

# **BEAUFORT INSURANCE COMPANY LIMITED**

## **SOLVENCY AND FINANCIAL CONDITION REPORT**

**Year ending 31 December 2022**

**Company Number: 00075764**

**Registered address:**

**16 Palace Street, London, SW1E 5JQ**

## Contents

<b>Executive Summary .....</b>	<b>3</b>
<b>Statement of Directors' Responsibilities .....</b>	<b>4</b>
<b>1. Business and Performance .....</b>	<b>5</b>
1.1 The company .....	5
1.2 The business.....	5
1.2 Underwriting and Investment Performance .....	6
<b>2. Governance and The Own Risk and Solvency Assessment (ORSA) .....</b>	<b>7</b>
2.1 The ORSA Teams .....	7
2.2 The Directors and Senior Managers.....	7
2.3 TMCM.....	8
2.4 SDA .....	8
2.5 Marsh Guernsey .....	8
<b>3. Risk Strategy and Risk Management Process .....</b>	<b>9</b>
3.1 Risk Strategy:.....	9
3.2 Risk Management .....	9
3.3 Risk identification and Risk Profile .....	9
3.4 Risk Monitoring .....	9
3.5 Risk Reporting .....	10
<b>4. Valuation for Solvency Purposes.....</b>	<b>10</b>
<b>5. Capital Management.....</b>	<b>11</b>
<b>6. Own Funds .....</b>	<b>11</b>
<b>7. Quantitative Reporting Templates.....</b>	<b>12</b>

## Executive Summary

This Solvency and Financial Condition Report (SFCR or Report) sets out the executive plans in respect of Beaufort Insurance Company Ltd (BICL) to all stakeholders. This Report, which has been prepared under the requirements of the Solvency II Directive (SII) as implemented in the UK by the Prudential Regulatory Authority (PRA), includes the public quantitative reporting disclosures.

The Boards took the decision for BICL to cease underwriting insurance business as a captive insurer of the DP World group (the group) policies in 2000. As a result of this decision, there have not been any premiums, written or earned, since 2000. In 2004, Thomas Miller Claims Management (TMCM) was engaged as a claims manager. Only 2 occupational disease caseloads were transferred to TMCM at that time and only 4 additional files have been opened by TMCM since they began handling claims. None of these claims resulted in a payment. No claims have been reported to the company since 2010.

In 2004, the Board took further steps to shut the business down by successfully applying to revoke its licence to write insurance business. Revoking the underwriting licence was entirely voluntary. It reflected a restructuring focus in which the group's insurance protection moved from being the domain of an intra-group captive, to external sources within the insurance market.

The company continues to manage the final stages of the run-off of the insurance business. In due course, the firm will look to submit the relevant application to the PRA to cancel its remaining regulatory permissions. Once done and the Company's regulatory status has been removed, the firm will look to seek approval to enter into a **Members' Voluntary Liquidation Scheme**. To this end, from a commercial viewpoint, BICL does not exist as a profit centre but carries potential legacy liabilities to policyholders, although the firm consider the potential for any legacy liability to be remote. The Board is committed to managing, protecting and honouring future potential liabilities with integrity.

The firm has taken a series of risk management steps which include identifying existing and emerging risks, their prudent measurements, their management, their monitoring and ultimately their mitigation in line with Solvency II requirements. As noted above, to identify and measure all risk, the firm instigated an investigation into outstanding and potential liabilities attributable to BICL by engaging an external independent claims management team, TMCM. This was done as part of an effort to understand the nature and extent of potential liabilities to policyholders, which would put the firm in a position to adequately make provisions for any possible contingencies.

Finally, given the nature and scale of the investments and counterparties and resulting risk profile of BICL as a reporting entity, the Standard Formula continues to be the most appropriate tool to use for calculating the regulatory capital requirement. Given the size of the SCR, the regulatory capital requirement for BICL is set at the absolute floor Minimum Capital Requirement set by EIOPA.

It is viewed that there will not be any material impact on the BICL risk exposure as a result of the conflict in Ukraine and there is no material group risk identified which would impact BICL's solvency.

## Statement of Directors' Responsibilities

The Directors are responsible for preparing the SFCR in all material respects, in accordance with the PRA Rules and Solvency II regulations.

The PRA Rulebook for SII firms in Rule 6.1(2) and Rule 6.2(1) of the Reporting Part requires that the Company must have in place a written policy ensuring the ongoing appropriateness of any information disclosed and that the Company must ensure that its SFCR is subject to approval by the Directors.

