,429

3. OPERATING LOSS

Operating loss is stated after charging:

	2016 £	2015 £
Auditor's remuneration	8,000	6,000
Foreign exchange(gain)/ loss	(22,204)	17,118

4. INTEREST RECEIVABLE/(PAYABLE)

	2016 £	2015 £
Interest receivable	213	-
Interest payable and similar charges	(30)	(25)

5. TAXATION

(a) Analysis of charge in year	2016 £	2015 £
UK tax:		
UK corporation tax based on the results for the year at 20% (2015: 20.25%)	-	-
Deferred tax charge	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

5. TAXATION (continued)

	2016 £	2015 £
(b) Factors affecting tax charge for year		
Loss on ordinary activities before tax	(99,580)	(130,359)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 20.25%)	(19,916)	(26,398)
<i>Effects of:</i>		
Losses offset in group	19,916	26,398
Current tax charge for year (see (a) above)	-	-

6. STAFF COSTS

	2016 £	2015 £
(a) Staff costs		
Wages and salaries	172,617	56,274
Social security costs	2,400	2,400
Other pension costs	1,200	24,469
	176,217	83,143

7. DIRECTORS' EMOLUMENTS

	2016 £	2015 £
Total emoluments (excluding pension contributions)	21,350	12,000
Value of company pension contributions to money purchase schemes	1,200	24,469
	22,550	36,469
The number of directors who accrued benefits under the company pension scheme was:		
Money Purchase Scheme	1	2

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

8. DEBTORS

	2016 £	2015 £
<i>Due within one year:</i>		
Amounts owed by fellow Group companies	680,944	608,427
Corporation tax recoverable	-	25,077
	<u>680,944</u>	<u>633,504</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Accruals and deferred income	48,913	73,906
Amounts owed to fellow Group companies	337,963	-
Corporation tax	-	-
	<u>386,876</u>	<u>73,906</u>

10. CALLED UP SHARE CAPITAL

	2016 £	2015 £
Allotted, called up and fully paid 100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

11. CAPITAL COMMITMENTS

At 31 December 2016 the company had no capital commitments.

12. LETTER OF CREDIT

A letter of credit for USD 13,000 is lodged with the Bank of Piraeus.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

13. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The parent undertaking is HW International B.V., a company incorporated in the Netherlands, for which consolidated accounts are prepared including H.W. Wood International Limited. These accounts can be obtained from De Cuserstraat 91, 1081 CN Amsterdam, The Netherlands.

The ultimate ownership of the Group rests with The Bayfield Trust. The address of the trust is 19 Par-la-Ville Road, 1st Floor, Hamilton HM08, Bermuda. Due to the nature of the Trust no beneficiary is entitled to a fixed share in excess of 25%. Accordingly there is no ultimate controlling party.

14. CONTINGENT LIABILITY

At 31 December 2016 the company had no contingent liabilities.