SOUTHERN ROCK INSURANCE COMPANY LIMITED

Solvency and Financial Condition Report

Year End: 31 December 2018

DEFINITIONS

AF	Actuarial Function	**LPT**	Loss Portfolio Transfer
AFH	Actuarial Function Holder	**LR**	Loss Ratio
ADC	Adverse Development Cover	**MCR**	Minimum Capital Requirement
AFR	Actuarial Function Report	**MGA**	Managing General Agent
ARC	Audit and Remuneration Committee	**MIB**	Motor Insurance Bureau
BCD	Business Choice Direct	**ORSA**	Own Risk and Solvency Assessment
Committee	Committee of the Board	**QA**	Quality Assurance
COR	Combined Operating Ratio	**QRTs**	Quantitative Reporting Templates
CPD	Continuing Professional Development	**RCIC**	Risk, Compliance, and Investment Committee
EEA	European Economic Area	**RMF**	Risk Management Framework
EIOPA	European Insurance and Occupational Pensions Authority	**RMFH**	Risk Management Function Holder
ERM	Enterprise Risk Management	**RMR**	Risk Management Report
EU	European Union	**RMSM**	Required Minimum Solvency Margin
FLAOR	Forward Looking Assessment of Own Risks	**RPT**	Related Party Transaction
FV	Fair Value	**SCR**	Solvency Capital Requirement
GAAP	Generally Accepted Accounting Principles	**SFCR**	Solvency and Financial Condition Report
GBP	Pounds Sterling	**SII**	Solvency II
GFSC	Gibraltar Financial Services Commission	**SoG**	System of Governance
Group	Southern Rock Holdings Limited, and its subsidiaries	**SRHL**	Southern Rock Holdings Limited
GVW	Gross Vehicle Weight	**SRICL**	Southern Rock Insurance Company Ltd
IAF	Internal Audit Function	**TPFT**	Third Party Fire and Theft
IAFH	Internal Audit Function Holder	**TPs**	Technical Provisions
IBNR	Incurred But Not Reported	**UK**	United Kingdom
IPR	Intellectual Property Rights	**ULR**	Ultimate Loss Ratio
KPI	Key Performance Indicator	**URC**	Underwriting and Reserving Committee
KRI	Key Risk Indicator	**VAR**	Value at Risk
LCP	Lane Clarke and Peacock	**XOL**	Excess of Loss
LGD	Loss Given Default		

INTRODUCTION

This report is the Solvency and Financial Condition Report ("SFCR") for Southern Rock Insurance Company Limited ("SRICL", the "Company") as at 31 December 2018. SRICL is the principal trading subsidiary of Southern Rock Holdings Limited ("SRHL", the "Group"). Both entities are registered in Gibraltar.

The requirement to produce an SFCR stems from the introduction of Solvency II ("SII") on 1 January 2016, which established an EU-wide set of capital requirements and risk management standards with the aim of increasing protection for policyholders.

The purpose of the SFCR is to provide information on the capital position of the Company at the reporting year end, as required by the Solvency II Delegated Regulations. The structure of the report is determined by the SII Directive and is split into sections to cover the Company's business and performance, system of governance, risk profile, valuation methods used for solvency purposes and its capital management practices.

Unless stated otherwise, all amounts in this report are in GBP (Pounds Sterling).

EXECUTIVE SUMMARY

SECTION A: BUSINESS AND PERFORMANCE

The principal activity of SRICL is the underwriting of UK motor insurance risks. The main focus of this report is on the activities and solvency of SRICL, as the principal trading entity of the Group.

Throughout the reporting period the Company has sought to defend segments of profitable business during soft market conditions, whilst also seeking to deliver rate rises to poorer performing areas. Significant claims inflation within the market is noted in the AD/FT and PD heads of claim. A range of underwriting and claims based initiatives have been deployed to counter these challenges. Gross written premium including co-insurance decreased by £96.6m to £83.4m in 2018 (2017: £180m), with policies in force at the year-end of 107,000, compared to the previous year (2017: 351,000), a reduction of some 67%. This reduction forms part of the continuing strategy for the de-risking of SRICL, with the newly formed MGA taking a large share of business written, for 2018 SRICL reduced it share down to 25%, 2019 will see a further reduction to a 10% share written on a 100% co-insurer basis.

