

Registered Number: 03096948

Noble Marine (Underwriting Agencies) Limited

Annual Report and Accounts

for the year ended 31 December 2017



Noble Marine (Underwriting Agencies) Limited

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Noble Marine (Underwriting Agencies) Limited

Company Information

Directors

J Langford (Resigned 22 September 2017)

R J Turner

S P Baker

M Harrington (Appointed 4 October 2017)

Secretary

Roysun Limited

Registered Office

Clinton House
12 Lombard Street
Newark
Nottinghamshire
NG24 1XB

Auditor

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Noble Marine (Underwriting Agencies) Limited

Directors' report

For the year ended 31 December 2017

The directors present their annual report on the affairs of the Company and the audited financial statements for the year ended 31 December 2017.

Business review and principal activity

The principal activity of the company continues to be that of a marine insurance broker, to administer all pleasure craft policies, handled via Insurance Brokers and Intermediaries. The company works predominantly in providing insurance for sailing dinghies, wind surfers, rowing boats, jet skis, yachts and motor cruisers. It is a sister company of Noble Marine (Insurance Brokers) Ltd.

The results for the Company show a profit on ordinary activities before tax of £91,866 (2016: £90,874). The shareholders' funds of the Company as at 31 December 2017 were £462,895 (2016: £371,029).

Key performance indicators

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

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 in the Annual Report and Accounts of the Group, which do not form part of this report.

The directors consider that there is a 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.

Liquidity risk

Liquidity risk is considered to be a low risk category. Group liquidity is managed by Group Treasury and each operation is required to maintain a minimum level of cash and cash equivalent or highly liquid assets that can be liquidated within a maximum stated period of time.

Future outlook

The Board plan to build the company's share in core markets and explore opportunities with new customers.

Principal risks and uncertainties

The principal risks and uncertainties of the Company relate to credit risk and liquidity risk. These risks are managed in accordance with RSA Insurance Group plc ('the Group'). The principal risks and uncertainties of the Group, which include those of the Company, are set out in the Strategic report – risk management on pages 33 to 37 and in risk management on pages 118 to 126 of the Annual Report and Accounts of the Group, which do not form part of this report.

Directors

The names of the directors who served during the year are listed on page 1.

Directors' responsibilities

The directors' responsibilities statement appears on page 4 and is incorporated by reference into this report.

None of the directors have any interest in the shares of the Company

Dividends

The directors do not recommend payment of a final dividend in respect of the year ended 31 December 2017 (2016: £nil). No interim dividend was paid during the year (2016: £300,000).

Noble Marine (Underwriting Agencies) Limited

Directors' report (continued) For the year ended 31 December 2017

Political donations

The Company did not make any political donations during the financial year (2016: £nil).

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 reasonable 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 LLP have confirmed their willingness to continue in office as auditor of the Company for the year ending 31 December 2018. Under the Companies Act 2006, the Company is not required to hold an Annual General Meeting and accordingly KPMG LLP will be deemed to be re-appointed for each succeeding financial year.

Directors' Indemnity

Article 82 and 83 of the Articles of Association provides that, among other things and insofar as permitted by law, the Company may indemnify its directors against any liability and may purchase and maintain insurance against any liability. As permitted by section 233 of the Companies Act 2006, the Company, through its ultimate parent company, purchased and maintained Directors and Officers insurance for its directors and officers which provides suitable cover in relation to the discharge of their duties as directors and officers.

Going concern

In considering the appropriateness of the going concern basis, the Board has reviewed the Company's ongoing commitments for the next twelve months and beyond. The Board's review included the Company's strategic plans and updated forecasts, capital position, liquidity and credit facilities and investment portfolio.

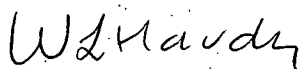
Based on this review no material uncertainties that would require disclosure have been identified in relation to the ability of the Company to remain a going concern for at least the next twelve months, from both the date of the balance sheet and the approval of the financial statements.

It is therefore concluded that the going concern basis is appropriate for the preparation of the 2017 financial statements.

Strategic report

The Company has taken advantage of the exemption in section 414(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.

Signed by order of the Board



For and on behalf of Roysun Limited
Secretary

22 May 2018

Noble Marine (Underwriting Agencies) 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), including FRS 101 *Reduced Disclosure Framework*.

