

Company Number 7711054

Q360 Limited

Reports & Accounts

31 December 2014

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STRATEGIC REPORT

The Directors present their strategic report for Q360 Limited ("the Company") for the year ended 31 December 2014.

Principal activity of business

The principal activity of Q360 Limited is to act as a London based insurance broker operating in a number of classes of business. The Company was an FCA Appointed Representative of Pro Insurance Solutions Limited ("Pro") during the year, until 10 December 2014, when the contract between Pro and the Company ceased, and the relevant permissions were withdrawn.

Development and financial performance during the year

The broking team placing insurance risks on behalf of the Company left during 2013 and the Company's operations are in run-off. The Directors are currently re-assessing the strategy for the Company.

Revenue and costs during 2014 reduced significantly due to the cessation of broking operations after the departure of the broking team.

The Company recorded a loss for the period of £89,031 (2013: £936,579) and the full results for the year are set out on page 7.

As reported in the Company's profit and loss account, Company revenue has decreased by 88.88% from £812,104 to £90,346 in the current year. Loss after tax has decreased from £936,579 to £89,031

The key performance indicators used to monitor the performance of the Company are revenue generated and profit/(loss) before tax.

These performance measures are set out below:

	2014	2013
	£	£
Revenue	90,346	812,104
Loss before tax	(89,031)	(936,579)

On 20 December 2013 the board of Tawa plc, renamed Pro Global Insurance Solutions plc, announced its intention to demerge its operations into two independent groups, one comprising primarily the services business (the Pro Global Insurance Solutions Group) and the other the risk carrier business (the Tawa Associated Limited Group). The demerger was effected on 3 April 2014.

The Company forms part of the risk carrier business and, as such, responsibility for supporting the Company was transferred to Tawa Associates Limited, through a dividend in specie.

Financial position at the reporting date

The balance sheet shows that the Company's net liabilities have increased from £3,680,187 to £3,769,218. Cash at bank at year end is lower than at the previous period end and the Company's intercompany creditors have increased during the year.

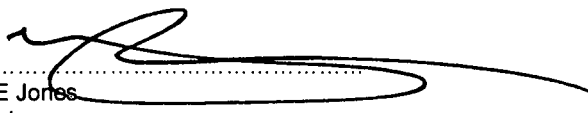
Principal risks and uncertainties

Following the withdrawal from broking operations, the nature of the risks to which the Company is exposed has changed. The principal risk relates to the ongoing financing of the Company and its ability to service the inter-company debts due to Tawa Associates Limited and its subsidiary. This is addressed in the Going Concern section of the Directors' report.

The management of risk is fundamental to the Company, with the Board having responsibility for the overall system of internal control and for reviewing its effectiveness. Such systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives; any system can provide only reasonable and not absolute assurance against material misstatement or loss.

The Company has processes for identifying, evaluating and managing the significant risks faced by the Company. These processes have been in place for the whole of the period and have continued up to the date this document was approved.

By Order of the Board


 C H E Jones
 Secretary
 31 March 2015

REPORT OF THE DIRECTORS

The Directors present their third annual report together with the financial statements of Q360 Limited ("the Company") for the year ended 31 December 2014.

Directors

The Directors of the Company who, unless otherwise stated, served throughout the period are listed on page 5.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Report of the Directors, the Strategic Report and the Annual 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 they 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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 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. Under applicable law, the Directors are also responsible for preparing a Report of the Directors that complies with that law.

Auditor

The Directors who held office at the date of approval of this Report of the Directors 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 steps that they ought to have taken as a Director to make themselves 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.

Mazars LLP were appointed during the period and appropriate arrangements have been put in place for the auditor to be deemed to be reappointed as auditor in the absence of an Annual General Meeting.

Going concern

The Company receives support from its parent undertaking Tawa Associates Limited, which has made payments on behalf of the Company via an intercompany account.

The Directors are satisfied that Tawa Associates Limited has sufficient resources to support the Company for the foreseeable future and Tawa Associates Limited has confirmed that it will not demand from the Company the repayment of the intercompany debt until such time as the Company is in a position to repay the loan.

Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report and accounts. As of this date, there are no post balance sheet events to suggest any going concern issues.