For the year ended 31 December 2018, on a statutory accounting basis SRICL reported a loss after taxation in its financial statements of £15,12m, which was higher than the loss reported in the previous year (2017: loss £.4.5m). SRICL expects a change to profitability in the underlying business having invested further in 2018 through enhanced risk rating, pricing techniques and counter-fraud initiatives.

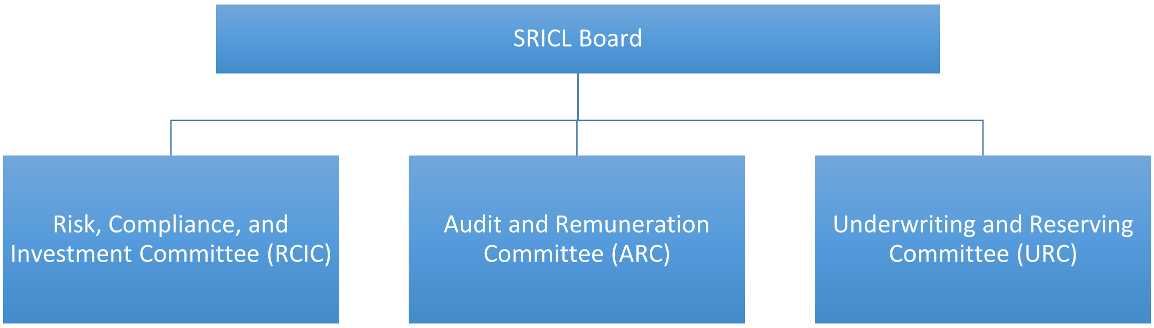
The policies written by the Company are spread across two Solvency II lines of business: 'motor vehicle liability insurance' and 'other motor insurance'. An allocation of the premiums, claims and expenses between these two lines of business is provided in the quantitative reporting template ("QRT") S.05.01 included in section F of this report.

At the reporting period end, the Company's solvency ratio of eligible own funds to Solvency Capital Requirement ("SCR") was 113%, a decrease of 6 percentage points from the previous year end (2017: 119%). The main reason for the drop in solvency is due to the increase in ULR, following the actuarial review, for 2018 and 2017, being partly offset by reduced ULR in 2016, with other smaller movements in prior years. Management expectations are that 2017 and 2018 claims settlements patterns will flatten earlier than actuarially estimated, therefore benefit is predicted in future years, as the settlement pattern becomes clearer and uncertainty reduced. However, we continue to book at external actuarial best.

