

The Baxendale Insurance DAC

Solvency & Financial Condition Report (“SFCR”)

30 September 2022

(Abridged Version)

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D. VALUATION FOR SOLVENCY PURPOSES

D.1 Assets

The financial statements have been prepared in compliance with Financial Reporting Standards (“FRS”) 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and FRS 103 Insurance contracts, being applicable UK and Irish GAAP accounting standards, and in accordance with the Companies Act 2014 and the European Union (Insurance Undertakings: Financial Statements) Regulations 2015.

At the end of the current reporting period Baxendale had total assets valued at £8,255K (2021: £8,240K) for Solvency II purposes. This total comprises the following categories of assets:

- Deposits with credit institutions £6,451K (2021: £6,404K)

This amount represents short term deposits with an original maturity of six months or less and is stated at market value for both solvency and financial statement purposes, the only difference being the inclusion of accrued interest in the above balance. Accrued interest is disclosed as a separate line item in the financial statements.

- Non-life reinsurance recoverables £1K (2021: £(12K))

These amounts are dealt with in Section D2 below as part of the explanation on the valuation of technical provisions.

- Cash and cash equivalents £1,738K (2021: £722K)

Cash and cash equivalents comprise current and call accounts held with Bank of Ireland. Carrying amounts approximate fair value due to the liquid nature of the assets. There are no valuation adjustments for solvency purposes.

- Receivables (trade, not insurance) £7K (2021: £7K)

Receivables (trade, not insurance) comprise intercompany receivable. £20K of accrued interest has been reallocated from receivables to Deposits with credit institutions.

- Insurance and intermediaries receivable £59K (2021: £1,096K)

Insurance and intermediaries receivable comprise insurance receivables within credit terms

Information on how the Company invests its assets and manages risk in this area, including how it achieves compliance with the ‘prudent person principle’, is set out in Sections C2 – C4 above. Operational risks relating to the Company’s assets are managed according to the control framework described in Section B4 above.

D.2 Technical Provisions

The technical provisions of Baxendale by line of business at years ending 30 September 2022 and 30 September 2021, gross and net of reinsurance, are set out below in £'000:

30 September 2022:

Solvency II gross technical provisions

SII class In £'000	Claims Provision	Premium Provision	Best Estimate	Risk Margin	Technical Provisions
MAT	454	11	466	29	495
Fire	-	-	-	-	-
Credit	-	-	-	-	-
Total	454	11	466	29	495

Solvency II net technical provisions

SII class In £'000	Claims Provision	Premium Provision	Best Estimate	Risk Margin	Technical Provisions
MAT	441	24	465	29	494
Fire	-	-	-	-	-
Credit	-	-	-	-	-
Total	441	24	465	29	494

30 September 2021:

Solvency II gross technical provisions

SII class In £'000	Claims Provision	Premium Provision	Best Estimate	Risk Margin	Technical Provisions
MAT	724	(24)	700	30	730
Fire	-	-	-	-	-
Credit	-	-	-	-	-
Total	724	(24)	700	30	731

Solvency II net technical provisions

SII class In £'000	Claims Provision	Premium Provision	Best Estimate	Risk Margin	Technical Provisions
MAT	700	(12)	688	30	719
Fire	-	-	-	-	-
Credit	-	-	-	-	-
Total	701	(12)	689	30	719

These amounts comply in all material respects with the relevant Solvency II requirements.

The starting point for the calculation of the Solvency II technical provisions is the amounts which have been calculated for the financial statements reserving basis. Within the financial statements, full provision is made for the estimated cost of all claims notified but not settled at the period-end using

the best information available at that time. Provision is made for the cost of claims incurred but not reported and at the period-end, and potential development on outstanding claims estimates (together regarded as IBNR reserves).

Provisions are calculated gross of any reinsurance recoveries. Reinsurance recoveries are recorded based on actual amount of expected recoveries. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. In estimating the cost of claims notified but not paid, the Company has regard to claims circumstances as reported amounts claimed by customers information on the cost of settling claims in previous periods. IBNR provisions are established based on historical actual claims settlement.

Solvency II requires undertakings to hold technical provisions which correspond to the amount they would have to pay to transfer their insurance obligations immediately to another undertaking. This value comprises a **best estimate** and a **risk margin**, intended to represent a market consistent valuation. The technical provisions take account of the time value of money by discounting using a risk-free interest rate term structure as at the valuation date. There is no allowance for prudence in the calculation of best estimates.