Each of the Directors, confirm that, to the best of their knowledge:

- a) Throughout the financial year in question, the insurer has complied in all material respects with the requirements of the PRA Rules and the Solvency II Regulations as applicable and;**
- b) It is reasonable to believe that, at the date of the publication of the SFCR the insurer continues to comply, and will continue so to comply in the future.**

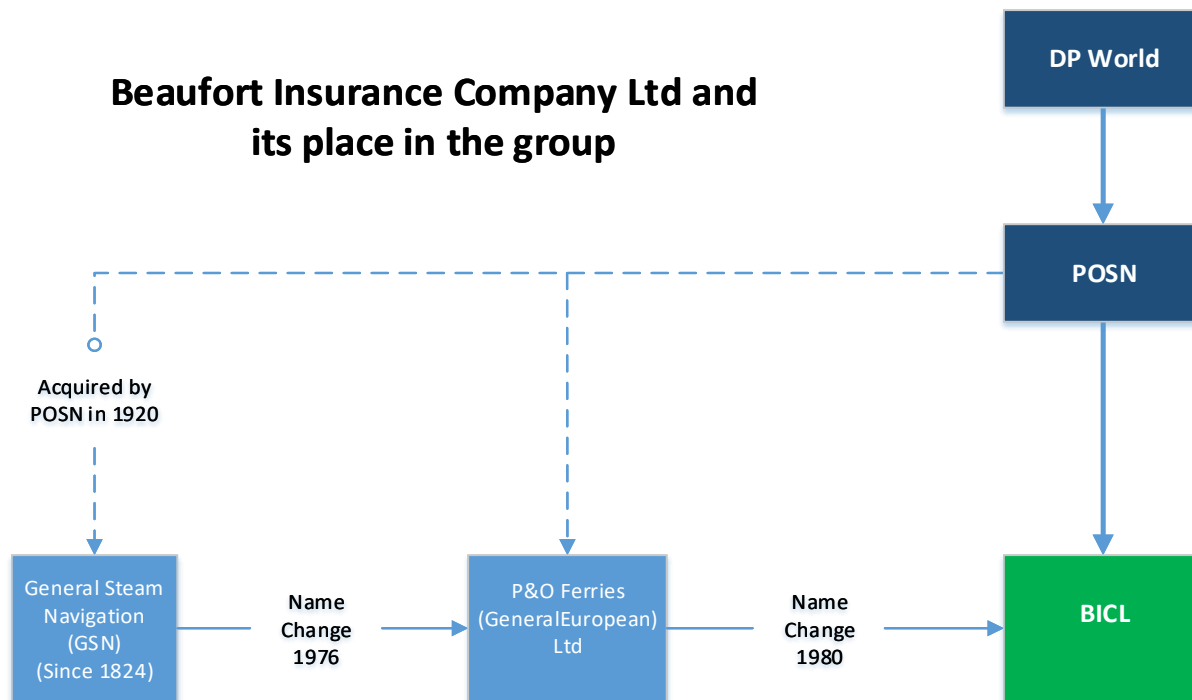
**By Order of the Directors**

**04 April 2023**

## 1. Business and Performance

### 1.1 The company

BICL is part of the DP World group of companies and is directly owned by Peninsular & Oriental Steam Navigation Company (POSN), which is owned by DP World.



- BICL's evolution begins with General Steam Navigation (GSN) which was incorporated in 1824
- It was acquired by POSN in 1920
- GSN changed its name on 31 December 1975 to P&O Ferries (General European) Ltd
- On 21 Feb 1980, P&O Ferries was renamed to Beaufort Insurance Company Ltd. (BICL)
- BICL registered with Financial Services Authority (FSA) as an Assurance Company in 1980.

DP World is a leading enabler of global trade and an integral part of the supply chain, with container handling being the company's core business. It attained revenues and after-tax profits of USD 17,127 million and USD 1,438 million respectively with credit ratings at 31 December 2022 of BBB- by Fitch and Baa2 by Moody's.

POSN is a world-wide group of diversified shipping companies, and land-based operations in port development, road haulage, construction, property and varied service industries.

### 1.2 The business

BICL was set up as a captive insurer in 1980 to insure non-marine insurance risk for its parent company POSN, and other group entities, up until 2000 when it ceased underwriting.