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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

Noble Marine (Underwriting Agencies) Limited

Independent auditor's report to the members of Noble Marine (Underwriting Agencies) Limited

Opinion

We have audited the financial statements of Noble Marine (Underwriting Agencies) Limited ("the company") for the year ended 31 December 2017 which comprise the Statement of Total Comprehensive Income, Statement of Changes in Equity, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover this report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in this report for the financial year is consistent with the financial statements; and
- in our opinion this report have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Noble Marine (Underwriting Agencies) Limited

Independent auditor's report to the members of Noble Marine (Underwriting Agencies) Limited

The purpose of our audit work and to whom we owe our responsibilities

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.

Jessica S.S. Katsouris

Jessica Katsouris (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

22th May 2018

Noble Marine (Underwriting Agencies) Limited

Statement of total comprehensive income for the year ended 31 December 2017

	Notes	2017 £	2016 £
Turnover	2	185,332	180,284
Operating expenses		(93,560)	(93,720)
Operating profit		91,772	86,564
Other interest receivable and similar income		94	4,310
Profit on ordinary activities before tax		91,866	90,874
Taxation on profit on ordinary activities	6	-	-
Profit for the financial year		91,866	90,874

All figures relate to continuing operations.

There have been no recognised gains or losses during the reporting period other than those recorded in the statement of total comprehensive income. Accordingly, no statement of other comprehensive income is presented.

The notes on pages 10 to 12 form an integral part of these financial statements.

Noble Marine (Underwriting Agencies) Limited

Statement of changes in equity for the year ended 31 December 2017

	Called up share capital £	Total comprehensive income £	Total shareholders' funds £
Balance at 1 January 2016	1,000	579,155	580,155
Profit for the financial year 2016	-	90,874	90,874
Dividends – paid (Note 7)	-	(300,000)	(300,000)
Balance at 1 January 2017	1,000	370,029	371,029
Profit for the financial year	-	91,866	91,866
Dividends – paid (Note 7)	-	-	-
Balance at 31 December 2017	1,000	461,895	462,895

The attached notes on pages 10 to 12 form an integral part of these financial statements.

Registered Number: 03096948
Noble Marine (Underwriting Agencies) Limited

Balance sheet
as at 31 December 2017

	Notes	2017 £	2016 £
Current assets			
Debtors: amounts falling due within one year	8	321,644	288,400
Cash at bank and in hand		525,789	429,762
		847,433	718,162
Current liabilities			
Creditors: amounts falling due within one year	9	(382,097)	(344,758)
		465,336	373,404
Net current assets			
		465,336	373,404
Provisions for liabilities	10	(2,441)	(2,375)
		462,895	371,029
Net Assets			
		462,895	371,029
Called up share capital	11	1,000	1,000
Profit and loss account		461,895	370,029
Shareholders' funds		462,895	371,029

The attached notes on pages 10 to 12 form an integral part of these financial statements.

The financial statements were approved on 22 May 2018 by the Board of Directors and are signed on its behalf by:

Director
22 May 2018

R. TURNER

Noble Marine (Underwriting Agencies) Limited

Notes to the accounts

1. Basis of preparation (Financial Statements)

The Company is a wholly owned subsidiary of Royal & Sun Alliance Insurance plc. Noble Marine (Underwriting Agencies) Limited is a company incorporated and domiciled in the UK. The Company's ultimate parent company and controlling party is RSA Insurance Group plc ('RSAIG'), which is registered in England and Wales and is the parent company of the smallest and largest group to consolidate these financial statements. RSAIG has prepared its Group accounts under IFRS as adopted by the EU since its date of transition to IFRS at 1 January 2004.

The financial statements are prepared in accordance with Financial Reporting Standard (FRS 101) Reduced Disclosure Framework and in compliance with the Companies Act 2006.

The Company financial statements are presented in Pound Sterling, which is also the company's functional currency.

FRS 101 requires the Company to follow the requirements of each relevant International Financial Reporting Standard (IFRS) except that it permits a number of exceptions that would be required if the Company was to prepare accounts in compliance with IFRS.

The exemptions used by the Company are as follows:

- A Cash Flow Statement and related notes;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy;

As the consolidated financial statements of the Company's ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:-

- Certain disclosures required by IFRS13 Fair Value Measurement of the disclosures required by IFRS7 Financial Instrument Disclosures
- Certain disclosures required by IAS 24 Related Party Disclosures

The financial statements have been prepared under the historical cost convention, on a going concern basis.

In considering the appropriateness of the going concern basis the Board have reviewed the Company's ongoing financial commitments for the next twelve months and beyond. 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.

