Company registration number: 3431210

Gracechurch UTG No 123 Limited

Report and Financial Statements
31 December 2013

Gracechurch UTG No 123 Limited

Contents

Gracechurch UTG No 123 Limited

Company Information

Directors	Jeremy Richard Holt Evans Nomina Plc
Company Secretary	Hampden Legal Plc
Registered Office	85 Gracechurch Street London EC3V 0AA
Auditors	PKF Littlejohn LLP Statutory Auditor 1 Westferry Circus Canary Wharf London E14 4HD

Gracechurch UTG No 123 Limited

Report of the Directors

The Directors submit their Report together with the Financial Statements of the Company for the year ended 31 December 2013.

Principal activities

The principal activity of the Company was that of a corporate member at Lloyd's. The Company has ceased underwriting and all years of account on which the Company participated have closed.

Results and dividends

The results for the year are set out on page 6 of the Financial Statements. Dividends totalling £nil were paid in the year (2012: £nil).

Directors

The Directors who served at any time during the year were as follows:

Jeremy Richard Holt Evans
Nomina Plc

Directors' responsibilities

The Directors are responsible for preparing the Report of the Directors and the Financial Statements in accordance with applicable laws 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 Accounting Standards and applicable law (UK and 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 then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements
- 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 to 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.

Auditors

PKF Littlejohn LLP has signified its willingness to continue in office as auditors.

In the case of each of the persons who are Directors at the time this report is approved, the following applies:

(a) So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
(b) They have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board on 28 July 2014 and signed on its behalf by:

Hampden Legal Plc

Hampden Legal Plc
Secretary

Business review and future developments

The Company has ceased underwriting and all years of account on which the Company participated have closed.

Principal risks and uncertainties

As the Company no longer participates in the capacity of the managed syndicates, there are no major risks or uncertainties. The Company has no debt finance and therefore has no interest rate risk exposure in relation to borrowings. The Company's assets and liabilities are stated and denominated in sterling, therefore, there is no exposure to currency risk.

Approved by the Board on 28 July 2014 and signed on its behalf by:

Hampden Legal Plc

Hampden Legal Plc
Secretary

Independent Auditor's report to the Members of Gracechurch UTG No 123 Limited

We have audited the Financial Statements of Gracechurch UTG No 123 Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement 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).

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.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement, 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

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements, sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Report of the Directors and Strategic Report to identify material inconsistencies with the audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2013 and of its result 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors and Strategic 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.

Carmine Papa

Carmine Papa (Senior statutory auditor)
For and on behalf of PKF Littlejohn LLP
Statutory auditor
28 July 2014

1 Westferry Circus
Canary Wharf
London
E14 4HD

Gracechurch UTG No 123 Limited

Profit and Loss Account
for the year ended 31 December 2013

	Note	Year ended 31 December 2013 £	Year ended 31 December 2012 £
Investment income		-	5
Unrealised gains on investments		-	-
Investment expenses and charges		-	-
Unrealised losses on investments		-	-
Other income		-	-
Other charges		(16)	(1,690)
Profit/(loss) on ordinary activities before taxation	1	(16)	(1,685)
Tax on profit/(loss) on ordinary activities	2	-	-
Profit/(loss) for the financial year	6	(16)	(1,685)

The Company had no recognised gains and losses in the year other than the result above.

The Company's activities are all discontinued.

The accounting policies and notes are an integral part of these Financial Statements.

Gracechurch UTG No 123 Limited

Balance Sheet
as at 31 December 2013

	Note	31 December 2013 £	31 December 2012 £
Assets			
Financial investments		-	-
Debtors			
Other debtors	4	-	15
Other assets			
Cash at bank and in hand		-	-
Total assets		-	15
Liabilities			
Capital and reserves			
Called up share capital	5	285,103	285,103
Share premium account		-	-
Profit and loss account	6	(285,104)	(285,088)
Shareholders' funds	7	(1)	15
Creditors			
Arising out of reinsurance operations		-	-
Other creditors	8	1	-
		1	-
Accruals and deferred income		-	-
Total liabilities		-	15

Approved and authorised for issue by the Board of Directors on 28 July 2014 and signed on its behalf by:

Jeremy Richard Holt Evans
Director

Company registration number: 3431210

The accounting policies and notes are an integral part of these Financial Statements.

