

Reports & Financial Statements

For the period ended 31 December 2016

H. W. Wood Limited

Registered number: 01565756

THURSDAY



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COMPANIES HOUSE

DIRECTORS:

H. W. Wood – Chairman
D. H. Nelson – non-executive
S. G. Rudduck – Managing Director
P. H. Chamberlain
S. S. de B. Codrington
M. J. Harlin
J. M. T. Thomas

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 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 directors report that turnover for the year ended 31 December 2016 is £11,033,399 (2015: £10,751,309). Profit before tax is £508,103 (2015: £203,388).

The business has performed consistently over the period and despite challenging market conditions in certain sectors, income has remained firm across the client base. There are no specific matters or issues facing the business which cause the directors to revise their expectation that the business will continue to prosper for the foreseeable future.

The Company remains dedicated to providing a professional, value-added and complete service to its clients. 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.

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.

Financial

Turnover

As reported in the statement of comprehensive income on page 9, turnover increased by 3% during the year to £11.0 m (2015: £10.8m).

Profit margins

The net profit margin for the year ended 2016 was 4.6% compared with 1.9% in 2015.

Net Assets

As at 31 December 2016 the Company's net assets stood at £1.9m (2015: £1.6m). Management continue to put emphasis on creating long term shareholder value.

Non-financial

Customer service levels

The Company is committed to treating clients fairly and to providing 'contract certainty' to its clients in accordance with best market practice and guidelines.

Credit control and terms of trade

The Company closely monitors its insurance debtors, creditors and cash balances to ensure adherence with all regulatory and legal considerations and to minimise the risk of default.

STRATEGIC REPORT (continued)

Principal risks and uncertainties facing the business

Management continually monitor the key risks facing the Company. The principal financial risks and uncertainties facing the Company are detailed in note 19 to these financial statements.

The principal non-financial risks and uncertainties are as follows:

Disaster recovery, business continuity and loss of systems

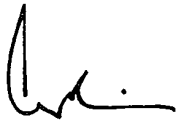
The Company has adopted Business Interruption and Disaster Recovery procedures which are regularly reviewed and assessed to ensure that they are practical, robust and appropriate. The Company relies on a variety of third party systems and software in order to carry out its business and these are assessed regularly to ensure they are reliable and secure.

Regulatory risk

The Company has ongoing regulatory and statutory duties and responsibilities which it is obliged to meet and has implemented systems and procedures which enable senior management to monitor, review and control the operations of the business to ensure compliance with these obligations.

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 present their report and financial statements for the year ended 31 December 2016. The Company registration number is 01565756.

PRINCIPAL ACTIVITY

The Company is an accredited Lloyd's broker whose principal activity is that of insurance broking. There has not been any significant change in the principal activity of the Company over the year under review and the directors are unaware, at the date of this report, of any major changes in the Company's principal activity in the forthcoming year.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The review of the business and future developments is detailed in the Strategic Report. The Company has a branch operation for marine business in Amsterdam.

RESULTS AND DIVIDENDS

The results for the year are set out in the financial statements on pages 9 to 24.

DIRECTORS

The directors at the date of this report are shown on page 1. Unless otherwise indicated, all held office throughout the period. P.A.H. Comonte, who was a director for the whole of 2016, resigned on 2 June 2017.

EVENTS SINCE THE BALANCE SHEET DATE

There are no events occurring after the year end that merit disclosure.

GOING CONCERN

The directors have assessed the principal risks and uncertainties considered likely to affect the Company and these are detailed in the Strategic Report. The Company has strong financial resources and the directors consider the Company to be able to manage the principal risks and uncertainties.

Having made enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

DIRECTORS' REPORT (continued)

STATEMENT AS TO 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).

Approved by the Board of Directors on 28 July 2017 and signed on its behalf by:



Philip Chamberlain
Director

DIRECTORS' RESPONSIBILITIES STATEMENT

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 including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" 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.

H. W. WOOD LIMITED

We have audited the financial statements of H. W. Wood 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 Directors' Responsibilities Statement set out on page 6, 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 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 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 LIMITED (continued)

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 ended 31 December 2016 £	Year ended 31 December 2015 £
Turnover	2	11,033,399	10,751,309
Administrative expenses		(10,457,033)	(10,483,838)
OPERATING PROFIT	3	576,366	267,471
Interest payable	6	(79,344)	(77,390)
Interest receivable		11,081	13,307
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		508,103	203,388
Tax on profit on ordinary activities	7	(106,694)	(41,156)
PROFIT FOR THE FINANCIAL YEAR	16	401,409	162,232

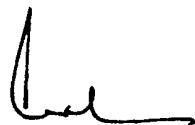
The Company's turnover and expenses all relate to continuing operations. There are no recognised items of other comprehensive income other than those reflected in the profit for the period. Accordingly, no separate statement of other comprehensive income is given.