As a primary insurer, BICL was involved in various POSN insurance programmes, working with Iron Trades Insurance as a key partner. At the time, BICL entered into reinsurance, co-insurance and marine club risk mitigation programmes in order to manage its exposure.

In addition, BICL was also involved in some non-standard arrangements in respect of insuring a group member company for occupational hazards. In these arrangements, BICL took on between 10% to 20% risk exposure between 1981 and 1988 as part of a co-insurance scheme with other insurance companies in the market.

Furthermore, BICL set up Protection and Indemnity (P&I) insurance programmes with London P&I club and North Of England club, in order to insure its P&I risks.

In 1999/2000, BICL entered into a reinsurance programme with Iron Trades Insurance and later QBE International, which culminated in a 100% retro-loss agreement with the reinsurers in 2000. This agreement was set up to ensure BICL had a zero net of reinsurance exposure to future losses following its closure to new business. This arrangement was set up to mitigate any future risks in respect of the policies written by BICL prior to 2000.

Since BICL ceased underwriting in 2000 and successfully revoked its underwriting licence, the firm has looked to seek approval to enter into a Members' Voluntary Liquidation Scheme once the company's regulatory status has been removed.

As there is no longer any active underwriting undertaken by the Company and all valid and properly presented claims have been settled, the firm has committed itself to the protection of policyholders as a paramount strategic focus. This is reflected in the commissioning of TMCM by the executive, for an investigative review of outstanding and potential liabilities attributable to BICL. TMCM is an external organisation, which guaranteed independence and division of duties without undue pressure from the firms.

Furthermore, The Consultancy Consortium (TCC) was contracted to manage the SII regulatory reporting and to enhance transparency as an essential part of policyholder protection and overall compliance with regulatory authorities. The responsibility for regulatory reporting was transferred from TCC to Steve Dixon Associates LLP (SDA) with effect from November 2018.

## 1.2 Underwriting and Investment Performance

As BICL ceased underwriting in 2000, the yearly profit is the excess of investment income over expenses. Investment income is generated from the investments managed by Investco and bank account interest. Expenses are legal, actuarial, audit fees, bank charges and the Marsh Guernsey management fees.

In recent years expenses have been greater than investment income leading to a reduction in net assets.

The investments are managed by Investco in its Sterling Liquidity Portfolio Institutional Fund. This fund invests in short term money market investments which have investment returns closely linked to bank base rates. During 2022, interest rates increased which led to an improvement in investment income from £0.3K in 2021 to £33K in 2022.

The expenses have remained at the same level over the last year

## 2. Governance and The Own Risk and Solvency Assessment (ORSA)

The firm wishes to highlight that the governance processes and overall approach to own risk assessment is conducted within the context of a company that ceased underwriting over 20 years ago. This does not contravene the going concern assumption as required under SII reporting. A strategic decision was made to liquidate BICL through a Members' Voluntary Liquidation Scheme, once the company's regulatory status has been removed.

Given the long run-off status of BICL, no material changes to risk profile have been made since SII reporting began in January 2016 and essentially since BICL went into run-off over 20 years ago. To this end, the company undertakes to conduct the ORSA exercise when the risk exposure changes materially. The directors and senior managers are at the centre of the process and any changes foreseen and experienced will be co-ordinated across the ORSA teams (See 2.1) and incorporated in the appropriate risk modules accordingly.

The Directors view is that there will be no impact on BICL's from any issues relating to other group companies.

### 2.1 The ORSA Teams

The process brought together 4 distinct teams, working across all 3 pillars of SII, working independently and offering independent advice to the directors and senior managers. The directors took central responsibility in steering the other teams in their work. The directors offered insight and understanding of the inherent risks and potential claims, and provided the information upon which the reporting teams relied in order to determine the required capital relevant to BICL (SCR). Own Funds as managed by Invesco, BICL's investment managers, have been set aside and ring-fenced.

The 4 teams concerned are:

- **The Directors and Senior Managers**
- **Thomas Miller Claims management Ltd. (TMCM)**
- **SDA** (*SII Regulatory reporting*)
- **Marsh Guernsey** (*UK GAAP financial statements and maintenance of accounting ledgers*)

On the basis that all validly presented claims have been settled there is no Actuarial function although any actuarial advice required is provided by SDA. Exposure to claims is addressed through the activities of TMCM (*see paragraph 2.3 for details*)

The responsibility for approval and termination of all outsourcing arrangement (TMCM, Marsh Guernsey and SDA) is the responsibility of the directors and senior managers.

