
LIMITED LIABILITY PARTNERSHIP

Seven Underwriting LLP

Annual Report

◆ For the year ended 31 December 2020 ◆

Registered Number: OC322512

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Seven Underwriting LLP

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Seven Underwriting LLP General Information

DESIGNATED MEMBERS

Argenta Continuity Limited
Argenta LLP Services Limited

MEMBERS' AGENT

(Regulated by the Financial Conduct Authority)
Argenta Private Capital Limited

REGISTERED NUMBER

OC322512

REGISTERED OFFICE

5th Floor, 70 Gracechurch Street
London
EC3V 0XL

Seven Underwriting LLP

Members' Report

For the year ended 31 December 2020

The Members present their report together with the financial statements for the year ended 31 December 2020.

Statement of Members' Responsibilities

Legislation applicable to Limited Liability Partnerships requires the Members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period.

In preparing those financial statements, the Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departure 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 Partnership will continue in business.

The Members are responsible for ensuring that proper and up to date books of account are maintained in accordance with generally accepted accounting principles, and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Limited Liability Partnership Regulations. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Activities

The principal activity of the Limited Liability Partnership in the year under review was that of a ceased limited liability underwriting member of Lloyd's. The Limited Liability Partnership ceased underwriting at 31 December 2013. The Members do not consider the Limited Liability Partnership to be a going concern and the financial statements have been prepared on a break up basis.

Business Review

The Limited Liability Partnership ("the LLP") has ceased to write insurance business in the Lloyd's insurance market as a limited liability underwriting at Lloyd's.

Results

The result for the year is shown in the statement of comprehensive income.

Designated Members

The Designated Members during the period were as follows:

Argenta Continuity Limited
Argenta LLP Services Limited

Members' Interests

The net profit of the Limited Liability Partnership for the financial year is allocated to each Member in accordance with their respective profit shares for the relevant year(s) of account.

The net loss of the Limited Liability Partnership for the financial year is allocated to each Member in accordance with their respective yearly shares for the relevant year(s) of account.

Seven Underwriting LLP
Members' Report (continued)
For the year ended 31 December 2020

Principal Risks and Uncertainties

Brexit

The UK left the EU on 31 January 2020 and negotiations in respect of the EU-UK Trade and Cooperation Agreement ("the Agreement") concluded on 24 December 2020, with the Agreement becoming effective from 1 January 2021. The Agreement consists of a Free Trade Agreement, a close partnership on citizens' security and an overarching governance framework. From 1 January 2021, UK financial services firms no longer have passporting rights allowing them to sell their services into the EU from their UK base without the need for additional regulatory clearances. In preparation for this, on 25 November the English High Court sanctioned a Part VII transfer of all policies insuring EEA risks from the syndicates to Lloyd's Insurance Company, Brussels. The Directors are monitoring the implications of the Part VII transfer along with general market conditions to identify whether it is appropriate to make any changes to the current strategy of the Limited Liability Partnership.

Coronavirus

The COVID-19 pandemic continues to affect the UK and global economies adversely. Consideration has been given to the potential risks and uncertainties which may occur, however it is too early to assess the full impact on market conditions. As the Partnership has ceased underwriting it is considered that it will not be adversely affected by any impact on the market as a result of Covid-19.

Approved by the Members on 30 June 2021 and signed on their behalf by:



D C BOWLES
ARGENTA LLP SERVICES LIMITED
Designated Member

Seven Underwriting LLP
Statement of Comprehensive Income
For the year ended 31 December 2020

	Note	2020 £	2019 £
Interest receivable	1	-	-
Other expenses		-	-
Profit for the financial period before Members' remuneration and profit shares	2	-	-
Members' contribution charged as an expense	3	-	-
Profit for the financial period available for discretionary division among Members		-	-

All items derive from discontinued activities.

There is no other comprehensive income or expenditure.

The accounting policies and notes on pages 10 to 15 form part of these financial statements.