The best estimate is calculated by considering all future cash inflows and outflows required to settle the existing insurance obligations over their lifetime. It represents the mean outcome of all possible scenarios, taking account of how likely they are to occur and their potential variability. In this regard, the best estimate is a probability-weighted average of future cash flows, allowing for the time value of money.

The Solvency II best estimate is calculated gross with any recoverable calculated separately following the same methodology. The best estimate is made up of a claims provision and a premium provision, relating to past and future exposures respectively. An allowance has been made for reinsurer counterparty default. Claims payments in the claim and premium provisions have been projected at annual intervals using annual paid development patterns.

The Solvency II claims provision is equivalent to the expected net present value of the best estimate claims reserve, with additional allowances to allow for all possible outcomes through the inclusion of provisions for Events Not in Data (ENID) and the future expenses that will be incurred in servicing the existing reinsurance obligations. The claims provision also includes all unpaid premium relating to earned exposures that are within payment terms.

Under the Solvency II contract boundary definition, any policies which have been bound, even if unaccepted as at the valuation date, must be considered in the premium provision. The Solvency II premium provision is therefore equivalent to the expected net present value of the following cash inflows and outflows, relating to unearned exposure from accepted contracts and exposure from unaccepted contracts bound as at the valuation date:

- Cash flows from future premiums in relation to future claims;
- Cash flows arising from future claim events (e.g. claims payments);
- Cash flows arising from loss adjustment expenses in respect of claims events occurring after the valuation date;
- Cash flows arising from the ongoing administration of policies in-force as at the valuation date; and

- Cash flows arising from salvage and subrogation.

Baxendale's contracts are very short-term so the amount of Bound But Not Incepted ('BBNI') premiums at any point in time would be very minimal. The actuaries have assumed that there are zero BBNI inwards insurance premiums at the valuation date. The reinsurance contract is an annual contract that requires 30 days' notice prior to cancellation, the actuaries have allowed for one month's BBNI reinsurance premium at the valuation date. The assumption has a relatively small impact on the total SCR because the reinsurance premium is minimal.

Estimates are "best estimates" in the sense that they are intended to be a probability-weighted average of all possible outcomes. Baxendale has employed techniques and assumptions that are appropriate for the purpose of calculating its Solvency II technical provisions. The actual amounts required to meet future claim payments may differ from estimates for a number of reasons, such as model specification error, parameter error and random error due to the inherent uncertainty in insurance. External environment risk factors may cause material deviations in estimates of technical provisions, including persistent negative interest rates, inflation and currency exchange rate fluctuations.

The Solvency II risk margin is intended to represent an amount that Baxendale would be required to pay, in excess of the best estimate of the liabilities, for a third party to assume the risk of running off the existing liabilities. The actuarial calculation of the risk margin is consistent with the Solvency II regulations, applying a 6% cost of capital to the amount of capital required at the beginning of each year to support the run-off of the insurance obligations. These future costs of capital are then discounted to the valuation date and summed to calculate the amount of risk margin required.

The resultant differences between the value of technical provisions for solvency purposes and the financial statements at 30 September 2022 are shown below:

£'000	Gross	Reinsurer's share	Net
Claims provisions on financial statement basis	778	0	778
Inclusion of unpaid claims, commission and claims handling	179	0	179
Adjustment of UPR to best estimate losses	(123)	1	(124)
Inclusion of future premium inwards	(392)	0	(392)
Inclusion of future premium outwards	0	0	0
Provision of Solvency II expenses	33	0	33
Allowance for ENID	3	0	3
Discounting of cashflows	(12)	0	(12)
Allowance for reinsurance default	0	0	0
Risk Margin	29	0	29
Solvency II Technical Provisions	495	1	494

The Company has made a tax adjustment to allow for the loss absorbing capacity of deferred taxes. This adjustment allows for the change in the Solvency II balance sheet that would result from an instantaneous loss equal to the sum of the Basic SCR and the Operational charge. The Company recorded a deferred tax liability of £2K (2021: £2K) under Solvency II valuation.

Information on how the Company manages risk in the area of underwriting and reserving is set out in Section C1 above. Operational risks relating to the Company's technical provisions and claims data are managed using the Control Framework described in Section B4 above.