### 2.2 The Directors and Senior Managers

The directors took a central role in the conduct of the ORSA. The other 3 teams reported directly to the directors. The directors expressed their uppermost concern as the protection of the policyholders under the insurance agreements that were in place during the policy period. This was reflected in the work that was carried out by the teams. The directors were duly concerned about the level of provisioning that would be necessary to satisfy themselves that potential future claims would be covered with 99.5% confidence. The independence and separation of duties of the 4 teams guaranteed unbiased determination of the capital

requirements, identification and quantification of risk and high levels of comfort to the directors and regulators, that the appropriate methodology was utilised throughout.

As an initial step to the ORSA process, in 2016 the directors commissioned TMCM, an independent external organisation that has a long history of managing BICL claims, to perform a research and report exercise on the potential sources of liabilities. The purpose of this effort was to identify key areas of risk and to determine lines of further enquiry necessary to inform BICL to take steps to address these potential liabilities and ultimately to proceed with liquidation as the ultimate objective of the executive. In a document entitled 'Research into known and potential long-tailed claims liabilities of Beaufort Insurance Company Ltd', published in August 2016, TMCM confirmed that there is no history of successful claims since 2004 when they took over the management of claims. Furthermore, the report established that due to various mitigation plans and agreements, as well as other circumstances, the probability of future claims was set very low. There are also no known validly presented claims that BICL is required to recognise nor make provisions for in the balance sheet. No further review has been commissioned since 2016 on the basis that there has not been any development in exposure faced by BICL.

The ORSA was conducted within the context of the directors' clearly projected executive strategy, the voluntary liquidation of the company and all the disclosures and steps necessary for it to take, in order to achieve that strategic objective.

### 2.3 TMCM

TMCM's role as claims handlers for BICL places them in good stead for deep insight into claims history and associated risks. Their investigative work was carried out in 2016 and a comprehensive report delivered to the directors in August 2016. Details of this report were based on information retrieved from various sources, primarily archived documents, in some cases dating back to 1975. The overarching principle in the work they did was the facilitation for the directors to understand all liabilities and risks in a clear and consolidated format. It further provided a base for BICL's models in respect of regulatory capital calculation and any other required regulatory submissions.

The report produced by TMCM became the underlying document that all the teams relied upon for computing required capital, identifying and managing risk and making strategic decisions on the level of Own Funds. It reconciled effort across all the teams in their collective focus to be transparent, compliant, independent and ultimately to protect policyholders' interests.

### 2.4 SDA

SDA's role is that of determining the SII regulatory capital requirement, supporting the risk management function including the ORSA and producing and submitting the regulatory submissions to the PRA. The methodology and assumptions underlying the calculations owned by the directors and carried out by SDA.

### 2.5 Marsh Guernsey

Marsh Guernsey's role has been that of maintaining financial records and production of UK financial reports using information provided to them by BICL. The financial information relied upon for SII calculations is based on a set of financials provided by Marsh Guernsey.



### 3. Risk Strategy and Risk Management Process

#### 3.1 Risk Strategy:

Given BICL's particular circumstances, being a company that has ceased underwriting for over 20 years and, as already noted in earlier sections of this report, BICL will seek to enter into members' voluntary liquidation, once the remaining regulatory permissions have been removed at an appropriate future date. Risk strategy is formulated within the context of an organisation that in essence, is not a going concern. To this end, risk strategy is based on the firm's commitment to make sufficient provisions to cover existing and future risks that may come to light rather than risk that is being generated from current underwriting activity.

#### 3.2 Risk Management

Following investigative work carried out by TMCM on all liabilities, insight into claim probabilities and risk was obtained and used to identify, measure, monitor, manage and report risk as an established process of risk management.

