

# **HARDY INSURANCE SERVICES LIMITED**

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## **ANNUAL REPORT**

### **YEAR ENDED 31 DECEMBER 2009**

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(Company Number 3075206)

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# **HARDY INSURANCE SERVICES LIMITED**

## **ANNUAL REPORT YEAR ENDED 31 DECEMBER 2009**

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# **HARDY INSURANCE SERVICES LIMITED**

## **DIRECTORS' REPORT**

The directors submit their report and the audited financial statements for the year ended 31 December 2009 of Hardy Insurance Services Limited (registered number 3075206)

### **Activities and Business Review**

With effect from 31 December 2002, the company ceased to take on any new business and its ongoing activities were assumed by Hardy (Underwriting Agencies) Limited

The loss before tax for the 2009 year was £286 (2008 profit £329)

### **Dividends**

The directors do not propose the payment of a dividend (2008 £nil)

### **Directors**

The details of the directors who served in the period are as follows

AJ Walker	Chairman
BJ Merry	CEO
TP Griffin	
J D MacDiarmid	
MTA Sugden	

During 2009, Hardy Insurance Services Limited was a wholly owned subsidiary of Hardy Underwriting Group plc (HUG)

### **Disclosure of information to the auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each director has taken all the steps that he / she ought to have taken as a director to make himself / herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

### **Auditor**

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG Audit Plc will therefore continue in office

By order of the Board

1<sup>st</sup> Floor, Fitzwilliam House  
10 St Mary Axe  
London EC3A 8NA



**T Hutchings**  
Company Secretary  
29 September 2010

## **HARDY INSURANCE SERVICES LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the 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 they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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

## **HARDY INSURANCE SERVICES LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARDY INSURANCE SERVICES LIMITED**

We have audited the financial statements of Hardy Insurance Services Limited for the year ended 31 December 2009 set out on pages 5 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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 APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

#### **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 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

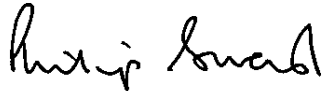
## **HARDY INSURANCE SERVICES LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF HARDY INSURANCE SERVICES 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



**Philip Smart (Senior Statutory Auditor)**  
**for and on behalf of KPMG Audit Plc, Statutory Auditor**  
*Chartered Accountants*  
8 Salisbury Square  
London EC4Y 8BB

29 September 2010

# **HARDY INSURANCE SERVICES LIMITED**

## **PROFIT AND LOSS ACCOUNT YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 £	2008 £
Administrative expenses		(315)	(343)
Operating loss		<u>(315)</u>	<u>(343)</u>
Interest and similar income		<u>29</u>	<u>672</u>
(Loss) / profit on ordinary activities before taxation	2	(286)	329
Taxation credit	3	<u>80</u>	<u>5,419</u>
(Loss) / profit on ordinary activities after taxation		<u>(206)</u>	<u>5,748</u>

The company had no recognised gains or losses other than those in the profit and loss account

All profits and losses relate to discontinued operations

## HARDY INSURANCE SERVICES LIMITED

### BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009 £	2008 £
CURRENT ASSETS			
Cash at bank		25,293	24,890
Debtors		178	-
CREDITORS amounts falling due within one year	4	(17,948)	(17,161)
NET ASSETS		<u>7,523</u>	<u>7,729</u>
CAPITAL AND RESERVES			
Called up share capital	5	100	100
Profit and loss account		7,423	7,629
Shareholders' funds	6	<u>7,523</u>	<u>7,729</u>

The financial statements were approved on 29 September 2010 and issued on behalf of the board



BJ MERRY  
Director



AJ WALKER  
Director



## **HARDY INSURANCE SERVICES LIMITED**

### **NOTES AND ACCOUNTING POLICIES**

#### **1. ACCOUNTING POLICIES**

- (a) The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards

Under Financial Reporting Standard 1 (revised 1996), the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the results of this company in its own published consolidated financial statements

- (b) Interest income is recognised when receivable
- (c) Overhead expenses are recognised as incurred
- (d) Consortium results are accounted for on an accruals basis

#### **2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

All audit costs are borne by the holding company, Hardy Underwriting Bermuda Limited. The total cost for auditing the Group was £101,887 (2008 £95,750) of which £500 (2008 £500) relates specifically to the audit of Hardy Insurance Services Limited.

Fees paid to the company's auditor, KPMG Audit Plc, and its associates for services other than the statutory audit of the company are not disclosed in these accounts since the consolidated accounts of Hardy Insurance Services parent, Hardy Underwriting Group plc, are required to disclose non-audit fees on a consolidated basis.

# **HARDY INSURANCE SERVICES LIMITED**

## **NOTES AND ACCOUNTING POLICIES (continued)**

### **3 TAXATION**

	2009 £	2008 £
Current tax		
Average UK corporation tax on (loss) / profit for the year at 28.0% (2008: 28.5%)	(80)	94
Adjustments in respect of prior period	-	(5,513)
Total current tax	<u>(80)</u>	<u>(5,419)</u>
 Factors affecting tax charge for period		
(Loss) / profit on ordinary activities before tax	(286)	329
Multiplied by average rate of UK corporation tax at 28.0% (2008: 28.5%)	(80)	94
Effects of adjustments in respect of prior period	-	(5,513)
	<u>(80)</u>	<u>(5,419)</u>

The UK Corporation tax rate changed from 30% to 28% with effect from April 2008

### **4. CREDITORS**

	2009 £	2008 £
Corporation tax	-	2,588
Amounts owed to Group undertakings	<u>17,948</u>	<u>14,573</u>
	<u>17,948</u>	<u>17,161</u>

There are no amounts falling due beyond one year

### **5 CALLED UP SHARE CAPITAL**

	2009 £	2008 £
Authorised, allotted and fully paid 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

## **HARDY INSURANCE SERVICES LIMITED**

### **NOTES AND ACCOUNTING POLICIES (continued)**

#### **6. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
(Loss) / profit for the financial year	<b>(206)</b>	<b>5,748</b>
Shareholder's funds at 1 January	<b>7,729</b>	<b>1,981</b>
Shareholder's funds at 31 December	<b><u>7,523</u></b>	<b><u>7,729</u></b>

#### **7 RELATED PARTIES**

As a wholly owned subsidiary of Hardy Underwriting Group plc, the company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with companies which form part of the Group. All relevant disclosures are made in the financial statements of Hardy Underwriting Group plc.

#### **8 ULTIMATE PARENT COMPANY**

With effect from 6 February 2008, the ultimate parent company became Hardy Underwriting Bermuda Limited ("HUB"). Group accounts for HUB are available from 4<sup>th</sup> Floor, Park Place, 55 Par-la-Ville Road, Hamilton HM 11 Bermuda and 1<sup>st</sup> Floor, Fitzwilliam House, 10 St Mary Axe, London EC3A 8NA, England.