The notes on pages 12 to 24 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION as at 31 December 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible fixed assets	8	238,376	306,921
CURRENT ASSETS			
Debtors	10	19,001,318	13,417,239
Cash at bank and in hand	9	8,532,836	7,448,263
		27,534,154	20,865,502
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	(25,745,165)	(19,198,139)
NET CURRENT ASSETS		1,788,989	1,667,363
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	12	(89,928)	(338,256)
NET ASSETS		1,937,437	1,636,028
CAPITAL AND RESERVES			
Called up share capital	15	500,000	500,000
Profit and loss account		1,437,437	1,136,028
SHAREHOLDER'S FUNDS		1,937,437	1,636,028

The financial statements on pages 9 to 24 were approved by the Board and authorised for issue on 28 July 2017.



Philip Chamberlain
Director

Registered number: 01565756

The notes on pages 12 to 24 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	500,000	1,173,796	1,673,796
Profit for the year	-	162,232	162,232
Dividend paid	-	(200,000)	(200,000)
At 31 December 2015	<u>500,000</u>	<u>1,136,028</u>	<u>1,636,028</u>
As at 1 January 2016	500,000	1,136,028	1,636,028
Profit for the year	-	401,409	401,409
Dividend paid	-	(100,000)	(100,000)
At 31 December 2016	<u>500,000</u>	<u>1,437,437</u>	<u>1,937,437</u>

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2016****1. ACCOUNTING POLICIES****(a) Statement of compliance**

H.W. Wood 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' (FRS102) – 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) Tangible fixed assets

Depreciation is calculated to write off the cost of tangible fixed assets over the expected useful lives of the assets concerned on the following bases:

Leasehold improvements	- over the life of the lease
Furniture and fixtures and fittings	- 15% straight line basis
Office equipment	- 20% straight line basis
Computer software	- 20% straight line basis
Computer equipment	- 25% straight line basis

(d) Turnover

Turnover represents net brokerage, commission and fees receivable on continuing activities. Brokerage is credited to the profit and loss account on the earlier of the date of inception of a risk or the debit note date. Brokerage on binding authority policies is accounted for on a declarations basis while adjustments relating to additional or return premiums are accounted for as and when they arise. Commission is credited on an accruals basis regardless of payment basis. An appropriate proportion of revenue is deferred to recognise, in full, the Company's post placement obligations to clients for providing technical and claims services.

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

1. ACCOUNTING POLICIES (continued)

(e) Foreign currencies

The financial statements are presented in the currency of the primary economic environment in which the Company operates which is Sterling.

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 statement of financial position date.

Gains and losses on translation are included in the statement of comprehensive income.

(f) 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 timing 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.

(g) Insurance broking assets and liabilities

Insurance brokers usually act as agents in placing the insurable risks of their clients with insurers and, as such, generally are not liable as principals for amounts arising from such transactions. Notwithstanding these legal relationships, debtors and creditors arising from insurance broking transactions are shown as assets and liabilities. This recognises that the insurance broker is entitled to retain the investment income on any cash arising from these transactions.

Insurance broking debtors arising from a transaction between clients and insurers are recorded simultaneously. Consequently, there is a high level of correlation between the totals reported in respect of insurance broking debtors and insurance broking creditors.

The position of the insurance broker as agent means that generally the credit risk is borne by the principals. There can be circumstances where the insurance broker acquires credit risk – through statute, or through the act or omission of the insurance broker or of one of the principals. There is much legal uncertainty surrounding the circumstances and the extent of such exposures and consequently they cannot be evaluated. However, the total of insurance broking debtors appearing in the statement of financial position is not an indication of credit risk.

It is normal practice for insurance brokers to settle accounts with other intermediaries, clients, insurers and market settlement bureaux on a net basis. Thus large changes in both insurance broking debtors and creditors can result from comparatively small cash settlements. For this reason, the totals of insurance broking debtors and creditors give no indication of future cash flows.

The legal status of settling accounts on a net basis is uncertain and in the event of insolvency, it is generally abandoned. Assets and liabilities are recognised in financial statements where, and only where, the offset would survive the insolvency of the other party. Accordingly, only such offsets have been recognised in calculating insurance broking debtors and creditors.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2016****1. ACCOUNTING POLICIES (continued)****(h) Lease contracts**

Assets held under finance leases and the related lease obligations are included at the fair value of the leased assets at the inception of the lease. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each accounting period is a constant percentage of the remaining balance of the capital sum outstanding.