The Company is satisfied that it has access to sufficient claims data on an annual basis for the calculation of its technical provisions and that this data is accurate and appropriate for the Company's needs. Claims management processes by the Company are appropriate and adequate given the nature of the underlying risks. Significant reporting delays are not experienced.

In calculating its technical provisions on a Solvency II basis, Baxendale has not applied any of the following items:

- matching adjustment referred to in Article 77b of Directive 2009/138/EC;
- volatility adjustment referred to in Article 77d of Directive 2009/138/EC;
- transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC; and
- transitional deduction referred to in Article 308d of Directive 2009/138/EC

D.3 Other Liabilities

Other liabilities of £142K (2021: £144K) are classified as payables for solvency purposes being accrued expenses. There are no valuation adjustments for solvency purposes.

D.4 Alternative Methods for Valuation

No alternative methods were used.

D.5 Any Other Material Information

To the best of the Board's knowledge, there is no other information to report

E. CAPITAL MANAGEMENT

E.1 Own Funds

The Company has put in place a Capital Management policy to ensure that 'Own Fund' items, both at issue and subsequently, meet the requirements of the Solvency II capital regime. The objectives of the policy are to ensure that on an on-going basis the Company has:

- own fund items available to meet its capital requirements; and
- developed processes to ensure the appropriateness of its own fund items.

As part of the annual review of the medium-term capital plan, the Company reviews the level, composition and classification of own fund items to ensure they continue to meet its own solvency needs, and its regulatory obligations in respect of Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR). A 3 year forward looking time horizon is used for business planning purposes and any anticipated changes to the Company's business and risk profile are factored into the ORSA process to assess the solvency and capital needs over this business planning period. It is intended that the Company's capital needs will be managed out of its existing pool of own funds and the efficient management of the Company's insurance business. Should additional funds be required outside of that, they will be advanced by the shareholder.

The Company's own funds consist of the following items:

- Issued Share Capital;
- Share Premium; and
- Retained Earnings.

Any change to the share capital requires the approval of the Shareholder and the Board. Retained earnings are adjusted on a quarterly basis to take account of the profits/losses earned in the period together with any Solvency II valuation adjustments.

The payment of dividends is considered on a quarterly basis by the Board as part of its medium-term capital assessment. Potential dividends will be considered as part of the Company's ORSA process to ensure that the Company will continue to meet its solvency needs over the business planning period.

Any other qualifying own fund item requires the review and approval of the Board. In such instances, the Board must ensure that the terms and conditions of any own fund item are clear and unambiguous in relation to the capital classification.

Own fund items at the end of reporting period and the prior year comparative period are as follows:

£'000	2022	2021
Ordinary paid up share capital	2,150	2,150
Share premium	46	46
Reconciliation reserve	5,013	5,154
Total Tier 1 capital	7,209	7,350
Net deferred tax asset – Tier 3 capital	-	-
Total basic own funds	7,209	7,350

The movement in basic own funds during the reporting period reflects the profitability of the Company during the period. The reconciliation reserve represents the Company's retained profits as adjusted for Solvency II valuation principals. The adjustments which arise in the application of these principles are shown in the equity reconciliation below.

At the end of the current reporting period eligible own funds available to meet the Company's SCR are £7,209K (2021: £7,350K), comprised of entirely of Tier 1 capital, all of which are eligible to meet the Company's MCR.

The equity position as shown in the Company's 2022 year-end financial statements can be reconciled to the basic own funds balance under Solvency II as follows:

£'000	2022
Equity per the Company's financial statements	7,192
Adjustments to technical provisions and reinsurance recoverables	1
Removal of insurance debtors and creditors	55
Recognition of deferred tax liabilities	(2)
Removal of deferred acquisition cost	(37)
Allowance for foreseeable dividend	0
Own funds (excess of assets over liabilities for solvency purposes)	7,209

Adjustments are made to technical provisions in line with the valuation methodologies set out in section D.2 above. In addition, Baxendale's debtor/creditor items relating to unpaid premium/claim balances which are within credit terms are included within the technical provision calculation. These adjustments are reflected in the Company's reconciliation reserve. A deferred tax liability is recognised due to the increase in available capital between the financial statements and the regulatory own funds. Allowance for a dividend declared post year-end is included in the Solvency II Own Funds calculation.