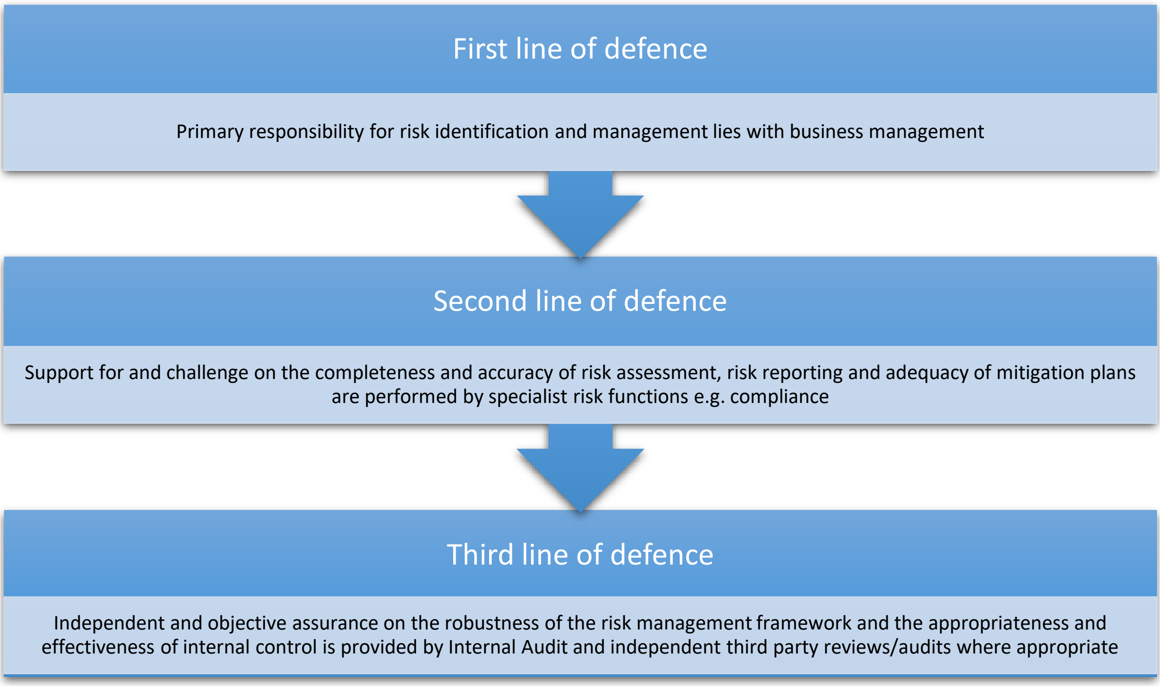
SECTION B: SYSTEM OF GOVERNANCE

The SRICL Board is responsible for governance and control of the Company and has overall responsibility for setting our strategy and development plans. SRICL has established a robust governance framework, with a clear risk appetite. The SRICL Board ensures that its financial controls and risk management systems are fully embedded, whilst also ensuring that the Company is adequately resourced to execute its plans. Ongoing change and continuous improvement philosophy underpins our work as we seek to further develop our governance and performance. The Non-Executive Directors bring a very broad level of experience and independent judgement to the Board and make a valuable contribution to the Company's objectives, communications with stake holders. and desire to always put the policyholders' best interests first.

To assist the SRICL Board in carrying out its functions, it is supported by three sub-committees that operate under formal terms of reference. The Chairman of each committee reports to the Board on its proceedings after each committee meeting.



SRICL operates a three lines of defence system of governance.



Section B of this report describes the system of governance in place and explains the compliance with the requirements of the Solvency II legislation.

SECTION C: RISK PROFILE

SRICL has developed a Risk Management Framework ("RMF") to ensure risks are appropriately identified, monitored and managed in line with the Company's objectives in the short, medium and long term, whilst also ensuring the business is aligned with the regulatory requirement of Solvency II. An integral part of this framework is the Own Risk and Solvency Assessment ("ORSA"), which provides the Company with a key tool to assess and evaluate the risks it faces. The Company continues to refine the framework as it identifies new metrics to measure and mitigate risk throughout the business.

As part of the risk management strategy, SRICL has entered into a number of substantive reinsurance programmes with a panel of robust reinsurance partners, which has effectively reduced its exposure to claims in the 2013 to 2018 underwriting years to just 3% of written premium.

The Company's Solvency Capital Requirement ("SCR") by risk module is as follows:

SCR Risk module		2018
	£m	**%**
Non-life underwriting risk	4.12	13.5%
Counterparty risk	12.29	40.4%
Market risk	14.45	47.5%
Diversification benefit	-7.60	-25.0%
Life underwriting risk	0.15	0.5%
Basic SCR	**23.41**	**-**
Operational risk	7.02	23.1%
Total SCR	**30.43**	**100.0%**

Section C of this report describes the risks to which the Company is exposed and how they are measured, monitored and managed, including any specific risk mitigation actions that have been taken during the reporting period.

SECTION D: VALUATION FOR SOLVENCY PURPOSES

Under SII, assets and liabilities are required to be valued at fair value, which is the amount for which they could be exchanged with a third party in an arm's length transaction. The valuation principles are broadly the same as those applied under local GAAP (which the Company uses), with some notable exceptions such as the valuation of deferred acquisition costs and technical provisions.

At the reporting period end, SRICL had SII net assets of £42.5m, compared with £34m on a statutory accounting ("GAAP") basis.

The differences in valuation of assets and liabilities are discussed in more detail in Section D of this report.