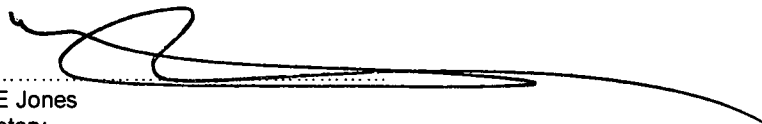
REPORT OF THE DIRECTORS (CONTINUED)**Directors' indemnities**

The Company is a beneficiary of insurance cover for its Directors and Officers against liabilities which may be incurred by them while acting as Directors and Officers. As at the date of this report, indemnities are in force under which the Company has agreed to indemnify its Directors and Officers, to the extent permitted by law and the Company's articles of association, against all costs, charges, losses, liabilities and expenses that they may incur in the execution of their duties, powers and offices as Directors and Officers of the Company. Copies of these indemnities are kept at the Company's registered office and are open for inspection by any members of the Company without charge. For the Tawa Associates Limited Group, Tawa Associates Limited maintains the pertinent policy and the Directors and Officers of its subsidiaries (Tawa Management Limited, Tawa Management (Bermuda) Limited, PXRE Reinsurance Company, WT Holdings Incorporated, Amberley Alternative Assets Limited, Island Capital Limited, ICL Holdings Incorporated, QX Reinsurance Company Limited, Pocono Holdings Limited, Lodestar Marine Limited and Q360 Limited) have benefits pursuant to that policy. Prior to the demerger, Tawa plc, renamed Pro Global Insurance Solutions plc, maintained the relevant policies for the Company.

Dividends

During the year no dividend was proposed and paid to the ordinary shareholders. A charge of £45,511 has been recognised in respect of the 5% fixed cumulative dividend due on the preference shares (2013: £41,645).

By Order of the Board



C H E Jones
Secretary
31 March 2015

CORPORATE INFORMATION

Directors

D A Vaughan – Chairman & Chief Executive Officer
S L-B Byrne (resigned 25 July 2014)
R J Burggraf
M D Mohn

Registered Office

Walsingham House
35 Seething Lane
London
EC3N 4AH

Auditor

Mazars LLP
Tower Bridge House
St Katharine's Way
London E1W 1DD

Principal Bankers

Barclays Bank plc
1 Churchill Place
Canary Wharf
London E14 5HP

Registered Number: 7711054

Company Secretary

C H E Jones FCIS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Q360 LIMITED

We have audited the financial statements of Q360 Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet 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).

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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. 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 formed.

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 web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 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.

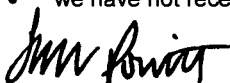
Opinion on the other matter prescribed by the Companies Act 2006

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



Sam Porritt (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

1 APRIL 2015

PROFIT AND LOSS ACCOUNT*For the year ended 31 December 2014*

		31 Dec 2014	31 Dec 2013
	Notes	£	£
Turnover	3	90,346	812,104
Administrative expenses		<u>(147,048)</u>	<u>(1,673,646)</u>
Operating loss	4	(56,702)	(861,542)
Other expenses		13,182	(33,392)
Finance cost	5	<u>(45,511)</u>	<u>(41,645)</u>
Loss on ordinary activities before taxation		(89,031)	(936,579)
Taxation	8	-	-
Loss for the financial year	14	<u><u>(89,031)</u></u>	<u><u>(936,579)</u></u>

All amounts relate to continuing activities.

There were no recognised gains or losses other than those included in the profit and loss account for the current and prior periods and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 9 to 13 form part of these financial statements.

BALANCE SHEET*As at 31 December 2014*

		2014	2013
	Notes	£	£
Non-current assets			
Investment in subsidiary	10	1	1
Current assets			
Debtors: amounts falling due within one year	11	82,422	-
Cash at bank and in hand		8,356	68,999
		<u>90,778</u>	<u>68,999</u>
Creditors			
Creditors: amounts falling due within one year	12	(3,859,997)	(3,749,187)
Net current liabilities		<u>(3,769,219)</u>	<u>(3,680,188)</u>
Net liabilities		<u>(3,769,218)</u>	<u>(3,680,187)</u>
Capital and reserves			
Called up share capital	13	450	450
Profit and loss account	14	(3,769,668)	(3,680,637)
Shareholders' deficit	15	<u>(3,769,218)</u>	<u>(3,680,187)</u>

The notes on pages 9 to 13 form part of these financial statements.

The financial statements of Q360 Limited (7711054) were approved by the Board of Directors and authorised for issue on 24 March 2015 and were signed on its behalf on 31 March 2015 by:



D A Vaughan
Director

NOTES TO THE ACCOUNTS**1. Basis of preparation**

These accounts are prepared under the historical cost convention, and in accordance with applicable law and UK accounting standards.

The Company is exempt from the requirement to produce group accounts under s400 of the Companies Act 2006 on the basis that its ultimate parent as set out in note 17, is an EU entity which prepares group accounts.

