



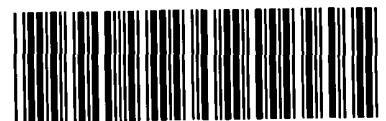
Hampden Capital Plc

Interim Accounts

Period ended 30th June 2017

Company No: 4174389

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HAMPDEN CAPITAL PLC
INTERIM FINANCIAL STATEMENTS
PERIOD ENDED 30 JUNE 2017

STATEMENT OF COMPREHENSIVE INCOME
For the six month period ended
30th June 2017

	Note	Six month period ended 30 th June 2017 (unaudited) £	Year ended 31 st December 2016 £
Turnover		-	-
Operating expenses	4,5	<u>(1,513,680)</u>	<u>(3,158,332)</u>
Operating loss		(1,513,680)	(3,158,332)
Other operating income		<u>-</u>	<u>1,458,480</u>
		(1,513,680)	(1,699,852)
Income from shares in group undertakings		7,168,251	6,788,903
Income from participating interests		106,109	59,425
Income from other fixed asset investments		25,783	44,834
Other interest receivable and similar income		680	816
Revaluation of a listed investment		<u>200,402</u>	<u>17,585</u>
Profit on ordinary activities before taxation		5,987,545	5,211,711
Taxation on profit on ordinary activities		<u>-</u>	<u>(44,795)</u>
Profit on ordinary activities after taxation		<u>5,987,545</u>	<u>5,166,916</u>
Profit for the financial period		<u>£ 5,987,545</u>	<u>£ 5,166,916</u>

All amounts relate to continuing operations.

The Company has no recognised gains or losses other than those shown above.

The accounting policies and notes on pages 4 to 13 form part of these financial statements.

HAMPDEN CAPITAL PLC
INTERIM FINANCIAL STATEMENTS
PERIOD ENDED 30 JUNE 2017

STATEMENT OF FINANCIAL POSITION
at 30th June 2017

Registered number: 4174389

	Note	£	30 th June 2017 (unaudited)	£	31 st December 2016	£
Called up share capital not paid				9,883		9,883
Fixed assets						
Tangible assets				868,427		958,270
Investments	8			<u>6,147,626</u>		<u>5,970,224</u>
				7,016,053		6,928,494
Current assets						
Debtors falling due within one year	9	6,280,884			1,696,489	
Cash at bank and in hand				<u>3,889,281</u>		<u>3,711,096</u>
				10,170,165		5,407,585
Creditors:						
Amounts falling due within one year	10	<u>7,789,561</u>			<u>8,926,967</u>	
Net current assets/(liabilities)				<u>2,380,604</u>		<u>(3,519,382)</u>
Total assets less current liabilities				9,406,540		3,418,995
Provision for liabilities						
Deferred tax				<u>(123,336)</u>		<u>(123,336)</u>
Net assets				<u>£ 9,283,204</u>		<u>£ 3,295,659</u>
Capital and reserves						
Called up share capital	11			99,824		99,824
Profit and loss account				<u>9,183,380</u>		<u>3,195,835</u>
Total shareholders' funds				<u>£ 9,283,204</u>		<u>£ 3,295,659</u>

The financial statements were approved by the board on 27th July 2017 and signed on its behalf by:



H.R. Cleaver

Director

The notes on pages 4 to 13 form part of these financial statements.

HAMPDEN CAPITAL PLC
INTERIM FINANCIAL STATEMENTS
PERIOD ENDED 30 JUNE 2017

STATEMENT OF CHANGES IN EQUITY
For the six month period ended
30th June 2017

	Called up share capital £	Profit and loss account £	Total £
AT 1 JANUARY 2016	99,824	4,018,368	4,118,192
Profit for the year	—	5,166,916	5,166,916
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	—	5,166,916	5,166,916
Dividends paid and payable	—	(5,989,449)	(5,989,449)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	—	(5,989,449)	(5,989,449)
AT 31 DECEMBER 2016	99,824	3,195,835	3,295,659
Profit for the period	—	5,987,545	5,987,545
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	—	5,987,545	5,987,545
Dividends paid and payable	—	—	—
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	—	—	—
AT 30 JUNE 2017	99,824	9,183,380	9,283,204

HAMPDEN CAPITAL PLC
INTERIM FINANCIAL STATEMENTS
PERIOD ENDED 30 JUNE 2017

NOTES TO THE FINANCIAL STATEMENTS
30th June 2017

1. GENERAL INFORMATION

Hampden Capital Plc is a public limited company incorporated in England.