SECTION E: CAPITAL MANAGEMENT

The SRICL Board considers the Company's capital requirements and future strategic direction over a three-year planning horizon. The target capital coverage of its SCR over this planning horizon is 125%-150%.

The Board are confident that this target will be achieved as our Solvency coverage naturally improves throughout the year as deferred consideration deals continue to be paid down as contractually agreed. The directors are also actively seeking to reduce and convert any illiquid assets from the balance sheet and transition to a predominantly cash based model.

A summary of the Company's capital position as at 31 December 2018 is shown in the table below:

Capital Management	2018
	£m
Tier 1 capital	29.90
Tier 2 capital	-
Tier 3 capital	-
Total Eligible Own Funds	36.18
SCR	30.43
	%
SCR ratio	113%
MCR	7.61
MCR ratio	270%

APPROVAL BY THE BOARD OF DIRECTORS OF THE SOLVENCY AND FINANCIAL CONDITION REPORT

FINANCIAL PERIOD 31ST DECEMBER 2018

We certify that:

1. the Solvency and Financial Condition Report (SFCR) has been properly prepared in all material respects in accordance with the Gibraltar Financial Services Commission (GFSC) rules and Solvency II Regulations; and

2. we are satisfied that:
   a. throughout the financial year in question, the Company has complied in all material respects with the requirements of the GFSC rules and Solvency II Regulations as applicable to the insurer; and
   b. it is reasonable to believe that, at the date of the publication of the SFCR, the insurer has continued so to comply, and will continue so to comply in future.

DIRECTOR

Date: 17.04.2020

A. BUSINESS AND PERFORMANCE

A.1 BUSINESS

A.1.1 GENERAL BUSINESS INFORMATION

Name of the undertaking:	Southern Rock Insurance Company Limited
Address of its registered office:	Unit 3A-C, Leisure Island Business Centre Ocean Village Promenade Gibraltar, GX11 1AA +44 (0) 344 7765670 +350 200 02396 info@sricl.com
Legal Status:	Private Company Limited by Shares
Name of the financial supervisory authority:	Gibraltar Financial Services Commission
Contact details:	PO Box 940 Atlantic Suites Europort Avenue Gibraltar, GX11 1AA +350 20040283 information@fsc.gi
Name of external auditor:	BDO Gibraltar
Contact details:	5.20 World Trade Centre 6 Bayside Road Gibraltar, GX11 1AA +350 200 47300

A.1.2 MATERIAL LINES OF BUSINESS

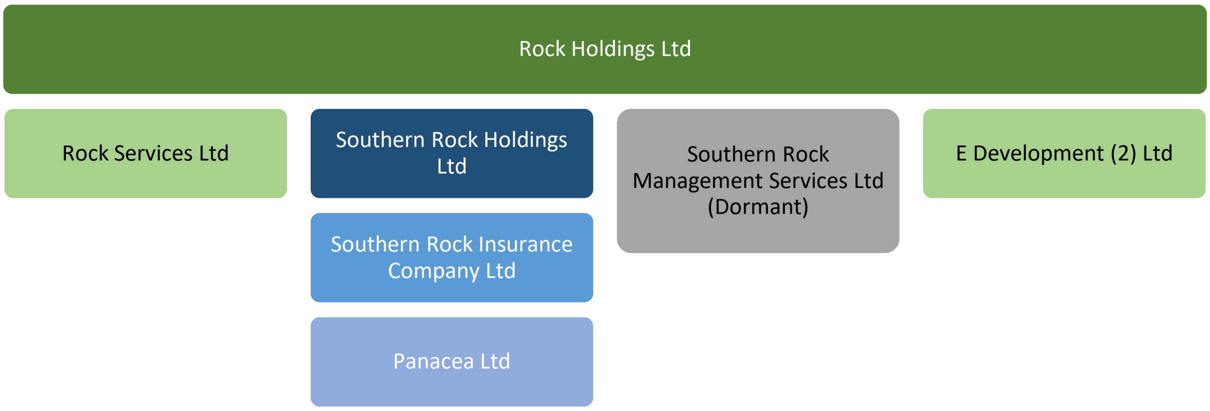
The principal trading activity of SRICL is the underwriting of UK motor insurance risks. For Solvency II reporting purposes, the material lines of business are:

- Motor vehicle liability insurance; and
- Other motor insurance.

