

**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013
FOR
JM MARKETING LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2013**

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JM MARKETING LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2013**

DIRECTORS:

Capital Services Limited
Capt J C Berry
G J Matthews

REGISTERED OFFICE:

White House
Castle Road
Saltwood
Hythe
Kent
CT21 4QY

REGISTERED NUMBER:

05181849 (England and Wales)

AUDITORS:

Hilden Park Accountants Limited
Hilden Park House
79 Tonbridge Road
Hildenborough
Kent
TN11 9BH

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2013**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2013.

PRINCIPAL ACTIVITY

the principal activities of the Group are that of an insurance intermediary specialising in the placement of casualty and contingency insurance risks and being responsible with delegated authority to underwrite risks on behalf of certain syndicates at Lloyd's of London.

REVIEW OF BUSINESS

During the year the Group continued to develop and market its range of insurance products through its group companies and appointed representatives. Considerable care and investment has been made to develop mutually beneficial relationships with other market professionals to make good use of the Group's abilities for the clients and its partners.

The Group continues to enhance the support resource and procedures to achieve its goal of providing appropriate products in a competent and compliant manner to its insureds and market brokers. Management and staff have been boosted by the introduction of a complete finance and administration function headed by board member, Graham Matthews. This function will be further enhanced in 2014 by the introduction of a market system which will fully interface with the Lloyd's XChanging processing systems.

The Group has invested significantly in its new business premises and information technology systems. The Group self funds all its investments from its reserves and has had no recourse to outside funding.

The Group made a profit before taxation for the year of £43,830 (2012 - £91,392) on which £9,119 (2012 - £13,582) corporation tax was provided.

No dividend was approved by the directors for the year. Instead these further reserves will be used to provide a stable financial base for planned future expansion. At the 31 December 2013 shareholder's funds had increased by £32,921 to £124,940 (2012 - £94,190).

FUTURE DEVELOPMENTS

The directors continue to develop the Group in a similar manner to previous years by seeking organic growth on its current products and by introducing new intuitive products to support market needs focusing on certain risk sectors. Additional strategic partners have been signed in both the UK and North America to attract client accounts in those territories. This provides the Group with new clients and agents throughout in the targeted markets.

We are focusing on promoting our new product offering in Offshore Energy, Cyber Liability, Professional Indemnity, across a broad range of industries and professions via our network of agents and partners.

In North America we are focusing on the specialised contingent products aimed at online sports, leisure and entertainment businesses and with our partners actively introducing their clients to the business.

To enhance the new business development the Group has employed the services of two new business development teams each focusing on their specific product and client base in casualty and contingency.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2013 to the date of this report.

Capital Services Limited
Capt J C Berry

Other changes in directors holding office are as follows:

G J Matthews - appointed 1 May 2013

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2013**

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider the management of the business risks to be fundamental part of the Group operations. The directors maintain a Group Risk Register which focuses on the principal risks confronting the business such as those relating to commercial, staff resource, liquidity, operation and regulatory risk and business continuity. Other specific risks addressed are:

Commercial risk

The nature of the current insurance markets places increasing pressure on premium rates both on renewals and new business. The Group is continually monitoring risk performances and rates to provide the most appropriate policy coverages and remain competitive.

Staff resource risk

The consider that the staff resource to be critical to the Group's operations. Staff retention and training are essential aspect of management control.

Operations and Regulatory risk

The Group operates in a highly regulated environment under compliance requirements set and monitored by Lloyd's of London and the Financial Conduct Authority. Compliance with the rules and regulations required by these authorities is critical to the effective operation of the business.

To ensure compliance the Group is continually improving its management controls over its business processes and internal controls. During the period the Group compliance resource was further enhanced by Neil Kimber, an independent FCA compliance advisor.

Liquidity risk

The Group seeks to mitigate any liquidity risk by maintaining sufficient levels of funds within the business to meet its forecast working capital requirements. These requirements are monitored by management on a regular basis with reference to the Group's trading and cash flow forecasts.

Business Continuity risk

The Group has developed appropriate, reliable IT systems to properly process its business and service its clients' requirements. These systems are being enhanced by the introduction of an established market system which will provide processing controls and interface to the Lloyd's XChanging.

The directors are aware that there is a risk that a problem can occur with these systems and taken business continuity security measures to restrict the effect of these interruptions on the business.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2013**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 the directors 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 the group and of the profit or loss of the group 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 accounting estimates that are reasonable and prudent;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS


So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

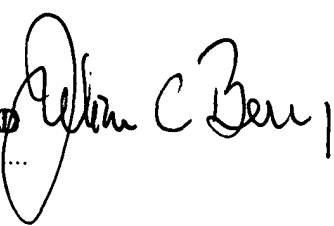
AUDITORS

The auditors, Greenaway Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

 **JOHN LISTER**
Director for
CAPITAL SERVICES LIMITED
DIRECTORS
.....
Director



Date: 23.09.2014

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JM MARKETING LIMITED

We have audited the financial statements of JM Marketing Limited for the year ended 31 December 2013 on pages seven to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2013 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
JM MARKETING LIMITED**

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Group Strategic Report or in preparing the Report of the Directors.