Baxendale has no ancillary own funds and there are no transitional arrangements impacting its capital calculations.

E.2 Solvency Capital Requirement & Minimum Capital Requirement

At the end of the current reporting period, Baxendale's SCR and MCR have been calculated as £2,331k (2021: £2,434k) and £3,267 (2021: £3,184k).

The SCR is intended to correspond to the capital the Company needs to hold in order to limit the probability of ruin, in the following 12 months, to 0.5%, i.e. ruin would occur less than once in every 200 years. The SCR calculated at the end of the current reporting period, relates to the capital required to support the business over the prospective 12 months; covering both existing liabilities and business written during 2022/2023.

The level of MCR is above the SCR, therefore the regulatory capital is floored at the MCR.

Based on the Company's eligible own funds of £7,209k (2021: £7,350k) the Company has a solvency ratio at 30 September 2022 of 221%, eligible capital over MCR (2021: 231%).

The SCR has been calculated using the standard formula and without the application of any undertaking specific parameters.

The split of SCR by risk modules is shown below, together with the prior year unaudited comparative:

SCR Results comparison (£'000)	30-Sep-22	30-Sep-21	Movement
Risk charge			
Premium/Reserve Risk	2,032	2,158	(126)
Catastrophe Risk	116	116	0
Lapse Risk	44	48	(4)
Diversification Benefit	(128)	(132)	4
Non-Life Underwriting Risk	2,065	2,191	-126
Counterparty Default Risk	357	357	(1)
Interest Rate Risk	33	13	20
Spread Risk	79	78	1
Currency FX Risk	15	34	(18)
Concentration Risk	670	666	4
Diversification Benefit	(121)	(118)	(3)
Market Risk	676	672	4
Diversification Benefit	(567)	(571)	4
BSCR	2,531	2,649	(119)
Operational Risk	134	132	2
Tax Adjustments	(333)	(348)	15
SCR (Solvency Capital Requirement)	2,331	2,434	(102)
Available Capital	7,209	7,350	(141)
MCR	3,267	3,184	83
Available Capital	7,209	7,350	(141)
Surplus/Deficit	3,942	4,166	(224)
MCR Ratio	221%	231%	(10%)

The movement on the SCR from the prior year is mainly driven by the non-life underwriting risk module. Premium risk is based on the net earned premium earned over the last 12 months, which has increased from £4.28m to £4.30m since the previous analysis.

For Baxendale, the MCR is equal to the Absolute Minimum Capital Requirement, which is €3.7m, converted to Baxendale's reporting currency GBP, £3.2m. This has increased since the previous analysis was due to the reclassification of the Advanced Payment Guarantee policy incepting on 1 October 2021 to the Credit and Suretyship Solvency II line of business.

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

There was no use of duration-based equity risk sub model in the calculation of the SCR.

E.4 Differences between the Standard Model & Any Internal Model used

The Company used the Standard Model in determining the SCR and MCR and did not rely on any internal model.

E.5 Any non-compliance with the Minimum Capital Requirement (MCR) or significant non-compliance with the Solvency Capital Requirement (SCR)

There are no issues with non-compliance with the MCR and SCR.

E.6 Any Other Material Information

To the best of the Board's knowledge, there is no other information to report.

E.7 Additional voluntary information

There is no additional voluntary information to report.

<i>Note: Tables within this report contain minor rounding differences in certain instances due to amounts being displayed as whole numbers or in thousands while the source workings underlying the annual reporting templates are calculated to two decimal places. These differences are immaterial.</i>

ANNEX 1 – QUANTITATIVE REPORTING TEMPLATES

The following quantitative reporting templates are appended to this report:

S.02.01.01 – Balance sheet*

S.05.01.02 – Premiums, Claims and Expenses

S.05.02.01 – Premiums, Claims and Expenses by country

S.17.01.02 – Non Life Technical Provisions*

S.19.01.21 – Claims Developments Triangles*

S23.01.01 – Own Funds*

S25.01.21 – SCR using standard formula*

S28.01.01 – MCR*

*templates subject to external audit

ANNEX I - QUANTITATIVE REPORTING TEMPLATES

The following reporting templates are appended to this report:

S.02.01.02 - Balance Sheet

S.05.01.02 - Premiums, claims and expenses

S.05.02.01 - Premiums, claims and expenses by country

S.17.01.02 - Non Life technical provisions

S.19.01.21 - Claim development triangles

S.23.01.01 - Own funds

S.25.01.21 - SCR using standard formula

S.28.01.01 - MCR

S.02.01.02 - Balance Sheet (In thousands of GBP)

		C0010
		Solvency II value
Assets		
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	6,451
R0080	Property (other than for own use)	
R0090	Holdings in related undertakings, including participations	
R0100	Equities	0
R0110	Equities - listed	
R0120	Equities - unlisted	
R0130	Bonds	0
R0140	Government Bonds	
R0150	Corporate Bonds	
R0160	Structured notes	
R0170	Collateralised securities	
R0180	Collective Investments Undertakings	
R0190	Derivatives	
R0200	Deposits other than cash equivalents	6,451
R0210	Other investments	
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	Loans on policies	
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	
R0270	Reinsurance recoverables from:	1
R0280	Non-life and health similar to non-life	1
R0290	Non-life excluding health	1
R0300	Health similar to non-life	
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	0
R0320	Health similar to life	
R0330	Life excluding health and index-linked and unit-linked	
R0340	Life index-linked and unit-linked	
R0350	Deposits to cedants	
R0360	Insurance and intermediaries receivables	59
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	7
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	
R0410	Cash and cash equivalents	1,738
R0420	Any other assets, not elsewhere shown	
R0500	Total assets	8,255

S.02.01.02 - Balance Sheet (In thousands of GBP)

		C0010 Solvency II value
Liabilities		
R0510	Technical provisions – non-life	495
R0520	Technical provisions – non-life (excluding health)	495
R0530	Technical provisions calculated as a whole	
R0540	Best Estimate	466
R0550	Risk margin	29
R0560	Technical provisions - health (similar to non-life)	0
R0570	Technical provisions calculated as a whole	
R0580	Best Estimate	
R0590	Risk margin	
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	Technical provisions - health (similar to life)	0
R0620	Technical provisions calculated as a whole	
R0630	Best Estimate	
R0640	Risk margin	
R0650	Technical provisions – life (excluding health and index-linked and unit-linked)	0
R0660	Technical provisions calculated as a whole	
R0670	Best Estimate	
R0680	Risk margin	
R0690	Technical provisions – index-linked and unit-linked	0
R0700	Technical provisions calculated as a whole	
R0710	Best Estimate	
R0720	Risk margin	
R0730	Other technical provisions	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	2
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)	407
R0850	Subordinated liabilities	0
R0860	Subordinated liabilities not in Basic Own Funds	
R0870	Subordinated liabilities in Basic Own Funds	
R0880	Any other liabilities, not elsewhere shown	142
R0900	Total liabilities	1,046
R1000	Excess of assets over liabilities	7,209

S.05.01.02 - Premiums, claims and expenses (In thousands of GBP)

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Line of business for: accepted non-proportional reinsurance				TOTAL
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	C0110	C0120	C0130	C0140	C0150	C0160	
Premiums written									
Gross - Direct Business	R0110								4,440
Gross - Prop reinsurance accepted	R0120								0
Gross - Non-Prop reinsurance accepted	R0130								0
Reinsurers' share	R0140								157
Net	R0200	0	0	0	0	0	0	0	4,282
Premiums earned									
Gross - Direct Business	R0210								4,454
Gross - Prop reinsurance accepted	R0220								0
Gross - Non-Prop reinsurance accepted	R0230								0
Reinsurers' share	R0240								157
Net	R0300	0	0	0	0	0	0	0	4,297
Claims incurred									
Gross - Direct Business	R0310								522
Gross - Prop reinsurance accepted	R0320								0
Gross - Non-Prop reinsurance accepted	R0330								0
Reinsurers' share	R0340								0
Net	R0400	0	0	0	0	0	0	0	522
Changes in other technical provisions									
Gross - Direct Business	R0410								0
Gross - Prop reinsurance accepted	R0420								0
Gross - Non-Prop reinsurance accepted	R0430								0
Reinsurers' share	R0440								0
Net	R0500	0	0	0	0	0	0	0	0
Expenses incurred	R0550								1,483
Other expenses	R1200								
Total expenses	R1300								1,483