SRICL is licensed and regulated by the Gibraltar Financial Services Commission (“GFSC”) under the Financial Services (Insurance Companies) Act and authorised to carry out services in the United Kingdom.

SRICL sold 100% into the UK market and did not operate any branches in the year ended 31 December 2018.

A.1.3 COMPANY STRUCTURE



Rock Holdings Ltd (RHL), a company registered in the Isle of Man, owns 100% of the issued share capital of Southern Rock Holdings Ltd (SRHL), a company registered in Gibraltar. SRHL owns 100% of the issued ordinary share capital and 100% of the issued preference share capital of Southern Rock Insurance Company Ltd (SRICL). The minority holding in issued share capital is held by key management and the ultimate beneficial owner of the Group.

Rock Holdings Ltd also owns 100% of the issued share capital in Rock Services Ltd and E Development (2) Ltd, which are both registered in England and Wales.

SRICL owns 100% of the issued share capital in Panacea Limited, a company registered in Gibraltar.

Southern Rock Management Services Ltd is a dormant company.

A.1.4 QUALIFYING HOLDINGS IN THE UNDERTAKING

During the reporting period and at the end of the reporting period SRICL was 100% owned by SRHL, and SRHL was 100% owned by Rock Holdings Limited.

A.2 UNDERWRITING PERFORMANCE

During 2018, the Company made significant progress in challenging market conditions, seeking to make continuous improvements to all facets of the business. SRICL writes a range of schemes with carefully selected broking partners. SRICL also writes a share of each GoSkippy/Debenhams/Vavista policies underwritten by MGA Somerset Bridge, which is related to SRICL by virtue of having common shareholders/beneficial owners. With a strategy of de-risking, SRICL has seen Gross Written Premiums fall to £83.4m (2017: £180m), with policies in force at year-end being 107,000, a reduction of 244,000 policies.

The Company has been writing more comprehensive business since 2015, which, when combined with a range of enrichment, fraud and data science/machine learning risk selection methods, has resulted in improvements to cancellation rates, customer defaults and ultimate loss ratios ("ULR"). Significant developments have been made to our claims handling process that will accelerate claims development, but ultimately lead to lower claims spend, evidence of this is starting to be recognised by our external reserving actuaries, Lane Clarke and Peacock (LCP), who have made significant reductions to the 2016 u/w year best estimate. It will take some time for further reserving pattern flattening to be fully observed therefore the SRICL Board expect to see further benefit in future years once external independent actuarial consultants are satisfied that the pattern is a consistent one.

As part of its risk mitigation strategy SRICL has continued its use of reinsurance cover and loss portfolio transfer ("LPT") arrangements, all with A-rated or higher reinsurance partners. The use of reinsurance and LPT means that the Company has effectively reduced its exposure to claims to just 3% of written premium each underwriting year since 2014.

The SRICL Board took the decision during 2017 to make the business model simpler by changing the terms offered to its most significant broking partners to a 'net rate' basis, rather than a commissions-based model.

As a pure underwriter of risk, the model removes the volatility associated with ancillary income, add-ons, finance income and their associated fees, costs and commissions. It also provides an underwriting structure to operate the business profitably, with increased controls and transparency of risk.

On a statutory accounting basis, SRICL reported a loss for the year after taxation was £15.2m (2017: loss of £4.5m). On an underwriting basis, i.e. after removing the impact of accounting deferrals, such as deferred acquisition costs and statutory reporting requirements for loss portfolio transfer ("LPT") arrangements, SRICL's underlying business made an underwriting loss for the year before taxation of £6.6m

The Company is continually developing its risk rating model and pricing techniques. The ultimate loss ratio for the 2018 underwriting year, as calculated by its independent external actuary (LCP), is a significant improvement on the prior year. The SRICL Board are confident that the ULR will improve over the business planning period, with further plans in place to develop risk selection, fraud controls, customer journey and enhanced rating methodology in partnership with external consultants.