The company is the holding company for a number of subsidiaries which specialise in providing services to investors in the Lloyd's insurance market.

The principal activity of the Hampden Capital group is the provision of services to private capital members of the Lloyd's insurance market.

2. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006.

These financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Going concern

The income of companies in the group is mainly derived from a fee agreed with each client in advance, together with profit commission which is received on the closure of each profitable underwriting year. Fee income is also generated from the provision of administrative services to Lloyd's corporate vehicles. These are based on agreements which are signed by every client before they start underwriting at Lloyd's. Projections made by the management show that this income, and the related cash flows, will be sufficient to cover the costs of administering the group for at least the next two years. The directors do not consider that there are any issues with regard to being able to continue to trade as a going concern and therefore continue to prepare the financial statements on a going concern basis.

HAMPDEN CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD ENDED 30 JUNE 2017

2. ACCOUNTING POLICIES *(continued)*

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

A net deferred tax asset is regarded as recoverable and therefore recognised, only when it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the average rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted by the statement of financial position date.

Operating lease agreements

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

The company operates from premises at 40 Gracechurch Street. The lease for the premises has been taken by Hampden Capital Plc and all premises costs are met directly by Hampden Capital Plc with the proportion that relates to Hampden Agencies Limited, Hampden Tax Consultants Limited and Nomina Plc being recharged to the companies based on their usage of the premises.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

The financial statements are presented in the currency of the primary economic environment in which the entity operates (its functional currency), as such, the results and statement of financial position are presented in Sterling (£). Monetary amounts in these financial statements are rounded to the nearest pound unless otherwise stated.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

HAMPDEN CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD ENDED 30 JUNE 2017

2. ACCOUNTING POLICIES *(continued)*

Impairment of non-financial and financial assets

At each period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount, with the impairment recognised immediately in the statement of income and retained earnings.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvements	-	over period of the lease (10 years)
Fixtures and fittings	-	over period of the lease (10 years)
Computer and office equipment	-	3 or 4 years

Investments in associates

Investments in associates are accounted for using the equity method of accounting.

Associates are all entities over which the group has significant influence but no control, generally accompanying a shareholding between 20% and 50% of the voting rights. The group's share of its associates' post acquisition profits after tax is recognised in the group income statement as income from participating interests, and its share of movement in associates' net assets is reflected in the investment's carrying value in the Group statement of financial position.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. Cash and cash equivalents consist of cash and cash equivalents, as defined above, net of outstanding bank overdrafts.

Provisions and contingencies

Provisions and contingencies are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions and contingencies are recognised as a liability in the statement of financial position and the amount is included as an expense.

Provisions and contingencies are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision or a contingency is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

HAMPDEN CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD ENDED 30 JUNE 2017

2. ACCOUNTING POLICIES *(continued)*

Employee benefits

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Financial instruments

The company has applied the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' of FRS 102 to all of its' financial instruments.

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of income and retained earnings. If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of income and retained earnings.

Other financial assets, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

HAMPDEN CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD ENDED 30 JUNE 2017

2. ACCOUNTING POLICIES *(continued)*

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Related party transactions

The company has passed surplus funds to a related group company for the purposes of investment in short term deposits. These amounts have been included in amounts owed by group undertakings in debtors. These amounts are repayable on demand. All other inter-company transactions are settled regularly and are carried out on a commercial basis.

Operating expenses

Operating expenses are charged to the statement of financial position as they are incurred.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders

Dividends and other distributions to company's members are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's members. These amounts are recognised in the statement of changes in equity.

HAMPDEN CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2017

3. CRITICAL ACCOUNTING POLICIES AND JUDGEMENTS

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The main exposure of the company is its investment in external companies, principally Helios Underwriting Plc, Saltus Partners LLP and Capital Holdings Limited. The total cost of investment in these companies at 30th June 2017 was £2,401,256. In addition the company has invested £770,000 in peer to peer lending through ArchOver Limited which is protected by insurance.