S.05.02.01 - Premiums, claims and expenses by country (In thousands of GBP)

		Home country	Country (by amount of GWP)					Total for top 5 countries and home country
			GB	SE				
		C0080	C0090	C0090	C0090	C0090	C0090	C0140
Premiums written								
Gross - Direct Business	R0110		4,440					4,440
Gross - Proportional reinsurance accepted	R0120							0
Gross - Non-proportional reinsurance accepted	R0130							0
Reinsurers' share	R0140		157					157
Net	R0200	0	4,282	0	0	0	0	4,282
Premiums earned								
Gross - Direct Business	R0210		4,454					4,454
Gross - Proportional reinsurance accepted	R0220							0
Gross - Non-proportional reinsurance accepted	R0230							0
Reinsurers' share	R0240		157					157
Net	R0300	0	4,297	0	0	0	0	4,297
Claims incurred								
Gross - Direct Business	R0310		530	-8				522
Gross - Proportional reinsurance accepted	R0320							0
Gross - Non-proportional reinsurance accepted	R0330							0
Reinsurers' share	R0340							0
Net	R0400	0	530	-8	0	0	0	522
Changes in other technical provisions								
Gross - Direct Business	R0410							0
Gross - Proportional reinsurance accepted	R0420							0
Gross - Non-proportional reinsurance accepted	R0430							0
Reinsurers' share	R0440							0
Net	R0500	0	0	0	0	0	0	0
Expenses incurred	R0550		1,483					1,483
Other expenses	R1200							
Total expenses	R1300							1,483

S.17.01.02 - Non Life technical provisions (In thousands of GBP)

		Direct business and accepted proportional reinsurance											
		Medical expense insurance	Income protection insurance	Workers' compensatio n insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130
Technical provisions calculated as a whole	R0010												
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050												
Technical provisions calculated as a sum of BE and RM													
Best estimate													
Premium provisions													
Gross	R0060						11						
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140						-12	-0					
Net Best Estimate of Premium Provisions	R0150	0	0	0	0	0	24	0	0	0	0	0	0
Claims provisions													
Gross	R0160						454						
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240						13						
Net Best Estimate of Claims Provisions	R0250	0	0	0	0	0	441	0	0	0	0	0	0
Total Best estimate - gross	R0260	0	0	0	0	0	466	0	0	0	0	0	0
Total Best estimate - net	R0270	0	0	0	0	0	465	0	0	0	0	0	0
Risk margin	R0280						29						
Amount of the transitional on Technical Provisions													
Technical Provisions calculated as a whole	R0290												
Best estimate	R0300												
Risk margin	R0310												
Technical provisions - total													
Technical provisions - total	R0320	0	0	0	0	0	495	0	0	0	0	0	0
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	0	0	0	0	1	-0	0	0	0	0	0
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	0	0	0	0	0	494	0	0	0	0	0	0

S.17.01.02 - Non Life technical provisions (In thousands of GBP)

		Accepted non-proportional reinsurance				TOTAL
		Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0140	C0150	C0160	C0170	
Technical provisions calculated as a whole	R0010					0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050					0
Technical provisions calculated as a sum of BE and RM						
Best estimate						
Premium provisions						
Gross	R0060					11
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140					-12
Net Best Estimate of Premium Provisions	R0150	0	0	0	0	24
Claims provisions						
Gross	R0160					454
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240					13
Net Best Estimate of Claims Provisions	R0250	0	0	0	0	441
Total Best estimate - gross	R0260	0	0	0	0	466
Total Best estimate - net	R0270	0	0	0	0	465
Risk margin	R0280					29
Amount of the transitional on Technical Provisions						
Technical Provisions calculated as a whole	R0290					0
Best estimate	R0300					0
Risk margin	R0310					0
Technical provisions - total						
Technical provisions - total	R0320	0	0	0	0	495
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	0	0	0	1
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	0	0	0	0	494

S.19.01.21 - Claim development triangles (In thousands of GBP)

Gross Claims Paid (non cumulative absolute amount)

		0	1	2	3	4	5	6	7	8	9	10+	Current year	All years
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		
Prior	R0100													
N-9	R0160	1,234											0	1,234
N-8	R0170	1,239											0	1,239
N-7	R0180	1,511					1						0	1,512
N-6	R0190	1,287				1							0	1,288
N-5	R0200	1,126			6		2						2	1,134
N-4	R0210	1,158		26	2	11							11	1,197
N-3	R0220	816	232	55	22								22	1,126
N-2	R0230	228	202	9									9	439
N-1	R0240	212	179										179	391
N	R0250	240											240	240
Total													462	9,800