FUTURE DEVELOPMENT PLANS

In June 2017, a Managing General Agent ("MGA") business was launched called Somerset Bridge Limited ("SBL"), which is related to SRICL by virtue of having common shareholders/beneficial owners. SBL is underwritten by Watford Insurance Company Limited and Alwyn Insurance Company Limited.

From January 2018, SBL took a larger proportion of the business previously written by SRICL, therefore significantly reducing the volume of business retained by SRICL from that date onwards. The main aim of this group strategic change was to drive a reduction in underwriting risk in future years and improve the Company's solvency margin.

A.3 INVESTMENT PERFORMANCE

A.3.1 INVESTMENTS HELD

SRICL's investment policy is conservative and aimed at minimising risk. SRICL increased its exposure to equities in 2018 mainly due to the addition of the Outworx asset, valued at £16.2m.

Core to SRICL's investment strategy is the focus on capital preservation.

A.3.2 OVERALL INVESTMENT PERFORMANCE

Investments	**Income / (expenses) 2018**	**Investments as at 31/12/2018**	**Income / (expenses) 2017**	**Investments as at 31/12/2017**
	£000s	**£000s**	**£000s**	**£000s**
Property (other than for own use)		947		820
Holdings in related undertakings, including participations		527		10,815
Equities - listed		7,628		2,563
Equities - unlisted	55	19,096	187	712
Government Bonds		-		301
Corporate Bonds		-		9,191
Structured notes	30	460	22	460
Collective Investments Undertakings		109		20,501
Derivatives		79	-	2,340
Deposits other than cash equivalents		-		2,383
Investments (other than assets held for index-linked and unit-linked contracts)		**28,846**		**45,407**
Cash at bank and in hand	-	18,694	0	8,999
Total	**85**	**47,540**	**209.59523**	**54,405**
Return on Investment		**0.2%**		**0.4%**

During the reported period, the Company held no securitised investments.

A.4 PERFORMANCE OF OTHER ACTIVITIES

SRICL has no other income or expenses other than that attributable to underwriting and investments.

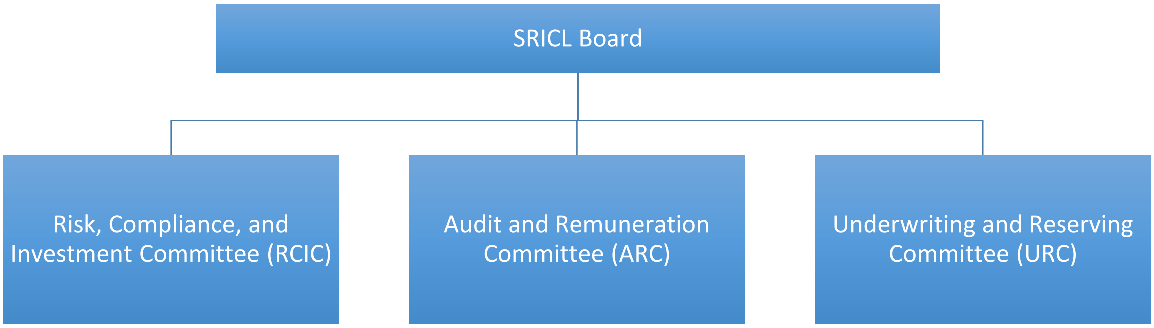
A.5 ANY OTHER INFORMATION

No significant business or other events have occurred during the reporting period that have had a material impact on the Company.

B. SYSTEM OF GOVERNANCE

B.1 GENERAL INFORMATION ON THE SYSTEM OF GOVERNANCE

B.1.1 BOARD AND SENIOR COMMITTEES STRUCTURES



The SRICL Board is ultimately responsible for leading and providing the strategic direction of the Company. The SRICL Board is responsible for ensuring that a sound system of internal control and risk management is maintained over SRICL's activities. The SRICL Board ensures that the SRHL Board are aware of the development of the business and the SRHL Board offer strategic advice and input as required.