#### 3.3 Risk identification and Risk Profile

The TMCM report on research into known and potential long-tailed liabilities led to the following risks being identified as relevant for BICL:

No.	Risk Categories	Description of Risks	Scale* (1-2-3)
<b>1</b>	<b>Market Risk</b>		
1.1	Interest Rate, Spread & Concentration Risks	Risks which impact the volatility of market prices and hence value of the Invesco investment portfolio	<b>1</b>
<b>2</b>	<b>Counterparty Default risk</b>		
2.1	Counterparty Default Risk	Risk that third parties will default on their obligations, resulting in loss of recoverability of invested funds	<b>1</b>
<b>4</b>	<b>Non-Life Underwriting Risk</b>		
4.1	Reserve Risk	Risk of under-provisioning for future liabilities, resulting in risk of loss from adverse changes in value of insurance liabilities. This is in relation to claims provisions which are currently set as zero.	<b>1</b>
<b>5</b>	<b>Operational Risk</b>		
5.1	Operational Risk	Risk, including legal risk, arising from inadequate or failed internal processes, personnel, systems or external events	<b>2</b>

Scale\* - The scale is calibrated as **1-Low, 2-Medium, 3-High** and based on a combination of financial impact and likelihood of occurrence.

#### 3.4 Risk Monitoring

Risk monitoring would be a continuous process with a view to monitoring known and identifying emerging risks and liabilities. The agreed process is a deviation from the conventional 3, to a 2 line of defence system. TMCM, as claims handlers, constitute the 1<sup>st</sup> line of defence in their capacity to monitor and identify any movements in claims, which would redefine the risk status.

The 2<sup>nd</sup> line of defence is the regulatory reporting team whose role is to implement and report any changes in risk exposure as advised by TMCM, for possible adjustments to the capital requirement calculation. Any

such changes would be made in liaison with BICL management, including any changes to Own Funds available to cover the newly determined risk.

BICL is confident that, given BICL's circumstances, the internal audit function which would ordinarily constitute the 3<sup>rd</sup> line of defence, is not necessary.

In addition, and as required in 2017, the directors appointed independent External auditors to perform a reasonable assurance exercise. This requirement is no longer required for PRA category 5 firms such as BICL.

Ultimately, the directors and senior managers would be informed of any changes which impact Own Funds.

### 3.5 Risk Reporting

Risk reporting is managed by the concerted efforts of the directors, senior managers, TMCM and the regulatory reporting team for both external, regulatory and internal reporting.

External reporting is managed by SDA through annual and quarterly Quantitative Reporting Templates (QRTs), SFCR and Regular Supervisory Reports (RSR).

Internal reporting is managed by both TMCM and SDA in their reporting roles to the directors and senior managers via the ORSA.

## 4. Valuation for Solvency Purposes

The UK GAAP and SII balance sheets are shown in the table below.

	SII Value £000's	UK GAAP Value £000's
Assets:		
Collective Investments	2,485	2,485
Cash and cash equivalents	1	1
Any other assets, including prepayments	6	14
Liabilities:		
Other creditors	18	18
<b>Net Assets/Own Funds</b>	<b>2,475</b>	<b>2,482</b>

All assets and liabilities other than prepayment assets are valued using the same basis for UK GAAP and SII, fair value or the market value of investments. Prepayments are valued at nil under SII as the services provided cannot be transferred to another party.

## 5. Capital Management

The regulatory capital requirement is the higher of the SCR and Minimum Capital Requirement (MCR) calculated in-line with the requirements of the SII Directive and Delegated Regulation 2015/35 as applicable to UK PRA regulated firms.

BICL uses the standard formula, without modification for undertaking specific parameters or the use of any simplifications allowed by the regulators, to calculate the SCR. No adjustment has been made for deferred taxes or the loss absorbing capacity of technical provisions. The final values remain subject to supervisory assessment.

	<b>Dec 21 SII Value £000's</b>	<b>Dec 22 SII Value £000's</b>
Market Risk	235	185
Counterparty Risk	1	1
Health Underwriting Risk	0	0
Non-Life Underwriting Risk	0	0
Diversification	(1)	(1)
Operational Risk	0	0
<b>SCR</b>	<b>235</b>	<b>186</b>
<b>MCR</b>	<b>2,112</b>	<b>2,325</b>
<b>Own Funds</b>	<b>2,519</b>	<b>2,475</b>
<b>Solvency Ratio</b>	<b>119%</b>	<b>106%</b>

The December 2022 SCR is lower than the December 2021 SCR as a result of the 21% reduction in market risk SCR. The decrease in the concentration risk SCR as a result of a number of changes (similar value of investments spread over a greater number of assets with an improved average credit score) is sufficient to offset the increase in the interest rate and credit spread risk.