(i) 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.

(j) Operating leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease. Similarly, any lease incentives on the property lease are credited on a straight line basis over the lease term.

(k) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from these estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements:

Income deferral – The Company defers an appropriate proportion of revenue to recognise, in full, its post placement contractual obligations to clients in providing technical and claims services. The estimate is based on historical requirements and the judgement of the directors. The amount, which is disclosed within creditors, had a carrying value at the year-end of £278,000 (2015: £276,707).

(l) Provision for liabilities and charges

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is possible that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

The Company recognises a provision for annual leave accrued by employees as a result of services rendered in the current period and which employees are entitled to carry forward and use within the next twelve months. The provision is measured at the salary cost payable for the period of absence.

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

1. ACCOUNTING POLICIES (continued)

(m) 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.

Financial liabilities – classified as basic financial instruments

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

2. COMMISSION AND FEES RECEIVABLE

The commission and fees receivable and profit before tax are attributable to the one principal activity of the Company. An analysis of commission and fees receivable is given below:

	Year 31 December 2016 £	Year 31 December 2015 £
United Kingdom	3,743,006	3,559,747
Europe	2,073,873	2,168,547
United States of America and Canada	1,791,268	1,676,580
Asia	1,216,115	1,008,548
Other	2,209,137	2,337,887
	<u>11,033,399</u>	<u>10,751,309</u>

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	Year 31 December 2016 £	Year 31 December 2015 £
Depreciation of owned fixed assets	121,248	126,164
Auditor's remuneration		
- audit services	31,000	36,000
- audit related assurance services	10,000	6,300
Operating lease costs:		
- land and buildings	321,206	263,325
- other	99,850	97,332
Net gain on foreign currency translation	<u>(52,342)</u>	<u>(29,404)</u>

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

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the Company during the financial period amounted to:

	Year to 31 December 2016 No	Year to 31 December 2015 No
Broking and technical	73	77
Administration and claims handling	24	25
Total staff	<u>97</u>	<u>102</u>

The aggregate payroll costs of the above were:

	Year to 31 December 2016 £	Year to 31 December 2015 £
Wages and salaries	6,165,348	5,971,358
Social security costs	703,920	679,475
Other pension costs	597,357	708,222
	<u>7,466,625</u>	<u>7,359,055</u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	Year to 31 December 2016 £	Year to 31 December 2015 £
Emoluments receivable	997,052	760,464
Value of Company pension contributions to money purchase schemes	96,268	188,103
	<u>1,093,320</u>	<u>948,567</u>

The above amounts include an aggregate amount of consideration paid to third parties for making available the services of a director of the Company of £20,000 (2015: £18,500).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

5. DIRECTORS' EMOLUMENTS (continued)

Emoluments of highest paid director:

	Year to 31 December 2016 £	Year to 31 December 2015 £
Total emoluments (excluding pension contributions)	287,161	156,714
Value of Company pension contributions to money purchase schemes	18,048	90,500
	<u>305,209</u>	<u>247,214</u>

The number of directors who accrued benefits under Company pension schemes was as follows:

Money purchase schemes	<u>5</u>	<u>6</u>
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6. INTEREST PAYABLE

	Year to 31 December 2016 £	Year to 31 December 2015 £
Bank interest	12,310	9,894
Bank charges	67,034	67,496
	<u>79,344</u>	<u>77,390</u>

7. TAXATION

(a) Analysis of charge in period

	Year to 31 December 2016 £	Year to 31 December 2015 £
UK tax:		
UK corporation tax based on the results for the period at 20% (2015: 20.25%)	107,865	26,671
	<u>107,865</u>	<u>26,671</u>
Deferred tax (credit)/charge	(1,171)	14,485
	<u>106,694</u>	<u>41,156</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

7. TAXATION (continued)

(b) Factors affecting tax charge for period

	Year to 31 December 2016 £	Year to 31 December 2015 £
Profit on ordinary activities before tax	508,101	203,388
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 20.25%)	101,620	41,186
<i>Effects of:</i>		
Expenses not deductible for tax purposes	24,990	26,368
Depreciation for period less than capital allowances		
Group relief	(19,916)	(26,398)
Current tax charges for period (see (a) above)	106,694	41,156

(c) Deferred tax

	Year to 31 December 2016 £	Year to 31 December 2015 £
The deferred tax liability included in creditors (note 11) is as follows:		
Accelerated capital allowances	(14,115)	(18,542)
Other temporary timing differences	8,077	11,333
Provision for deferred tax	(6,038)	(7,209)
Deferred tax (liability)/asset at the beginning of the year	(7,209)	7,276
Deferred tax credit/(charge) for the period	1,171	(14,485)
Deferred tax liability at the end of the year	(6,038)	(7,209)
The amount of unprovided deferred tax is:		
Capital losses carried forward	12,503	12,503