P Matthews
Hilden Park Accountants Limited
Chartered Accountants and Statutory Auditors
Hilden Park House
79 Tonbridge Road
Hildenborough
Kent
TN11 9BH

Date: 23 September 2014

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	Year ended 31/12/13 £	Period 1/6/12 to 31/12/12 £
TURNOVER		1,710,444	145,380
Cost of sales		<u>1,354,985</u>	-
GROSS PROFIT		355,459	145,380
Administrative expenses		<u>314,950</u>	54,142
		40,509	91,238
Other operating income		<u>3,340</u>	-
OPERATING PROFIT	2	43,849	91,238
Interest receivable and similar income		<u>41</u>	6
		43,890	91,244
Interest payable and similar charges		<u>60</u>	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		43,830	91,244
Tax on profit on ordinary activities	3	<u>9,119</u>	13,582
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		<u>34,711</u>	<u>77,662</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2013

	Notes	31/12/13 £	£	31/12/12 £	£
FIXED ASSETS					
Tangible assets	5		8,467		296
Investments	6		<u>3,500</u>		<u>5,250</u>
			11,967		5,546
CURRENT ASSETS					
Debtors	7	607,763		54,154	
Cash at bank	8	<u>161,681</u>		<u>113,633</u>	
		769,444		167,787	
CREDITORS					
Amounts falling due within one year	9	<u>654,766</u>		<u>80,822</u>	
NET CURRENT ASSETS			114,678		86,965
TOTAL ASSETS LESS CURRENT LIABILITIES			126,645		92,511
MINORITY INTERESTS	10		<u>1,705</u>		<u>492</u>
NET ASSETS			<u>124,940</u>		<u>92,019</u>
CAPITAL AND RESERVES					
Called up share capital	11		5,000		5,000
Profit and loss account	12		<u>119,940</u>		<u>87,019</u>
SHAREHOLDERS' FUNDS			<u>124,940</u>		<u>92,019</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 23.09.14 and were signed on its behalf by:



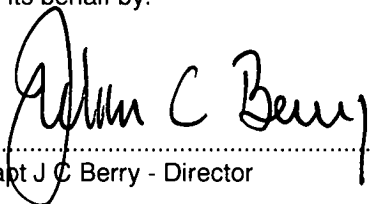
 G J Matthews - Director

COMPANY BALANCE SHEET
31 DECEMBER 2013

	Notes	31/12/13 £	31/12/12 £
FIXED ASSETS			
Tangible assets	5	6,305	130
Investments	6	<u>5,860</u>	<u>5,860</u>
		12,165	5,990
CURRENT ASSETS			
Debtors	7	433,614	10,674
Cash at bank	8	<u>99,329</u>	<u>61,499</u>
		532,943	72,173
CREDITORS			
Amounts falling due within one year	9	<u>464,199</u>	<u>19,767</u>
NET CURRENT ASSETS		<u>68,744</u>	<u>52,406</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>80,909</u>	<u>58,396</u>
CAPITAL AND RESERVES			
Called up share capital	11	5,000	5,000
Profit and loss account	12	<u>75,909</u>	<u>53,396</u>
SHAREHOLDERS' FUNDS		<u>80,909</u>	<u>58,396</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 23.09.2014 and were signed on its behalf by:


Capt J C Berry - Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings made up to 31 December 2012.

All trading subsidiaries have been consolidated except for Impcom Limited and Priest Washington Limited.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2. OPERATING PROFIT

The operating profit is stated after charging:

	Year ended 31/12/13 £	Period 1/6/12 to 31/12/12 £
Depreciation - owned assets	4,271	150
Auditors' remuneration	<u>8,000</u>	<u>-</u>
Directors' remuneration and other benefits etc	<u>21,250</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the period was as follows:

	Yearended31/ 12/13 £	Period ended 31/12/12 £
Current Tax		
Overseas tax	1,056	3,736
UK Corporation tax	8,063	9,846
	<u>9,119</u>	<u>13,582</u>

4. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £22,513 (2012 - £44,024).