Seven Underwriting LLP
Statement of Financial Position
As at 31 December 2020

		31 December 2020	31 December 2019
	Note	Total £	Total £
Assets			
Debtors	4	-	-
Cash at bank and in hand		-	-
Total assets		<u>-</u>	<u>-</u>
Liabilities and Members' interests			
Loans and other debts due to Members			
Profit and loss - syndicate capacity		16,306	16,306
Members' loan account		(16,306)	(16,306)
Members' capital classified as a liability		<u>-</u>	<u>-</u>
Creditors	4	-	-
Total liabilities and Members' interests		<u>-</u>	<u>-</u>

For the financial year ended 31 December 2020, the LLP was entitled to exemption from audit under the Companies Act 2006, s. 480 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008) as a dormant LLP. The members acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Members of the Limited Liability Partnership and signed on its behalf by:



D C BOWLES
ARGENTA LLP SERVICES LIMITED
Date: 30 June 2021

Registered Number: OC322512

The accounting policies and notes on pages 10 to 15 form part of these financial statements.

Seven Underwriting LLP
Reconciliation of Members' Interests
For the year ended 31 December 2020

	Liabilities		
	Partnership profit and loss allocated to Members		
	Syndicate capacity £	Other £	£
Members' interests at 1 January 2019	16,306	(16,306)	-
Introduced by Members	-	-	-
Repayment of debt (including Members' capital classified as a liability)	-	-	-
Profit/(loss) for the year available for discretionary division	-	-	-
Members' interests at 31 December 2019	16,306	(16,306)	-
Introduced by Members	-	-	-
Repayment of debt (including Members' capital classified as a liability)	-	-	-
Profit/(loss) for the year available for discretionary division	-	-	-
Members' interests at 31 December 2020	16,306	(16,306)	-

The accounting policies and notes on pages 10 to 15 form part of these financial statements.

Seven Underwriting LLP
Statement of Cash Flows
For the year ended 31 December 2020

	2020 £	2019 £
Operating activities		
Profit on ordinary activities before tax	-	-
Profit attributable to Syndicate transactions	-	-
Profit excluding Syndicate transactions	-	-
Adjustment for:		
Decrease in debtors	-	-
Increase in creditors	-	-
Interest received	-	-
Net cash inflow from operating activities	-	-
Investing activities		
Interest received	-	-
Net cash inflow from investing activities	-	-
Financing activities		
Repayment of debt to Members	-	-
Capital introduced by Members	-	-
Net cash inflow from financing activities	-	-
Net cash increase in cash and cash equivalents	-	-
Effect of exchange rates on cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	-	-
Consisting of:		
Cash at bank and in hand	-	-
Cash equivalents	-	-

The accounting policies and notes on pages 10 to 15 form part of these financial statements.

Seven Underwriting LLP

Notes to the Financial Statements

For the year ended 31 December 2020

General information

The Partnership is a Limited Liability Partnership incorporated in England, United Kingdom.

The financial statements have been presented in Pounds Sterling ("Sterling") as this is the Limited Liability Partnership's functional currency, being the primary economic environment in which the Limited Liability Partnership operates.

Basis of preparation

These financial statements have been prepared in accordance with:

- FRS 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* ("FRS 102");
- The requirements of the Statement of Recommended Practice *Accounting by Limited Liability Partnerships* ("LLP SORP"); and
- Applicable legislation, as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 ("SI 2008/410") as modified by the Large and Medium-sized Limited Liability Partnerships (Accounts) Regulations 2008 ("SI 2008/1913").

Accounting policies

i. Going concern

The Members do not consider the Limited Liability Partnership (LLP) to be a going concern as the LLP has sold or returned all the capacity and will not be underwriting on any new years of account going forward. Accordingly the Financial Statements have been prepared on a break up basis.

ii. Financial instruments

The Limited Liability Partnership has chosen to apply the provisions of Section 11 *Basic Financial Instruments*.

The Limited Liability Partnership holds basic financial instruments. The Limited Liability Partnership's financial instruments comprise of cash and cash equivalents, trade and other debtors and trade and other creditors.

Financial assets and liabilities are recognised when the Limited Liability Partnership becomes party to the contractual provisions of the financial instrument.

Basic financial instruments 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 in the case of financial assets. Amounts that are receivable/payable within one year are measured at the undiscounted amount of the cash expected to be received/settled.

