

Registered Number: 02351642

Noble Marine (Insurance Brokers) Ltd

**Annual Report and Accounts
for the year ended 31 December 2014**

THURSDAY



A23 *A4GL1NVT* #190
24/09/2015
COMPANIES HOUSE

Noble Marine (Insurance Brokers) Ltd

Contents

Company information	1
Directors' report	2
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	4
Independent auditor's report	5
Profit and loss account	6
Balance sheet	7
Notes to the accounts	8

Noble Marine (Insurance Brokers) Ltd

Company information

Directors

J Langford
J Hancock
R J Turner
S P Baker

Secretary

Roysun Limited

Registered office

Clinton House
12 Lombard Street
Newark
Nottinghamshire
NG24 1XB

Auditor

KPMG LLP
Chartered Accountants and Statutory Auditor
15 Canada Square
Canary Wharf
London
E14 5GL

Principal Banker

Barclays Bank plc
2 High Street
Nottingham
NG1 2EN

Directors' report
for the year ended 31 December 2014

The directors present their Annual Report on the affairs of the Company and the audited financial statements for the year ended 31 December 2014.

Business review and principal activity

The Company's principal activity, currently in the UK and Isle of Man, is that of a marine insurance broker selling insurance directly to customers. The company works predominantly in providing insurance for sailing dinghies, wind surfers, rowing boats, jet skis, yachts and motor cruisers.

The results for the Company show a profit on ordinary activities before tax of £264,561 for the year to 31 December 2014 (31 December 2013: £282,443). The shareholder funds of the Company were £1,018,441 as at 31 December 2014 (31 December 2013: £811,163).

Principal risks and uncertainties

The principal risks and uncertainties of the Company relate to credit risk. These risks are managed in accordance with RSA Insurance Group plc (the "Group") policies. The principal risks and uncertainties of the Group, which include those of the Company, are set out in the estimation techniques, risks, uncertainties and contingencies on pages 132 to 136, and in the risk review on pages 44 to 47 of the Annual Report and Accounts of the Group, which do not form part of this report.

Future outlook

The Board plan to maintain the Company's share in core markets and to expand the geographical reach of the Company's operations in order to provide opportunities with new customers.

Financial risk management

The Company's financial risks are managed and monitored at a Group level. The management of the Group's risks, which include those of the Company, is set out in the risk review on pages 44 to 47 of the Annual Report and Accounts of the Group, which do not form part of this report.

The directors consider that there is minimal level of financial risk associated with the Company's assets and liabilities due to the nature of the Company's activities.

Credit Risk

The Board consider credit risk arising from receivables in the balance sheet to be remote as this risk is managed in accordance with Group policies. The majority of debt is intercompany and the Board considers the monitoring programmes that are in place are sufficient to ensure that no provision is required against these debtors and that the corresponding credit risk is therefore acceptable.

Key performance indicators

The Company's main Key Performance Indicators (KPI's) are focused on commission income and profitability. In addition, the Board monitors performance and trends in new business activity, renewals and claims.

During the year turnover fell from £811,371 to £787,537, and profit before taxation fell from £282,443 to £264,561.

Directors

The names of the current directors are listed on page 1. Mr S P Baker was appointed as a director on 31st March 2015. S I Gray resigned as a director on 2nd April 2015. None of the directors had any interests in the shares of the Company.

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The Directors' responsibility statement appears on page 4 and is incorporated by reference into this Report.

Dividends

The directors did not recommend payment of a dividend in respect of the year ended 31 December 2014 (2013: £450,000).

Political Donations

The Company did not make any political donations during the financial year (2013: £nil).

Going concern

In considering the appropriateness of the going concern basis the Board has reviewed the Company's ongoing financial commitments for the next twelve months and beyond. The Board's review included consideration of the Company's high level of cash and low level of external liabilities. As a result of this review, the directors have satisfied themselves that it is appropriate to prepare these financial statements on a going concern basis.

Directors' report (continued)
for the year ended 31 December 2014

Auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

KPMG were re-appointed auditors of the RSA Insurance Group plc at its AGM on 8th May 2015 and will continue to act as auditor of the Company.

