Reports & Financial Statements

For the year ended 31 December 2017

H. W. Wood International Limited

Registered number: 02118721

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LD3 27/09/2018 #193
COMPANIES HOUSE

DIRECTORS:	S G Rudduck J C White 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

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STRATEGIC REPORT

The Directors present their strategic report for the Company for the year ended 31 December 2017.

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 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 reduced during the year by 32% 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. Following a review of the options open to the company a decision to dispose of the branch was taken and achieved in the early part of 2018.

Net Assets
As at 31 December 2017 the Company's net assets stood at £186,573 (2016: £300,001). 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 27 September 2018 and signed on its behalf by:

Philip Chamberlain
Director

DIRECTORS' REPORT (continued)

The directors have pleasure in presenting their report and financial statements for the year ended 31 December 2017. 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 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 15.

The directors have not declared or paid dividends in the year (2016 - £200,000).

DIRECTORS

The directors at the date of this report, all of whom held office throughout the period, are shown on page 1.

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.

DIRECTORS' REPORT (continued)

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of this report confirms that:

- as far as each of them is aware there is no information relevant to the audit of the Company's financial statements for the year ended 31 December 2017 of which the auditors are unaware; and
- each director confirms that he has taken all of the steps that he ought to have taken in his duty as a director in order to make himself aware of relevant audit information and to establish that the Company's auditors are 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

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2016.

This report was approved by the Board on 27 September 2018.



Philip Chamberlain
Director

Opinion
We have audited the financial statements of H. W. Wood International Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to
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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information,

we are required to report that fact.
We have nothing to report in this regard.

Opinions 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 the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has 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 material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors for the financial statements
As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Andrew Heffron
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
27 September 2018

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2017

	Notes	Year to 31 December 2017 £	Year to 31 December 2016 £
TURNOVER	2	205,899	304,163
Administrative expenses		(319,297)	(403,925)
OPERATING LOSS	3	(113,398)	(99,762)
Interest receivable	4	-	213
Interest payable and similar charges	4	(30)	(30)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(113,428)	(99,579)
Taxation on profit on ordinary activities	5	-	-
LOSS AFTER TAXATION		(113,428)	(99,579)

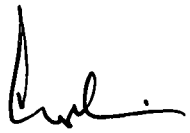
The company's turnover and expenses all relate to continuing operations. There are no items of other comprehensive income other than those reflected in the loss for the period. Accordingly, no separate statement of other comprehensive income is given.

The notes on pages 10 to 15 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION as at 31 December 2017

	Notes	31 December 2017 £	31 December 2016 £
CURRENT ASSETS			
Debtors	8	698,167	680,944
Cash at bank and in hand		1,103	5,933
		699,270	686,877
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(512,697)	(386,876)
NET ASSETS		186,573	300,001
CAPITAL AND RESERVES			
Called up share capital	10	100,000	100,000
Profit and loss account		86,573	200,001
SHAREHOLDER'S FUNDS		186,573	300,001

The financial statements were approved by the Board and authorised for issue on 27 September 2018.



Philip Chamberlain

Director

Registered number: 02118721

The notes on pages 10 to 15 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2017

	Called up Share Capital £	Profit & Loss Reserve * £	Total Equity £
As at 1 January 2016	100,000	499,580	599,580
Loss for the year	-	(99,579)	(99,579)
Dividend paid	-	(200,000)	(200,000)
At 31 December 2016	**100,000**	**200,001**	**300,001**
As at 1 January 2017	100,000	200,001	300,001
Loss for the year	-	(113,428)	(113,428)
At 31 December 2017	**100,000**	**86,573**	**186,573**

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

The notes on pages 10 to 15 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2017

1. ACCOUNTING POLICIES

(a) General information

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

The Company's principal activity is to act as an insurance broker and managing general agent. The Company's portfolio is managed on its behalf by H. W. Wood Limited, a fellow Group company.

The financial statements have been presented in pounds sterling and this is the Company's functional currency, being the currency of the primary economic environment in which the Company operates.

(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) Basis of preparation of financial statements

The financial statements have been prepaid under the historical cost convention in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

- The requirement of Section 7 Statement of Cash Flows
- The requirement of Section 3 Financial Statement Presentation paragraph 3.17(d)
- The requirement of Section 33 Related Party Disclosure paragraph 33.7

The preparation of financial statements in accordance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The principal accounting policies applied are set out below.