Going concern

The Company's activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 2. In addition the section on Risk Management includes an analysis of the risks the Company faces and its policies for mitigating those risks.

The Directors are satisfied that Tawa Associates Limited has sufficient resources to support the Company for the foreseeable future and Tawa Associates Limited has confirmed that it will not demand from the Company the repayment of the intercompany debt until such time as the Company is in a position to repay the loan.

Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report and accounts. As of this date, there are no post balance sheet events to suggest any going concern issues.

Cash flow statement

The Company is exempt from producing a cash flow statement as it is a subsidiary undertaking of Tawa Associates Limited (formerly Tawa plc, renamed Pro Global Insurance Solutions plc) where 90% or more of the voting rights are controlled within the group. The financial statements of Tawa Associates Limited are publicly available.

2. Accounting policies

A summary of the principal accounting policies, which have been applied consistently, unless otherwise stated, are set out below.

a) Turnover

Turnover represents retained brokerage and fees receivable which are taken into account at the later of the policy inception date or when the policy placement has been substantially completed and confirmed. In addition, an element of income is deferred to account for future servicing obligations. Where there is an expectation of future servicing requirements, a proportion of income is deferred to cover the associated obligations under the policy contract.

b) Insurance broking debtors and creditors

All client transactions are processed through the books of Pro Insurance Solutions Ltd. The Company therefore does not record fiduciary balances for cash, debtors and creditors as these are recorded in the books of Pro Insurance Solutions Ltd.

c) Foreign currencies

Transactions in foreign currencies are translated using the rates of exchange ruling at the date the transaction occurs. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at rates of exchange prevailing at the balance sheet date. Any gains or losses arising on translation are included in the profit and loss account.

NOTES TO THE ACCOUNTS (CONTINUED)

d) Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The charge for taxation is based on the profit for the year and takes into account deferred taxation. Deferred taxation is provided in full on timing differences between the recognition of gains and losses in the financial statements and the recognition for taxation purposes. Deferred taxation liabilities are provided in relation to transactions that have occurred by the balance sheet date. Deferred taxation assets are recognised when it is considered that the benefit is more likely than not to accrue to the Company. Deferred tax is measured at the average rates that are expected to apply in the periods in which the timing differences are expected to reverse based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

e) Preference shares

Preference shares have been presented as a liability where the Company is contractually obliged to repay the principal amount. Dividends on preference shares are charged to the profit and loss account as a finance cost, where the dividend payment is not at the discretion of the Company.

f) Investments

Fixed asset investments are shown at cost less provision for impairment.

3. Segmental reporting

	31 Dec 2014 £	31 Dec 2013 £
Geographical analysis of turnover by source of business:		
Europe	39,036	-
North America	25,558	812,104
Asia	18,622	-
Rest of the World	7,130	-
	<u>90,346</u>	<u>812,104</u>

4. Operating loss

	31 Dec 2014 £	31 Dec 2013 £
This loss is stated after charging:		
Audit fees	2,000	5,000
Foreign exchange (gains) / losses	(13,182)	33,392
	<u>(11,182)</u>	<u>38,392</u>

Amounts payable to Mazars LLP, and their associates, by the Company for non-audit services were £nil (2013: £nil).

5. Finance costs

Finance costs represent the 5% cumulative preference dividend due on the preference shares in issue.

6. Staff numbers and costs

	31 Dec 2014 £	31 Dec 2013 £
Salaries	64,033	827,924
Social security costs	2,676	105,907
Pension costs	3,268	89,922
	<u>69,977</u>	<u>1,023,753</u>

The average number of persons, including executive directors, employed by the Company during the year was 3 (2013: 6).

NOTES TO THE ACCOUNTS (CONTINUED)

7. Directors' emoluments

	31 Dec 2014 £	31 Dec 2013 £
All Directors		
Aggregate emoluments	42,897	405,647
Pension contributions	-	35,400
	<u>42,897</u>	<u>441,047</u>
Highest paid Director		
Aggregate emoluments	42,897	229,493
Pension contributions	-	20,000
	<u>42,897</u>	<u>249,493</u>

8. Taxation

	31 Dec 2014 £	31 Dec 2013 £
Current tax		
UK Corporation tax on income for the period	-	-
Total current tax	<u>-</u>	<u>-</u>
	31 Dec 2014 £	31 Dec 2013 £
Loss on ordinary activities before tax	<u>89,031</u>	<u>936,579</u>
Tax on loss on ordinary activities at UK corporation tax rate of 21.50% (2013: 23.25%)	19,142	217,755
Effects of:		
Expenses not deductible for tax purposes	(11,991)	(23,663)
Movement in tax loss carried forward	(7,151)	(194,092)
Total current tax	<u>-</u>	<u>-</u>
Loss carried forward	2,910,841	3,431,835
Tax rate	21.00%	21.25%
Value of unrecognised deferred tax asset	<u>611,277</u>	<u>729,265</u>

The Company may amend group relief surrenders for a period of two years after its accounting period end. Subsequent to the adoption of the Company's 2013 accounts the Company surrendered £554,254 to other group companies, thereby reducing the amount of tax losses carried forward from £3,431,835 to £2,877,581.