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

8. TANGIBLE FIXED ASSETS

Group	Leasehold improvements £	Furniture and office equipment £	Computer equipment £	Computer software £	Total £
COST					
At 1 January 2016	217,670	258,678	389,376	229,001	1,094,725
Additions	-	6,430	27,199	19,074	52,703
At 31 December 2016	217,670	265,108	416,575	248,075	1,147,428
DEPRECIATION					
At 1 January 2016	209,614	177,004	280,914	120,272	787,804
Charge for the period	5,149	26,604	53,833	35,662	121,248
At 31 December 2016	214,763	203,608	334,747	155,934	909,052
NET BOOK VALUE					
At 31 December 2015	8,056	81,674	108,462	108,729	306,921
At 31 December 2016	2,907	61,500	81,828	91,141	238,376

The net book value of assets held under finance leases is £nil (2015: £62,340).

9. CASH AT BANK

	2016 £	2015 £
Cash at bank	8,532,836	7,448,263

Cash at bank includes £8,162,872 (2015: £7,111,684) which relates to insurance broking.

The bank holds a charge over all the assets of the Company, including a specific charge over book debts, excluding fiduciary assets held under the FCA's rules within the Non Statutory Trust accounts.

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

10. DEBTORS

	2016 £	2015 £
Due in less than one year:		
Trade debtors	16,274,531	11,453,825
Amounts owed by group undertakings	995,966	641,240
Other debtors	69,626	97,714
Prepayments and accrued income	1,661,195	1,206,149
Corporation tax	-	18,311
	<u>19,001,318</u>	<u>13,417,239</u>

Included within trade debtors is £1,235,284 (2015: £1,314,531) in respect of insurance business with fellow group companies.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	24,076,716	17,675,042
Amounts owed to group undertakings	14,702	207,805
Other taxes and social security costs	209,774	186,634
Bank loan due within one year	250,000	250,000
Amounts due under finance leases	-	28,870
Staff pension contributions	46,658	62,959
Other creditors	109,155	68
Corporation tax	27,883	-
Deferred brokerage	278,000	276,707
Accruals	726,239	502,845
Deferred tax liability	6,038	7,209
	<u>25,745,165</u>	<u>19,198,139</u>

Included within trade creditors is £141,529 (2015: £nil) in respect of insurance business with fellow group companies.

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Bank loan	<u>89,928</u>	<u>338,256</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

13. COMMITMENTS UNDER LEASES

(a) Obligations under finance leases

An analysis of the amounts payable under finance leases is as follows:

	2016 £	2015 £
Amounts payable in one year or less	-	28,870
Amounts payable between 1 to 5 years	-	-
Total obligations under finance leases	-	28,870

Obligations under finance leases are secured by the related assets.

(b) Obligations under operating leases

At 31 December 2016 the Company had annual commitments under non-cancellable operating leases set out below.

	2016 Land & Buildings £	2016 Other Items £	2015 Land & Buildings £	2015 Other Items £
Operating leases which expire:				
- within 1 year	50,674	5,330	39,743	962
- between 1 to 5 years	371,000	54,636	315,568	57,459
	421,674	59,966	355,311	58,421

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

14. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in Section 33 'Related Party Disclosures' and has not disclosed details of transactions with the parent Company and other wholly owned subsidiaries of the Group.

15. CALLED UP SHARE CAPITAL

	2016 £	2015 £
Allotted, called up and fully paid 500,000 ordinary shares (2015: 500,000) of £1 each	500,000	500,000

16. RESERVES

Called up share capital represents the nominal value of shares that have been issued.

Profit and loss account includes all current and prior period retained profits and losses.

17. CAPITAL COMMITMENTS

At 31 December 2016 the Company had no capital commitments.

18. 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 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

19. FINANCIAL RISKS

Credit risk

The financial instrument which most crucially subjects the Company to credit risk is cash. The Company manages this risk by maintaining investment practices that restrict placement of cash and investments solely to financial institutions considered to be secure and creditworthy. In addition, there is a risk that third party debtors do not settle amounts due. The Company seeks to minimise this risk by maintaining robust credit control and collection practices.

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 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. Client money is held in strict accordance with FCA regulations.

Interest rate risk

The Company's operations are subject to the risk of interest rate fluctuations on interest bearing cash deposits. The Company seeks to mitigate this risk by constantly reviewing its investment strategy.

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.