(d) Revenue recognition

The Company generates revenue from commission associated with placing insurance contracts carried out on its behalf by a fellow Group company, H.W. Wood Limited.

Revenue related to insurance broking activity is recognised on inception of the contract and once there is sufficient information to enable it to be measured with reasonable certainty.

(e) Foreign currencies

Foreign currency transactions are translated to the functional currency using the exchange rate prevailing at the date the transactions took place. Income and expense items are translated using the average rate for the year where there are limited fluctuations in foreign exchange rates.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2017

of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the retranslation at the reporting date of monetary assets and liabilities are expensed in profit or loss.

(f) Turnover

Turnover represents the net return due to the Company on the results of its insurance portfolio managed on its behalf by H. W. Wood Limited, a fellow Group company

(g) Pensions

Defined contribution pension plan

The Company operate a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been made the company has no further payment obligations.

All contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

(h) Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds basic financial instruments, which comprise cash at bank and in hand, trade and other debtors, trade and other creditors. The Company has chosen to apply the measurement and recognition provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' in full.

Financial assets – classified as basic financial instruments

Trade and other debtors
Trade and other debtors are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the amount expected to be receivable, net of any impairment.

Where a financial asset constitutes a financing transaction it is initially measured at the present value of the future payments, discounted at a market rate of interest. At the end of each reporting year, the Company assesses whether there is objective evidence that any financial asset amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the financial assets. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows. The amount of the provision is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2017

Trade and other creditors
Trade and other creditors are initially measured at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the amount expected to be payable.

Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

2. TURNOVER

	2017 £	2016 £
Europe	205,899	304,163

3. OPERATING LOSS

Operating loss is stated after charging:

	2017 £	2016 £
Auditor's remuneration	8,000	8,000
Foreign exchange(gain)/ loss	(2,353)	(22,204)

4. INTEREST RECEIVABLE/(PAYABLE)

	2017 £	2016 £
Interest receivable on Group loan	-	213
Bank charges	(30)	(30)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2017

5. TAXATION

(a) Analysis of charge in year	2017 £	2016 £
UK tax:		
UK corporation tax based on the results for the year at 19.25% (2017: 20 %)	-	-
Deferred tax charge	-	-
	-	-

5. TAXATION (continued)

(b) Factors affecting tax charge for year	2017 £	2016 £
Loss on ordinary activities before tax	(113,428)	(99,579)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	(21,835)	(19,916)
Effects of:		
Losses offset in group	21,835	19,916
Current tax charge for year (see (a) above)	-	-

6. STAFF COSTS

The average number of employees in the year was one (2016 – one).

Staff costs	2017 £	2016 £
Wages and salaries	62,660	172,617
Social security costs	2,400	2,400
Other pension costs	1,200	1,200
	66,260	176,217

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2017

7. DIRECTORS' EMOLUMENTS

	2017 £	2016 £
Total emoluments (excluding pension contributions)	27,785	21,350
Value of company pension contributions to money purchase schemes	1,200	1,200
	28,985	22,550
The number of directors who accrued benefits under the company pension scheme was:		
Money Purchase Scheme	1	2

8. DEBTORS

	2017 £	2016 £
Due within one year:		
Amounts owed by fellow Group companies	698,167	680,944
	698,167	680,944

Amounts due from Group undertakings are unsecured, interest fee, have no fixed date of repayment and are repayable on demand.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Accruals and deferred income	58,570	48,913
Amounts owed to fellow Group companies	454,127	337,963
	512,697	386,876

Amounts due to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

10. CALLED UP SHARE CAPITAL

	2017 £	2016 £
Allotted, called up and fully paid		
100,000 ordinary shares of £1 each	100,000	100,000

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2017

11. CAPITAL COMMITMENTS

At 31 December 2017 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. This is a required by the Ministry of Economics in Greece in order to operate the Company's branch in Greece as a Law 89 company.

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

The Company has provided security to HSBC Bank plc in the form of a debenture and, along with fellow group entity H.W. Wood Limited, the company has provided an unlimited multilateral guarantee to HSBC Bank plc in respect of the borrowings of either company. At no point during the year, or at the year end, were any amounts due to HSBC Bank plc from either company.

15. FINANCIAL RISKS

Exchange rate risk
A significant portion of the Company's balances are denominated in currencies other than Sterling. The Company seeks to mitigate the subsequent exchange rate risk by ensuring that its operating costs are denominated in matching currencies.

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.