The investment in Saltus LLP is included at cost as there is not enough information to allow for it to be given a fair value. The value for Nomina No. 1253 Limited has been adjusted to reflect the value ascribed to the company in a valuation that was undertaken at 31 December 2016. The funds provided to support underwriting by this Lloyd's limited liability vehicle in 2016 (amounting to £1,048,143) have been included in investments but they are at risk if it makes losses.

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	Six month period ended 30 th June 2017 (unaudited) £	Year ended 31 st December 2016 £
This is stated after charging:		
Staff costs (see note 5)	800,959	950,525

5. STAFF COSTS

Staff costs, including directors' remuneration (note 6), were:

	£	£
Wages and salaries	730,828	801,380
Social security costs	61,213	123,801
Other pension costs	8,918	25,344
	<u>800,959</u>	<u>950,525</u>

The average number of employees during the year was as follows:

	Number	Number
Directors	10	10
Administrative staff	2	2

HAMPDEN CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2017

6. DIRECTORS' REMUNERATION

	Six month period ended 30 th June 2017 (unaudited) £	Year ended 31 st December 2016 £
Emoluments of directors included in note 3 above were:		
Amounts paid to third parties for directors services	15,000	30,000
Emoluments	76,500	363,892
Pension contributions	-	-
	<u>91,500</u>	<u>393,892</u>
The emoluments of the Chairman and highest paid director, excluding pension contributions, were:		
The Chairman	<u>-</u>	<u>-</u>
The highest paid director	<u>44,000</u>	<u>269,052</u>

7. TANGIBLE ASSETS

	Leasehold improvements £	Fixtures and fittings £	Equipment £	Total £
COST				
At 1 January 2017	749,159	391,275	112,671	1,253,105
Additions	-	1,900	34,193	36,093
Disposals	-	-	-	-
At 30 June 2017	<u>749,159</u>	<u>393,175</u>	<u>146,864</u>	<u>1,289,198</u>
DEPRECIATION				
At 1 January 2017	122,702	137,882	34,251	294,835
Charge for the year	37,458	65,410	23,068	125,936
Disposals	-	-	-	-
At 30 June 2017	<u>160,160</u>	<u>203,292</u>	<u>57,319</u>	<u>420,771</u>
NET BOOK VALUE				
At 30 June 2017	<u>588,999</u>	<u>189,883</u>	<u>89,545</u>	<u>868,427</u>
At 31 December 2016	<u>626,457</u>	<u>253,393</u>	<u>78,420</u>	<u>958,270</u>

HAMPDEN CAPITAL PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2017

8. INVESTMENTS

	Cash deposits £	Group & associate undertakings £	Unlisted investments £	Listed investments £	Total £
COST					
At 1 January 2017	–	1,722,480	2,450,675	1,821,840	5,994,995
Additions	–	–	–	–	–
Disposals	–	–	(23,000)	–	(23,000)
Change in valuation	–	–	–	200,402	200,402
At 30 June 2017	<u>–</u>	<u>1,722,480</u>	<u>2,427,675</u>	<u>2,022,242</u>	<u>6,172,397</u>
PROVISIONS					
At 1 Jan 2017 and 30 June 2017	–	(24,771)	–	–	(24,771)
NET BOOK VALUE					
At 30 June 2017	<u>–</u>	<u>1,697,709</u>	<u>2,427,675</u>	<u>2,022,242</u>	<u>6,147,626</u>
At 31 December 2016	<u>–</u>	<u>1,697,709</u>	<u>2,450,675</u>	<u>1,821,840</u>	<u>5,970,224</u>

Subsidiary undertakings:

The following companies are the major subsidiary undertakings. At 30 June 2017 the company or subsidiary held 100% of the equity share capital of the companies listed unless otherwise stated:

Name of investment	Type of shares held	Proportion held (%)	Country of incorporation	Principal activity
Hampden Agencies Limited	Ordinary shares	100%	United Kingdom	Lloyd's members' agent
Nomina Plc	Ordinary shares	100%	United Kingdom	Lloyd's Nameco administrator
Nomina Services Limited*	Ordinary shares	100%	United Kingdom	Lloyd's Nameco administrator
Hampden Tax Consultants Limited	Ordinary shares	100%	United Kingdom	Taxation services
Hampden Insurance Partners Management (Cayman) Limited	Ordinary shares	66.7%	Cayman Islands	Management services
Hampden Bermuda Holdings Limited	Ordinary shares	100%	Bermuda	Dormant

*held by Nomina Plc

Associate undertakings:

The company has a 49% interest in Capital Holdings Limited, a Guernsey registered company and its wholly owned subsidiary Hampden Insurance Guernsey PCC Limited, a Guernsey registered insurance company. Both companies prepare their accounts to 31 December.

Listed:

The company holds 1,214,560 ordinary 10p shares, at market value of £2,022,242 (2016: £1,821,840), in Helios Underwriting Plc (Helios), a company listed on the Alternative Investment Market (AIM). The company's interest in Helios is 8.32%. Helios provides limited liability direct investment in the Lloyd's insurance market. The cost of the shares held at 30 June 2017 was £1,314,560 (2016: £1,314,560).

The value of the shares in Helios Underwriting Plc has been included at fair value, based on the listed price at 30th June 2017.

HAMPDEN CAPITAL PLC
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 JUNE 2017

8. INVESTMENTS *(continued)*

Unlisted:

The company has a 3.59% interest in Saltus Partners LLP, a specialist investment manager.

The company has a 6% interest in Nomina (No. 1253) Limited, a Lloyd's underwriting vehicle that commenced underwriting with effect from 1 January 2015. It also has a 6% interest in HIP Bermuda Reinsurance 1 Limited whose capital supports the underwriting on Nomina (No. 1253) Limited and Aegis Electric & Gas International 5 Limited. So far US\$1.819 million has been committed to this investment which is mainly to provide Funds at Lloyd's to support the underwriting.

The company has a 66.7% interest in Hampden Insurance Partners Management (Cayman) Limited which provides management services to underwriting vehicles. The accounts of this company are not subject to an audit.

The company owns Hampden Bermuda Holdings Limited and has incurred costs relating to the registration of the company with the regulatory authorities in Bermuda. Hampden Bermuda Holdings Limited has not yet commenced trading.

9. DEBTORS

	30th June 2017 (unaudited) £	31st December 2016 £
Amounts falling due within one year		
Trade debtors	-	-
Amounts owed by group undertakings	4,287,685	440,454
Prepayments and accrued income	420,265	50,830
Other debtors	1,572,934	1,205,205
	6,280,884	1,696,489
Amounts falling due after one year		
Other debtors	-	-

10. CREDITORS

	£	£
Amounts falling due within one year		
Trade creditors	204,077	315,281
Amounts owed to group undertakings	6,088,850	7,139,164
Other taxation and social security	190,121	216,425
Other creditors	126,828	133,422
Accruals and deferred income	1,179,685	1,122,675
	7,789,561	8,926,967

There are no creditors due in more than one year

HAMPDEN CAPITAL PLC
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 JUNE 2017

11. SHARE CAPITAL

	2017	2017	2016	2016
	Number	£	Number	£
Authorised				
Ordinary shares of 1p each	<u>10,000,000</u>	<u>100,000</u>	<u>10,000,000</u>	<u>100,000</u>
Allotted, called up and partly paid				
Ordinary shares of 1p each	<u>9,982,416</u>	<u>99,824</u>	<u>9,982,416</u>	<u>99,824</u>

12. DIVIDENDS

The Directors have declared an interim dividend of 60 pence per share, amounting to £5,989,449, which will be paid on 10th August 2017 to ordinary shareholders on the register at the close of business on 28th July 2017.

13. ULTIMATE PARENT COMPANY

The ultimate parent company is Hampden Holdings Limited, a company registered in England and Wales. Copies of its consolidated financial statements can be obtained from its registered office, Hampden House, Great Hampden, Bucks, HP16 9RD.

14. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr. T P C Oliver.