At the end of each reporting year, the Limited Liability Partnership assesses whether there is objective evidence that any financial asset may be impaired. A provision for impairment is established when there is objective evidence that the Limited Liability Partnership will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

Interest income is recognised as it accrues using the effective interest method in the statement of comprehensive income.

Dividend income receivable is recognised when the rights to receive the distributions have been established.

iii. Foreign currencies

Transactions in United States dollars, Canadian dollars and Euros are translated at the rates of exchange ruling at the date the transaction is processed or at an appropriate average rate. Unless otherwise stated, transactions in currencies other than United States dollars, Canadian dollars and Euros are translated at the rate of exchange ruling at the date the transaction is processed. Monetary assets and liabilities are retranslated into Sterling at the rate of exchange at the reporting date. Non-monetary assets and liabilities at the balance sheet date are maintained at the rate of exchange ruling when the contract was entered into.

Seven Underwriting LLP
Notes to the Financial Statements
For the year ended 31 December 2020

Accounting policies (continued)

iv. Members' participation rights and remuneration

Members' participation rights are the rights of a Member against the Limited Liability Partnership that arise under the Members' Agreement.

Members' participation rights in the earnings or assets of the Limited Liability Partnership are analysed between those that are, from the Limited Liability Partnership's perspective, either a financial liability or equity, in accordance with Section 22 *Liabilities and Equity*. A Member's participation right results in a liability where there is a contractual obligation on the part of the Limited Liability Partnership to deliver cash, or other financial assets, to the Member.

Amounts subscribed or otherwise contributed by Members, for instance Members' capital, are classified as equity where the Limited Liability Partnership has an unconditional right to avoid delivering cash or other assets to the Member (i.e. the right to any payment or repayment is discretionary on the part of the Limited Liability Partnership). If the Limited Liability Partnership does not have such an unconditional right, such amounts are classified as liabilities.

The net profit of the Limited Liability Partnership for the financial year is allocated to each Member in accordance with their respective profit shares for the relevant year(s) of account.

The net loss of the Limited Liability Partnership for the financial year is allocated to each Member in accordance with their respective yearly shares for the relevant year(s) of account.

Loans and other debts due to Members rank *pari passu* with other unsecured creditors on the winding up of a partnership.

The key management personnel of the Limited Liability Partnership are considered to be the Members. The Members are not employees of the Limited Liability Partnership, and consequently the total remuneration of the Members' consists of the allocated profit/(loss) for the year.

v. Taxation

Income tax payable on the Limited Liability Partnership's profits is solely the personal liability of the Members and consequently is not dealt with in these financial statements.

vi. Critical accounting judgements and key sources of estimation uncertainty

In applying the Limited Liability Partnership's accounting policies, the Members are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Members' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The estimates and underlying assumptions are reviewed on an ongoing basis.

The critical judgements that the Members have made in the process of applying the Limited Liability Partnership's accounting policies and that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the Members have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty

The key source of estimation uncertainty that has a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is the recoverability of receivables.

The Limited Liability Partnership establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the Members consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

Seven Underwriting LLP
Notes to the Financial Statements
For the year ended 31 December 2020

1. Interest received

	2020 £	2019 £
Financial instruments held at amortised cost:		
Bank interest	-	-
Other	-	-
	<u>-</u>	<u>-</u>

2. Profit/(Loss) on Ordinary Activities before Members remuneration and profit shares

	2020 £	2019 £
Operating Profit is stated after charging:		
Loss on exchange	-	-

The Limited Liability Partnership has no employees.

3. Members' Remuneration

The key management personnel of the Limited Liability Partnership are considered to be the Members. The Members are not employees of the Limited Liability Partnership, and consequently the total remuneration of the Members' consists of the allocated profit/(loss) for the year.

The average number of Members during the year was 2.