The Company has taken advantage of the exemption in section 414A(2) of the Companies Act 2006 from the requirement to prepare a strategic report on the basis that it would be entitled to prepare accounts for the year in accordance with the small companies regime but for being a member of an ineligible group.

By Order of the Board



E Bell
For and on behalf of
Raysun Limited
Secretary
17 September 2015

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Noble Marine (Insurance Brokers) Ltd

We have audited the financial statements of Noble Marine (Insurance Brokers) Limited for the year ended 31 December 2014 which comprise the profit and loss account, the balance sheet and the related notes set out on pages 8 to 14. 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, as a body, 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 members, as a body, 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 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 audit of the financial statement

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

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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with the 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 the information given in the Directors' report 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, 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Murray Raisbeck (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL
17 September 2015

Noble Marine (Insurance Brokers) Ltd

Profit and loss account for the year ended 31 December 2014

	Notes	2014 £	2013 £
Turnover	2	787,537	811,371
Cost of sales		(29,005)	(36,571)
Gross profit		758,532	774,800
Administrative expenses		(546,521)	(593,795)
Other operating income		76,465	90,628
Operating Profit	3	288,476	271,633
Loss on disposal		(29,441)	-
Profit on ordinary activities before interest		259,035	271,633
Interest receivable	4	5,526	10,810
Profit on ordinary activities before taxation		264,561	282,443
Tax on profit on ordinary activities	8	(57,283)	(66,213)
Profit for the financial year	16	207,278	216,230

Continuing operations

The operating profit for the period arose from the Company's continuing operations.

Statement of total recognised gains and losses

There have been no recognised gains or losses in either reporting period other than those recorded in the Profit and Loss account. Accordingly, no statement of total recognised gains and losses is presented.

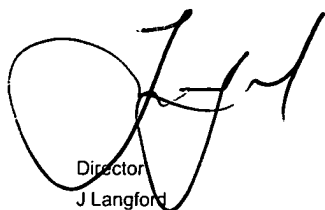
The notes on pages 8 to 14 form a part of these financial statements.

Balance sheet
as at 31 December 2014

		2014	2013
	Notes	£	£
Fixed assets			
Tangible assets	9	67,942	108,027
		<u>67,942</u>	<u>108,027</u>
Current assets			
Debtors	10	379,651	420,958
Cash at bank and in hand	11	<u>732,416</u>	<u>534,839</u>
		1,112,067	955,797
Creditors: amounts falling due within one year	12	<u>(152,648)</u>	<u>(243,453)</u>
Net current assets		959,419	712,344
Total assets less current liabilities		1,027,361	820,371
Provisions for liabilities	13	(8,920)	(9,208)
Net Assets		<u>1,018,441</u>	<u>811,163</u>
Capital and reserves			
Called up share capital	15	1,000	1,000
Profit and loss account	16	<u>1,017,441</u>	<u>810,163</u>
Shareholder's funds	16	<u>1,018,441</u>	<u>811,163</u>

The notes on pages 8 to 14 form part of these financial statements.

The financial statements were approved by the Board of Directors on 17th September 2015 and are signed on its behalf by:


Director
J Langford

Notes to the accounts

1. Accounting policies

(a) Accounting convention

The financial statements are prepared in accordance with applicable UK accounting standards and in compliance with the Companies Act 2006. The financial statements have been prepared under the historical cost convention on a going concern basis.

The company is a wholly-owned subsidiary of Royal & Sun Alliance Insurance plc and the cash flows of the company are included in the consolidated cash flow statement of RSA Insurance Group plc. The company has thus taken advantage of the exemption permitted by FRS 1 (revised 1996) 'Cash flow Statements' and has elected not to prepare its own cash flow statement.

A summary of the major accounting policies, which have been applied consistently throughout the year and the preceding year is set out below.

(b) Turnover

Turnover is recognised at the fair value of the commission receivable for services provided in the ordinary nature of the business. Insurance commission is recognised in full, in the month the policy commences, as adjusted for policies that are expected to subsequently lapse post period end.

(c) Other Income

Other Income relates to management charges made to Noble Marine (Underwriting Agencies) Ltd in respect of services provided on their behalf and is recognised in the month in which those services are provided.