Gross undiscounted Best Estimate Claims Provisions - Development year (non cumulative absolute amount)

		0	1	2	3	4	5	6	7	8	9	10+	Year End (discounted data)
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	
Prior	R0100												
N-9	R0160												
N-8	R0170												
N-7	R0180												
N-6	R0190					6	6						
N-5	R0200	-15			18	10							
N-4	R0210	55		62	52								
N-3	R0220	348	89	39	32								31
N-2	R0230	279	63	56									55
N-1	R0240	556	171										167
N	R0250	207											202
Total													454

S.23.01.01 - Own funds (In thousands of GBP)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	2,150	2,150			
Share premium account related to ordinary share capital	R0030	46	46			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0				
Subordinated mutual member accounts	R0050	0				
Surplus funds	R0070	0				
Preference shares	R0090	0				
Share premium account related to preference shares	R0110	0				
Reconciliation reserve	R0130	5,013	5,013			
Subordinated liabilities	R0140	0				
An amount equal to the value of net deferred tax assets	R0160	0				
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0				
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						
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	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230	0				
Total basic own funds after deductions	R0290	7,209	7,209	0	0	0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0				
Unpaid and uncalled preference shares callable on demand	R0320	0				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0				
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0				
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0				
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0				
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0				
Other ancillary own funds	R0390	0				
Total ancillary own funds	R0400	0			0	0

S.23.01.01 - Own funds (In thousands of GBP)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	7,209	7,209	0	0	0
Total available own funds to meet the MCR	R0510	7,209	7,209	0	0	
Total eligible own funds to meet the SCR	R0540	7,209	7,209	0	0	0
Total eligible own funds to meet the MCR	R0550	7,209	7,209	0	0	
SCR	R0580	2,331				
MCR	R0600	3,267				
Ratio of Eligible own funds to SCR	R0620	3.09217827				
Ratio of Eligible own funds to MCR	R0640	2.206602492				

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	7,209
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	2,196
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	5,013
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	15
Total Expected profits included in future premiums (EPIFP)	R0790	15

S.25.01.21 - SCR using standard formula (In thousands of GBP)

Basic Solvency Capital Requirement

		Gross solvency capital requirement	USP	Simplifications
		C0040	C0090	C0100
Market risk	R0010	676		
Counterparty default risk	R0020	357		
Life underwriting risk	R0030			
Health underwriting risk	R0040			
Non-life underwriting risk	R0050	2,065		
Diversification	R0060	-567		
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	2,531		

Calculation of Solvency Capital Requirement

		Value
		C0100
Operational risk	R0130	134
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	-333
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency Capital Requirement excluding capital add-on	R0200	2,331
Capital add-on already set	R0210	
Solvency capital requirement	R0220	2,331
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

S.28.01.01 - MCR (In thousands of GBP)

Linear formula component for non-life insurance and reinsurance obligations		MCR components
		C0010
MCRNL Result	R0010	645

Background information		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020		
Income protection insurance and proportional reinsurance	R0030		
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050		
Other motor insurance and proportional reinsurance	R0060		
Marine, aviation and transport insurance and proportional reinsurance	R0070	465	4,228
Fire and other damage to property insurance and proportional reinsurance	R0080	0	34
General liability insurance and proportional reinsurance	R0090		
Credit and suretyship insurance and proportional reinsurance	R0100		21
Legal expenses insurance and proportional reinsurance	R0110		
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130		
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150		
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		

Linear formula component for life insurance and reinsurance obligations		C0040
MCRL Result	R0200	0

Total capital at risk for all life (re)insurance obligations		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210		
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230		
Other life (re)insurance and health (re)insurance obligations	R0240		
Total capital at risk for all life (re)insurance obligations	R0250		

Overall MCR calculation		C0070
Linear MCR	R0300	645
SCR	R0310	2,331
MCR cap	R0320	1,049
MCR floor	R0330	583
Combined MCR	R0340	645
Absolute floor of the MCR	R0350	3,267
Minimum Capital Requirement	R0400	3,267