4. Financial Instruments and Financial Risk Management

4.1 Debtors

	2020 Total £	2019 Total £
Debtors:		
Amounts due from group undertakings	-	-
Other	-	-
Total debtors	<u>-</u>	<u>-</u>

4.2 Creditors

	2020 Total £	2019 Total £
Creditors:		
Corporation tax	-	-
Members loan accounts	-	-
Third party funds	-	-
Other creditors	-	-
Amount due to group undertakings	-	-
Total creditors	<u>-</u>	<u>-</u>

Seven Underwriting LLP
Notes to the Financial Statements
For the year ended 31 December 2020

4. Financial Instruments and Financial Risk Management (continued)

4.3 Classification of Financial Instruments

The tables below set out the Limited Liability Partnership's financial instruments by classification.

Other financial investments

	2020			2019		
	At fair value through profit or loss £	At amortised cost £	Total £	At fair value through profit or loss £	At amortised cost £	Total £
Financial assets						
Debtors	-	-	-	-	-	-
Cash at bank and in hand	-	-	-	-	-	-
	-	-	-	-	-	-
Financial liabilities						
Creditors	-	-	-	-	-	-
	-	-	-	-	-	-

4.4 Financial Risk Management

The Limited Liability Partnership is a financial institution and therefore provides the following disclosures in respect of the financial instruments it holds. The Limited Liability Partnership holds only cash and cash equivalents in respect of financial instruments.

The Limited Liability Partnership is exposed to the following financial risks in the course of its operating and financing activities:

- Credit risk
- Liquidity risk
- Interest rate risk; and
- Foreign exchange risk

Credit risk

Credit risk is the risk that a counterparty to the Limited Liability Partnership's financial instruments will cause a loss to the Limited Liability Partnership through failure to perform its obligations. The key areas of exposure to credit risk for the Limited Liability Partnership result through its bank deposits and receivables.

The Limited Liability Partnership manages credit risk at the Limited Liability Partnership level by ensuring that investments and cash and cash equivalent deposits are placed only with highly rated credit institutions.

The carrying amount of the Limited Liability Partnership's financial assets represents the Limited Liability Partnership's maximum exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

At the Partnership level the Limited Liability Partnership is not exposed to significant liquidity risk. Consequently a maturity profile has not been presented for the Partnership.

Seven Underwriting LLP
Notes to the Financial Statements
For the year ended 31 December 2020

4. Financial Instruments and Financial Risk Management (continued)

4.4 Financial Risk Management (continued)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rates.

The Limited Liability Partnership is exposed to the risk of interest rate fluctuations in respect of cash and cash equivalents and other interest bearing securities.

At the Partnership level the Limited Liability Partnership manages interest rate risk by maintaining an appropriate mix between fixed and floating rate financial instruments.

Currency risk

The Limited Liability Partnership holds both assets and liabilities denominated in currencies other than Sterling, its functional currency. It is therefore exposed to currency risk as the value of the foreign currency assets and liabilities will fluctuate in line with changes in foreign exchange rates.

At the Partnership level the Limited Liability Partnership manages currency risk by ensuring that exchange rate exposures are managed within approved policy parameters.

The table below considers financial assets and financial liabilities denominated in the currencies of the Limited Liability Partnership's principal foreign exchange exposures in aggregate.

Net assets and liabilities

	2020 £	2019 £
Sterling	-	-
United States Dollar	-	-
Euro	-	-
Canadian Dollar	-	-
Australian Dollar	-	-
Japanese Yen	-	-
Other	-	-

The Limited Liability Partnership's assets are held in various currencies but are all cash. As such, any exchange movement would be accounted for in the profit and loss.

	Partnership Profit and loss			
	31 December 2020		31 December 2019	
	Increase £	Decrease £	Increase £	Decrease £
Effect of sterling exchange movement by 10%				
United States Dollar	-	-	-	-
Euro	-	-	-	-
Canadian Dollar	-	-	-	-
Australian Dollar	-	-	-	-
Japanese Yen	-	-	-	-
Other	-	-	-	-

4.5 Capital Management

The total Members' interests represent the capital which allows the Limited Liability Partnership to operate.

Seven Underwriting LLP
Notes to the Financial Statements
For the year ended 31 December 2020

5. Related Party Disclosure

There are no related party transactions other than those disclosed in the members interest statements. Related party loans and balances do not attract interest and are repayable on demand.

6. Ultimate Controlling Party

The Partnership has no ultimate controlling party.

7. Post Balance Sheet Event

There are no post balance sheet events to report.