(d) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Motor vehicles	25% straight line
Tenants improvements	20% straight line
Office equipment	33% straight line
Computer equipment	33% straight line.

(e) Taxation

Current tax, based on profits and income for the year, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences (except as set out below) that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. A deferred tax asset is recognised for relief for trading losses or other losses only to the extent that the directors anticipate that suitable profits will absorb such losses in the future.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

(f) Cash at bank and in hand

Cash at bank and in hand includes deposits repayable on demand.

(g) Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term. Rent free periods or other incentives received for entering into a lease are accounted for over the period of the lease so as to spread the benefit received over the lease term or, if shorter, the period ending when prevailing market rentals will become payable.

1. Accounting policies (continued)

(h) Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year. The company operates a defined contribution pension scheme.

(i) Insurance debtors and creditors

The Company acts as an agent in broking insurance risks for its clients. Notwithstanding its legal relationship with clients and underwriters, the Company has followed generally accepted accounting practice by showing cash, debtors and creditors relating to insurance broking business as assets and liabilities of the Company itself. This recognises that the Company is entitled to retain the investment income on any cash flows arising from those transactions.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

Operating profit is stated after charging:

	2014 £	2013 £
Depreciation	32,403	16,475
Property lease charges	19,561	18,000

Fees payable to KPMG LLP for the audit of the Company's annual accounts were £6,000 (2013 : £6,000) and were borne by a parent company, Royal & Sun Alliance Insurance plc. Details of non-audit fees payable to KPMG LLP are disclosed in the RSA Insurance Group plc 2014 Annual Report and Accounts.

4. Interest receivable and similar income

	2014 £	2013 £
Bank interest	5,526	10,608
Other interest	-	202
	5,526	10,810

Noble Marine (Insurance Brokers) Ltd
Year ended 31 December 2014

5. Staff costs (including directors)

	2014	2013
	£	£
Wages and salaries	286,573	340,625
Social security costs	30,128	37,751
Pension costs	17,817	17,611
	334,518	395,987

Average number of employees including directors during the period

	Number	Number
Directors	1	1
Management	1	1
Insurance and office staff	8	8
	10	10

6. Directors' emoluments

	2014	2013
	£	£
Remuneration and other emoluments	96,700	122,222
Pension contributions	5,157	5,105
	101,857	127,327

Number of directors in Company pension scheme:

	2014	2013
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	1	1

S Gray, J Hancock, S P Baker and R Turner received remuneration from Royal & Sun Alliance Insurance plc as employees of that company, and it is not appropriate, because of the non-executive nature of their services, to make an apportionment of their emoluments in respect of the Company.

As only one director received remuneration from the Company during the year this represents that of the highest paid director.

7. Pension costs

The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £17,817 (2013: £17,611).

Noble Marine (Insurance Brokers) Ltd
Year ended 31 December 2014

8. Taxation

The charge for taxation in the profit and loss account comprises:

	2014 £	2013 £
Current tax		
UK corporation tax	69,651	68,622
Total current tax charge	<u>69,651</u>	<u>68,622</u>
Deferred tax		
Timing differences, origination and reversal	(12,368)	(3,135)
Adjustment for change in tax rates	-	726
Total deferred tax	<u>(12,368)</u>	<u>(2,409)</u>
Tax charge	<u><u>57,283</u></u>	<u><u>66,213</u></u>

The UK corporation tax for the current year is based on a rate of 21.5% (2013: 23.2%). The rate of corporation tax has reduced from 23% to 21% effective 1 April 2014, and as a result a composite of 21.5% has been used in the accounts.

Factors affecting the current tax charge

The current tax charge for the year is more than 21.5% (2013: more than 23.2%) due to the items set out in the reconciliation below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>264,561</u>	<u>282,443</u>
Tax at 21.5% (2013: 23.2%)	56,862	65,658
<i>Factors affecting charge</i>		
Expenses not deductible for tax purposes	36	226
Depreciation in excess of capital allowances	13,293	3,643
Fiscal adjustments	(540)	(905)
Current tax charge for year	<u><u>69,651</u></u>	<u><u>68,622</u></u>