NOTES TO THE ACCOUNTS (CONTINUED)

9. Rates of exchange

The rates of exchange used to translate items denominated in foreign currency at the balance sheet date relative to £1 for significant currencies are as follows:

	31 Dec 2014	31 Dec 2013
United States	£0.64	£0.61

10. Investments

The Company incorporated a 100% owned subsidiary, Q360 Inc, in Delaware, United States on 4 June 2012. The subsidiary is currently dormant and has not traded during the period.

11. Debtors – amounts falling due within one year

	31 Dec 2014	31 Dec 2013
	£	£
Amounts due from group companies	2,238	-
Other debtors	80,184	-
	<u>82,422</u>	<u>-</u>

12. Creditors – amounts falling due within one year

	31 Dec 2014	31 Dec 2013
	£	£
Amounts due to group companies	2,944,124	2,838,972
Preference shares	910,215	910,215
Accruals and deferred income	5,658	-
	<u>3,859,997</u>	<u>3,749,187</u>

The preference shares are redeemable at the option of the holder from 31 December 2014 and attract a fixed cumulative dividend of 5%, they are accordingly presented as a current liability and excluded from called up share capital in the balance sheet. The shares do not carry any voting rights.

Included in amounts owed to group companies is £132,667 of preference share dividend arrears relating to the period since issue to 31 December 2014 (2013: £87,156).

13. Share capital

Called up share capital as at 31 December 2014:

Class of share	Number of shares allotted and issued	Nominal Value of each share £	31 Dec 2014 Total Value £
Ordinary A shares	2,200	0.1	220
Ordinary B shares	350	0.1	35
Ordinary C shares	1,850	0.1	185
Ordinary D shares	100	0.1	10
At 31 December 2014	<u>4,500</u>		<u>450</u>

The Ordinary A shares, carry one vote per share but do not carry a right to dividends, whereas all other ordinary shares do not carry any rights to voting but do carry a right to dividends.

NOTES TO THE ACCOUNTS (CONTINUED)

14. Reserves

	Profit and loss account £	Total £
Opening balance	(3,680,637)	(3,680,637)
Loss for the period	<u>(89,031)</u>	<u>(89,031)</u>
Closing balance	<u>(3,769,668)</u>	<u>(3,769,668)</u>

15. Reconciliation of movement in shareholders' deficit

	2014 £	2013 £
Opening shareholders' deficit	(3,680,187)	(2,743,608)
Loss for the period	<u>(89,031)</u>	<u>(936,579)</u>
Closing shareholders' deficit	<u>(3,769,218)</u>	<u>(3,680,187)</u>

16. Related party transactions

Under FRS 8, the Company is exempt from the requirement to disclose related party transactions with other members of the Tawa Associates Limited Group on the grounds that all subsidiaries which are party to the transactions are wholly owned within the Group.

Following the demerger from Tawa plc, renamed Pro Global Insurance Solutions plc, on 3 April 2014 the Pro Global Insurance Solutions Group and its subsidiaries are considered related parties. During the year the Company paid £(98,209) (2013: not applicable) to Pro Insurance Solutions Limited for management services and expenses. As at 31 December 2014 the Company owed Pro Insurance Solutions Limited £(20,857) (2013: not applicable).

17. Parent company

The ultimate parent company is Financière Pinault S.C.A., a Société en commandite par actions incorporated in France. The Pinault family members are, in the opinion of the directors, the ultimate controlling parties of the Company. The parent undertaking of the largest group which includes the Company and for which group accounts are prepared is Financière Pinault, a company incorporated in France. Copies of the group financial statements of Financière Pinault S.C.A. may be obtained from the Tribunal de Commerce de Paris, 1 Quai de Corse, 75004, Paris, France. The parent undertaking of the smallest group which includes the Company and for which group accounts are prepared is Tawa Associates Limited, a company incorporated in Great Britain. Copies of the financial statements of Tawa Associates Limited are obtainable from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ. The immediate parent undertaking is Tawa Management Limited.