The MCR is the result of a formula-based calculation in accordance with article 248 (1) of Delegated Regulation 2015/35. The absolute floor amount of the MCR is set at €2.7m at December 2022, up from €2.5m at December 2021. This is the level relevant to the Goods in Transit insurance, which was the insurance class last underwritten by BICL. While, historically, BICL has underwritten General Liability Insurance which requires a higher MCR floor of €3.7m, it is the view of the firm that the lower level is appropriate, given the very low risk status of BICL and its advanced run-off status.

The regulatory capital requirement for BICL is the MCR of £2.325m which results in a solvency ratio of 106%.

## 6. Own Funds

Beaufort has set aside assets to cover the required capital. These funds have been ring-fenced and held exclusively to cover any future claims, until such time that BICL has been liquidated as per current strategic focus.

## 7. Quantitative Reporting Templates

Please note that:

- S.05.01.02 - premiums, claims and expenses by line of business
- S.05.02.01 - premiums claims and expenses by country
- S.17.01.02 - non life technical provisions
- S.19.01.21 - non life insurance claims

are not included as the balances are all zero due to no new premiums, written or earned, or claim payments since BICL ceased underwriting in 2000.

### General information

Undertaking name	Beaufort Insurance Company Limited
Undertaking identification code	2138007FR18EKKZWGT13
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	GB
Language of reporting	en
Reporting reference date	31 December 2022
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

### List of reported templates

S.02.01.02 - Balance sheet

S.23.01.01 - Own Funds

S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula

S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

## S.02.01.02

## Balance sheet

		Solvency II value £000s
		C0010
<b>Assets</b>		
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	2,485
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	0
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	
R0120	<i>Equities - unlisted</i>	
R0130	<i>Bonds</i>	0
R0140	<i>Government Bonds</i>	0
R0150	<i>Corporate Bonds</i>	0
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	2,485
R0190	<i>Derivatives</i>	
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	
R0260	<i>Other loans and mortgages</i>	
R0270	Reinsurance recoverables from:	0
R0280	<i>Non-life and health similar to non-life</i>	0
R0290	<i>Non-life excluding health</i>	0
R0300	<i>Health similar to non-life</i>	0
R0310	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	0
R0320	<i>Health similar to life</i>	
R0330	<i>Life excluding health and index-linked and unit-linked</i>	
R0340	<i>Life index-linked and unit-linked</i>	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	1
R0420	Any other assets, not elsewhere shown	6
R0500	<b>Total assets</b>	2,492

		Solvency II value £000s
<b>Liabilities</b>		C0010
R0510	Technical provisions - non-life	0
R0520	<i>Technical provisions - non-life (excluding health)</i>	0
R0530	<i>TP calculated as a whole</i>	0
R0540	<i>Best Estimate</i>	0
R0550	<i>Risk margin</i>	0
R0560	<i>Technical provisions - health (similar to non-life)</i>	0
R0570	<i>TP calculated as a whole</i>	0
R0580	<i>Best Estimate</i>	0
R0590	<i>Risk margin</i>	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	<i>Technical provisions - health (similar to life)</i>	0
R0620	<i>TP calculated as a whole</i>	
R0630	<i>Best Estimate</i>	
R0640	<i>Risk margin</i>	
R0650	<i>Technical provisions - life (excluding health and index-linked and unit-linked)</i>	0
R0660	<i>TP calculated as a whole</i>	
R0670	<i>Best Estimate</i>	
R0680	<i>Risk margin</i>	
R0690	Technical provisions - index-linked and unit-linked	0
R0700	<i>TP calculated as a whole</i>	
R0710	<i>Best Estimate</i>	
R0720	<i>Risk margin</i>	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in BOF</i>	
R0870	<i>Subordinated liabilities in BOF</i>	0
R0880	Any other liabilities, not elsewhere shown	18
R0900	<b>Total liabilities</b>	18
R1000	<b>Excess of assets over liabilities</b>	2,475

# S.23.01.01

## Own Funds

Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35

R0010	Ordinary share capital (gross of own shares)
R0030	Share premium account related to ordinary share capital
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings
R0050	Subordinated mutual member accounts
R0070	Surplus funds
R0090	Preference shares
R0110	Share premium account related to preference shares
R0130	Reconciliation reserve
R0140	Subordinated liabilities
R0160	An amount equal to the value of net deferred tax assets
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above
R0220	<b>Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds</b>
R0230	<b>Deductions for participations in financial and credit institutions</b>
R0290	<b>Total basic own funds after deductions</b>