5. TANGIBLE FIXED ASSETS

Group

	Plant and machinery etc £
COST	
At 1 January 2013	3,914
Additions	<u>12,442</u>
At 31 December 2013	<u>16,356</u>
DEPRECIATION	
At 1 January 2013	3,618
Charge for year	<u>4,271</u>
At 31 December 2013	<u>7,889</u>
NET BOOK VALUE	
At 31 December 2013	<u>8,467</u>
At 31 December 2012	<u>296</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

5. TANGIBLE FIXED ASSETS - continued

Company

	Plant and machinery etc £
COST	
At 1 January 2013	3,668
Additions	<u>8,363</u>
At 31 December 2013	<u>12,031</u>
DEPRECIATION	
At 1 January 2013	3,538
Charge for year	<u>2,188</u>
At 31 December 2013	<u>5,726</u>
NET BOOK VALUE	
At 31 December 2013	<u>6,305</u>
At 31 December 2012	<u>130</u>

6. FIXED ASSET INVESTMENTS

Group

	Shares in group undertakings £
COST	
At 1 January 2013	5,250
Additions	1,000
Reclassification/transfer	<u>(2,750)</u>
At 31 December 2013	<u>3,500</u>
NET BOOK VALUE	
At 31 December 2013	<u>3,500</u>
At 31 December 2012	<u>5,250</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

6. FIXED ASSET INVESTMENTS - continued

Company

Shares in
group
undertakings
£

COST

At 1 January 2013
and 31 December 20135,860

NET BOOK VALUE

At 31 December 2013

5,860

At 31 December 2012

5,860

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiaries

Securemybooking.com Limited

Nature of business: Intermediary for marketing & insurance

Class of shares:	%
Ordinary Shares	holding 51.00

Aggregate capital and reserves
(Loss)/profit for the year/period

31/12/13	31/12/12
£	£
873	1,005
<u>(132)</u>	<u>18</u>

Impcom Limited

Nature of business: Intermediary for marketing & insurance

Class of shares:	%
Ordinary	holding 55.00

Aggregate capital and reserves
Profit for the year/period

31/12/13	31/12/12
£	£
2,838	2,173
<u>665</u>	<u>148</u>

Interlinx Limited

Country of incorporation: Gibraltar

Nature of business: Intermediary for marketing & insurance

Class of shares:	%
Ordinary	holding 100.00

Aggregate capital and reserves
Profit for the year/period

31/12/13	31/12/12
£	£
48,934	33,720
<u>15,214</u>	<u>33,620</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

6. FIXED ASSET INVESTMENTS - continued

Priest Washington Limited

Country of incorporation: Gibraltar

Nature of business: Intermediary for marketing & insurance

Class of shares:	%
Ordinary	holding 50.00

	31/12/13	31/12/12
	£	£
Aggregate capital and reserves	254	254
Loss for the year/period	-	(4,746)

All trading subsidiaries have been consolidated except for Impcom Limited and Priest Washington Limited.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31/12/13	31/12/12	31/12/13	31/12/12
	£	£	£	£
Trade debtors	559,677	53,404	395,852	-
Amounts owed by group undertakings	1,000	750	10,924	10,674
Other debtors	47,086	-	26,838	-
	<u>607,763</u>	<u>54,154</u>	<u>433,614</u>	<u>10,674</u>

8. CASH AT BANK

Included in the Group cash at bank at 31 December 2013 is an amount of £95,074 (company - £67,773) held on behalf of clients.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31/12/13	31/12/12	31/12/13	31/12/12
	£	£	£	£
Trade creditors	603,050	6,100	441,118	-
Amounts owed to group undertakings	100	53,028	100	2,100
Taxation and social security	12,346	13,582	10,112	9,846
Other creditors	39,270	8,112	12,869	7,821
	<u>654,766</u>	<u>80,822</u>	<u>464,199</u>	<u>19,767</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

10. MINORITY INTERESTS

There are 2 Group Companies that have minority interests:

	31/12/13 £	31/12/12 £
Securemybooking.com Limited		
' Ordinary shares	490	490
' Accumulated losses	(62)	2
Impcom Limited		
' Ordinary shares	2,250	-
' Accumulated losses	(973)	
	<u>1,705</u>	<u>492</u>

Note, Impcom Limited was not included in the consolidated accounts for 2012 as the company financial status was considered immaterial to the Group accounts in that year.

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid: Number:	Class:	Nominal value: £1	31/12/13 £	31/12/12 £
5,000	Ordinary		<u>5,000</u>	<u>5,000</u>

12. RESERVES

Group

	Profit and loss account £
At 1 January 2013	87,019
Profit for the year	34,711
Loss on consolidation	(2,825)
Minority interest	<u>1,035</u>
At 31 December 2013	<u>119,940</u>

Company

	Profit and loss account £
At 1 January 2013	53,396
Profit for the year	<u>22,513</u>
At 31 December 2013	<u>75,909</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2013

12. RESERVES - continued

The loss on consolidation has been incurred on the consolidation of a subsidiary, Impcom Limited, not previously consolidated.

13. ULTIMATE PARENT COMPANY

Novo Castria Limited (incorporated in British Virgin Islands) is regarded by the directors as being the company's ultimate parent company.

No consolidated financial statements are prepared for this company.