Noble Marine (Insurance Brokers) Ltd
Year ended 31 December 2014

9. Tangible fixed assets

	Tenants improvements £	Office equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2014	31,983	32,719	72,231	24,750	161,683
Additions	-	-	21,792	-	21,792
Disposals	-	(558)	(31,512)	-	(32,070)
At 31 December 2014	31,983	32,161	62,511	24,750	151,405
Depreciation					
At 1 January 2014	6,186	23,314	12,813	11,343	53,656
On disposals	-	(558)	(2,038)	-	(2,596)
Charge for the year	6,397	4,158	15,660	6,188	32,403
At 31 December 2014	12,583	26,914	26,435	17,531	83,463
Net book value					
At 31 December 2014	19,400	5,247	36,076	7,219	67,942
At 31 December 2013	25,797	9,405	59,418	13,407	108,027

10. Debtors

	2014 £	2013 £
Trade debtors	49,644	135,905
Amounts owed by group undertakings	301,124	273,792
Other debtors	20,341	8,315
Prepayments and accrued income	8,542	2,946
	379,651	420,958

Other debtors includes £20,341 (2013: £7,973) relating to deferred tax (note 14).

11. Cash at bank and in hand

Included within cash at bank and in hand is a balance of £85,258 (2013: £87,287) which is held in a separate bank account on behalf of underwriters..

12. Creditors: amounts falling due within one year

	2014 £	2013 £
Insurance creditors	103,875	197,496
Other taxes and social security costs	9,989	10,055
Accruals and deferred income	38,784	35,902
	152,648	243,453

Noble Marine (Insurance Brokers) Ltd
Year ended 31 December 2014

13. Provisions for liabilities

	2014	2013
	£	£
Other provisions		
At 1 January	9,208	-
Charge for the year	(288)	9,208
At 31 December	<u>8,920</u>	<u>9,208</u>

The company has included a provision to recognise that certain business written in past periods will be cancelled in the future. As such, an element of commission on such business will be repayable.

14. Deferred taxation

Deferred tax for the current year is based on a rate of 20% (2013: 20%)

	2014	2013
	£	£
Accelerated capital allowances	20,341	7,973
Deferred tax asset	<u>20,341</u>	<u>7,973</u>
At 1 January	7,973	5,564
Credit for the year - Profit & Loss	12,368	2,409
At 31 December	<u>20,341</u>	<u>7,973</u>

15. Share capital

	2014	2013
	£	£
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

16. Movements in shareholder's funds

	Share capital	Profit and Loss account	Total	Total
	2014	2014	2014	2013
	£	£	£	£
At 1 January	1,000	810,163	811,163	1,044,933
Profit for the financial year	-	207,278	207,278	216,230
Equity dividends		-	-	(450,000)
At 31 December	<u>1,000</u>	<u>1,017,441</u>	<u>1,018,441</u>	<u>811,163</u>

17. Related parties

Advantage has been taken of the exemption provided in FRS 8 'Related Party Disclosures' from disclosing details of transactions with RSA Insurance Group plc and its subsidiaries and associated undertakings. There were no other related party transactions requiring disclosure.

18. Cash flow statement

The Company is a wholly-owned subsidiary of RSA Insurance Group plc and the cash flows of the Company are included in the consolidated cash flow statement of RSA Insurance Group plc. The Company has thus taken advantage of the exemption permitted by FRS1 (revised 1996) 'Cash flow Statements' and has elected not to prepare its own cash flow statement.

Noble Marine (Insurance Brokers) Ltd
Year ended 31 December 2014

19. Capital commitments

Details of capital commitments at the accounting date are as follows:

	2014 £	2013 £
Contracted for but not provided in the financial statements	-	47,256
	-	47,256

20. Operating Lease Commitments

Lease commitments in 2015, by term of lease:

	Property 2014 £	Property 2013 £
Operating leases which expire:		
Between 1 and 5 years	20,000	19,500
	20,000	19,500

21. Parent companies

The Company's immediate parent company is Royal & Sun Alliance Insurance plc, which is registered in England and Wales.

The Company's ultimate parent company is RSA Insurance Group plc, which is registered in England and Wales and is the parent company of the smallest and largest group to consolidate these financial statements. A copy of that company's accounts can be obtained from 20 Fenchurch Street, London EC3M 3AU.