Gracechurch UTG No 123 Limited

Cash Flow Statement
for the year ended 31 December 2013

	2013 £	2012 £
Operating activities		
Net cash inflow/(outflow) from operating activities	-	(160,058)
Returns on investments and servicing of finance	-	-
Taxation		
Corporation and overseas taxes (paid)/refunded	-	-
Equity dividends paid	-	-
Financing		
Issue of shares	-	158,357
Net cash inflow/(outflow) for the year	-	(1,701)

Cash flows were invested as follows:

	2013 £	2012 £
Increase/(decrease) in cash holdings	-	(1,701)
Purchase of financial investments	-	-
Sale of financial investments	-	-
Net investment of cash flows	-	(1,701)

The accounting policies and notes are an integral part of these Financial Statements.

Basis of Accounting

The Financial Statements are prepared under the historical cost basis of accounting and comply with applicable Accounting Standards.

There are no syndicate transactions required to be reported in the general business technical account for the year ended 31 December 2013.

There are no assets and liabilities arising as a result of the underwriting activities that are required to be reported in the Balance Sheet at 31 December 2013.

Going Concern

The Directors are of the opinion that the Company has adequate resources to meet its operational obligations for the foreseeable future. Accordingly, the going concern concept has been adopted in preparation of the Financial Statements.

Basis of Currency Translation

Syndicates maintain separate funds in Sterling, US dollars, Canadian dollars and Euros.

Income and expenditure in US dollars, Canadian dollars and Euros is translated at the average rate of exchange for the year. Underwriting transactions denominated in other foreign currencies are included at the rate of exchange ruling at the date the transaction is processed.

Assets and liabilities are translated into Sterling at the rates of exchange at the Balance Sheet date.

Differences arising on translation of foreign currency amounts in syndicates are included in the technical account.

Deferred Taxation

Deferred tax is provided in full on timing differences which result in an obligation at the Balance Sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax assets and liabilities have not been discounted.

Gracechurch UTG No 123 Limited

Notes to the Financial Statements
for the year ended 31 December 2013

1. Profit/(loss) on ordinary activities before taxation

The Company has not employed any staff during the current or preceding financial year.

The audit fees are born by Nomina Plc and no recharge is made to the Company.

2. Taxation

	2013	2012
	£	£
UK corporation tax charge/(credit)	-	-

3. Dividends

	2013	2012
	£	£
Equity dividends declared and paid	-	-

4. Other debtors

	2013	2012
	£	£
Amounts due from group undertakings	-	-
Proprietors' loan accounts	-	-
Funds at Lloyd's	-	-
Other	-	15
	-	15

Funds at Lloyd's represents assets deposited with the Corporation of Lloyd's (Lloyd's) to support the Company's underwriting activities as described in the Accounting Policies. The Company has entered into a Lloyd's Deposit Trust Deed which gives the Corporation the right to apply these monies in settlement of any claims arising from the participation on the syndicates. These monies can only be released from the provision of this Deed with Lloyd's express permission and only in circumstances where the amounts are either replaced by an equivalent asset, or after the expiration of the Company's liabilities in respect of its underwriting.

5. Share capital

Allotted, called-up and fully paid

	2013		2012	
	Issued	Value £	Issued	Value £
Ordinary £1 shares	285,103	285,103	285,103	285,103

6. Profit and loss account

	2013	2012
	£	£
Retained profit/(loss) brought forward	(285,088)	(283,403)
Profit/(loss) for the financial year	(16)	(1,685)
Equity dividends	-	-
Retained profit/(loss) carried forward	(285,104)	(285,088)

7. Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Opening shareholders funds	15	(156,657)
Profit/(loss) for the financial year	(16)	(1,685)
Equity dividends	-	-
Proceeds from issue of shares	-	158,357
Closing shareholders' funds	(1)	15

8. Other creditors

	2013 £	2012 £
Amount due to group undertakings	-	-
Proprietors' loan accounts	-	-
Corporation tax	-	-
Other creditors	1	-
	1	-

9. Related party disclosure

Nomina plc, a director of the Company, provides administration services to the Company. Nomina plc charged a management fee of £1,000 (2012: £1,000) to cover all the costs of basic administration of the Company. This fee was paid by the Corporation of Lloyd's.

10. Ultimate controlling party

The Company is controlled by Hampden Holdings Limited, Hampden Capital Plc, Nomina Plc and Nomina Services Limited.