Total £000's	Tier 1 unrestricted £000s	Tier 1 restricted £000s	Tier 2 £000s	Tier 3 £000s
C0010	C0020	C0030	C0040	C0050
0			0	
0			0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
2,475	2,475			
0		0	0	0
0				0
0	0	0	0	0
0				
2,475	2,475	0	0	0

**Ancillary own funds**

R0300	Unpaid and uncalled ordinary share capital callable on demand
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
R0320	Unpaid and uncalled preference shares callable on demand
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC
R0390	Other ancillary own funds
R0400	<b>Total ancillary own funds</b>

0			
0			
0			
0			
0			
0			
0			
0			
0			
0			
0		0	0

**Available and eligible own funds**

R0500	Total available own funds to meet the SCR
R0510	Total available own funds to meet the MCR
R0540	Total eligible own funds to meet the SCR
R0550	Total eligible own funds to meet the MCR

2,475	2,475	0	0	0
2,475	2,475	0	0	
2,475	2,475	0	0	0
2,475	2,475	0	0	

R0580	<b>SCR</b>
R0600	<b>MCR</b>
R0620	<b>Ratio of Eligible own funds to SCR</b>
R0640	<b>Ratio of Eligible own funds to MCR</b>

186
2,325
1333.60%
106.43%

**Reconcillation reserve**

R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Foreseeable dividends, distributions and charges
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0760	<b>Reconciliation reserve</b>

C0060
2,475
0
0
0
2,475

**Expected profits**

R0770	Expected profits included in future premiums (EPIFP) - Life business
R0780	Expected profits included in future premiums (EPIFP) - Non- life business
R0790	<b>Total Expected profits included in future premiums (EPIFP)</b>

0



## S.25.01.01

**Solvency Capital Requirement - for undertakings on Standard Formula**

		Gross solvency capital requirement £000s	USP £000s	Simplifications £000s
		C0040	C0090	C0120
R0010	Market risk	185		
R0020	Counterparty default risk	1		
R0030	Life underwriting risk	0	0	
R0040	Health underwriting risk	0	0	
R0050	Non-life underwriting risk	0	0	
R0060	Diversification	-1		
R0070	Intangible asset risk	0		
R0100	<b>Basic Solvency Capital Requirement</b>	186		
	<b>Calculation of Solvency Capital Requirement</b>	C0100		
R0130	Operational risk	0		
R0140	Loss-absorbing capacity of technical provisions	0		
R0150	Loss-absorbing capacity of deferred taxes			
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0		
R0200	<b>Solvency Capital Requirement excluding capital add-on</b>	186		
R0210	Capital add-ons already set	0		
R0220	<b>Solvency capital requirement</b>	186		
	<b>Other information on SCR</b>			
R0400	Capital requirement for duration-based equity risk sub-module	0		
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0		
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0		
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0		
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0		

## S.28.01.01

**Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity****Linear formula component for non-life insurance and reinsurance obligations**

C0010

R0010 MCR<sub>NL</sub> Result

0

Net (of reinsurance/SPV) best estimate and TP calculated as a whole £000s	Net (of reinsurance) written premiums in the last 12 months £000s
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C0020

C0030

R0020	Medical expense insurance and proportional reinsurance
R0030	Income protection insurance and proportional reinsurance
R0040	Workers' compensation insurance and proportional reinsurance
R0050	Motor vehicle liability insurance and proportional reinsurance
R0060	Other motor insurance and proportional reinsurance
R0070	Marine, aviation and transport insurance and proportional reinsurance
R0080	Fire and other damage to property insurance and proportional reinsurance
R0090	General liability insurance and proportional reinsurance
R0100	Credit and suretyship insurance and proportional reinsurance
R0110	Legal expenses insurance and proportional reinsurance
R0120	Assistance and proportional reinsurance
R0130	Miscellaneous financial loss insurance and proportional reinsurance
R0140	Non-proportional health reinsurance
R0150	Non-proportional casualty reinsurance
R0160	Non-proportional marine, aviation and transport reinsurance
R0170	Non-proportional property reinsurance

0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0

**Overall MCR calculation**

C0070

R0300	Linear MCR
R0310	SCR
R0320	MCR cap
R0330	MCR floor
R0340	Combined MCR
R0350	Absolute floor of the MCR
R0400	<b>Minimum Capital Requirement</b>

0
186
84
46
46
2,325
2,325