Significant accounting policies

A summary of the significant accounting policies, which have been applied consistently throughout the year and the preceding year, are set out below:-

(a) Turnover

Turnover is recognised at the fair value of the commission receivable for the 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.

(b) Financial assets

The methods and assumptions used by the Company in estimating the fair value of financial assets and liabilities are:

- For cash; deposits with credit institutions; commercial paper; other assets; liabilities and accruals, carrying amounts approximate to fair values.

(c) Taxation and deferred tax

Taxation and deferred tax is recognised in the profit and loss account, except to the extent that the tax arises from a transaction or event recognised either in other comprehensive income or directly in equity.

Taxation is based on profits and income for the year as determined in accordance with the relevant tax legislation, together with adjustments for prior years.

(d) Cash at bank and in hand

Cash at bank and in hand are short term, highly liquid investments that are subject to insignificant changes in value and are readily convertible into known amounts of cash. Cash equivalents principally comprise financial assets with less than three months' maturity from the date of acquisition.

Noble Marine (Underwriting Agencies) Limited

Notes to the accounts (continued)

1. Basis of preparation (Financial Statements) (continued)

(e) Insurance debtors and creditors

The Company acts as an agent in broking the insurance risks of clients and normally is not liable as a principal for premiums due to underwriters or for claims payable to clients. Notwithstanding the legal relationship with clients and underwriters, the Company has followed generally accepted accounting practice for insurance intermediaries by showing debtors, creditors and cash balances 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 these transactions.

2. Turnover

All turnover is from business conducted within the UK and is derived from the Company's principal activity.

3. Auditor's remuneration

Fees payable to KPMG LLP for the audit of the Company's accounts for the year ended 31 December 2017 were £11,000 (31 December 2016: £11,000) which 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 2016 Annual Report and Accounts.

4. Directors' remuneration

During the year ended 2017 and the year ended 2016, J Langford received remuneration from Noble Marine (Insurance Brokers) Limited as an employee of that company. During the year 2017 £13,945 (2016 £21,848) was recharged to the company for his services.

All other directors were remunerated by Royal & Sun Alliance Insurance plc, a fellow subsidiary of RSA Insurance Group plc, for their services to the RSA Group as a whole. They were not remunerated for their services as directors of the Company and the amount of time spent performing their duties is incidental to their roles across the RSA Group. This is consistent with prior years.

5. Employees and staff costs

The Company did not employ anyone during the period (2016: nil). All administrative duties are performed by employees of another group company. Costs amounting to £65,056 (2016: £66,106) have been recharged to the company in respect of those services.

6. Taxation

The UK corporation tax for the current year is based on a rate of 19.2% (2016: 20%). The rate of corporation tax has reduced from 20% to 19% effective 1 April 2017, and as a result a composite rate of 19.2% has been used in the accounts.

Reconciliation of the total tax charge

The tax charge for the year is less than 19.2% (2016: less than 20%) due to the items set out in the reconciliation below:

	£	£
Profit on ordinary activities before tax	91,866	90,874
Tax at the UK rate of 19.2% (2016: 20%)	17,681	18,175
<i>Factors affecting the tax charge:</i>		
Group relief received without payment	(17,681)	(18,175)
Total tax charge	-	-

The Company has no deferred tax assets or liabilities at 31 December 2017 or 31 December 2016.

7. Dividends

	2017	2016
	£	£
Interim dividend of £nil (2016: 30,000.00p) per ordinary share paid	-	300,000
	-	300,000

Noble Marine (Underwriting Agencies) Limited

Notes to the accounts (continued)

8. Debtors: amounts falling due within one year

	2017	2016
	£	£
Trade debtors	91,954	58,800
Amounts owed by group undertakings	228,292	228,292
Prepayments and accrued income	1,398	1,308
	321,644	288,400

9. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	48,267	51,236
Amounts owed to group undertakings	328,788	288,514
Accruals and deferred income	5,042	5,008
	382,097	344,758

10. Other Provisions

	2017	2016
	£	£
At 1 January	2,375	2,464
Charge / (release) for the year	66	(89)
At 31 December	2,441	2,375

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.

11. Share Capital

	2017	2016
	£	£
Allotted, issued and fully paid		
1,000 ordinary shares at £1 each (2016: 1,000 ordinary shares at £1 each)	1,000	1,000
	1,000	1,000

12. 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 and controlling party 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.