To assist the SRICL Board in carrying out its functions certain responsibilities have been delegated to three sub-committees, denoted in the chart above (and discussed in more detail below). At least annually, the SRICL Board reviews and approves the terms of reference for each sub-committee, which sets out the matters the Board has delegated for approval or review to that sub-committee.

B.1.2 DIVISION OF RESPONSIBILITY BETWEEN THE SRHL/SRICL BOARD

The SRHL Board retains ultimate responsibility for the governance of itself and its subsidiaries, however it is not prescriptive in how any subsidiary should meet its obligations, and although the SRICL Board takes notice of advice and input from the holding company Board it is not in any way bound to follow it.

The SRICL Board has responsibility for the oversight of the business, defines the risk appetite and reviews key risks associated with the business on a regular basis. The composition and responsibilities of the SRICL Board satisfy the requirements outlined by the GFSC, and the governance of the Board has been modelled on the UK and GFSC Corporate Governance Code.

The SRICL Board and its sub-committees delegate day-to-day management of SRICL to the senior management team under the leadership of the Managing Director. In addition, the SRICL Board may appoint ad-hoc committees or working parties periodically to address issues of a more specific and/or short-term nature.

The Company continues to review and improve board composition, with non-executive tenures requiring renewal every three years; this ensures the respective boards maintain the highest of standards of corporate governance.

B.1.3 RISK, COMPLIANCE, AND INVESTMENT COMMITTEE

The role of the Risk, Compliance, and Investment Committee (RCIC) is to provide oversight and advice to the Board regarding risk exposures and their impact with respect to the risk appetite set by the Board. The committee also formulates and implements an investment strategy, effectively managing the risks associated with investment proposals or projects.

Committee members have investment, business, and/or risk management expertise sufficient to evaluate the risks associated with the committee's purpose.

The RCIC's primary responsibilities are to:

- understand and ensure that all recommendations are aligned to the overall risk strategy and appetite;
- ensure that SRICL has an ongoing process for identifying and evaluating risk and that any significant areas of risk are brought to the attention of the Board and mitigating actions defined;
- develop a comprehensive understanding of the relationship between the operating budget and the investment policy;
- establish an Investment Policy for approval by the Board;
- implement and oversee the appropriate risk management policies and procedures to manage risks associated with key areas such as:
    - Solvency Capital Requirement (SCR)
    - Reserving Risk
    - Underwriting Risk
    - Reinsurance
    - Concentration Risk (SCR Value)
    - Contagion Risk
    - Liquidity or Liquid investments
    - Credit & Counterparty Risk Group
    - Credit & Counterparty Risk External
    - Investments performance
    - Property Risk
    - Outsourcing Risk Currency Risk (Foreign investment value) Regulatory/Legislative
    - ensure the Company remains compliant with all regulatory requirements;

B.1.4 UNDERWRITING AND RESERVING COMMITTEE

The role of the Underwriting and Reserving Committee (URC) is to implement and maintain effective practices for underwriting and reserving strategies, setting tolerance levels and reviewing the performance of the internal and external actuarial functions. It also makes proposals to the Board regarding the acquisition and removal of relevant lines of business and the use of external actuarial services.

The URC's primary responsibilities are to:

- review and monitor underwriting strategy for SRICL by line of business;
- approve, review and monitor overall risk tolerances, including limits, and possible losses;
- approve and review Company underwriting policies and procedures;
- review and monitor underwriting performance and performance targets, which includes but is not limited to:
    - loss ratio targets;
    - return on equity targets;
    - claims handlers;
    - brokers.
- review reinsurance programs and practices;
- review and propose new lines of business to the Board;
- assess whether there is need for external evaluation of reserving mechanism, and make recommendations to the Board regarding such appointments;
- where an external actuary is appointed, monitor and review the effectiveness and quality of data sources in such a manner that the committee can either challenge or rely on reports issued;
- ensure that reserving activities are compliant with actuarial practice, accounting and regulatory standards;
- provide explanations to the Board, where requested, regarding the logic behind decisions relating to parameters and any assumptions made by the committee.

B.1.5 AUDIT AND REMUNERATION COMMITTEE

The role of the Audit and Remuneration Committee (ARC) is to implement and maintain effective practices for conducting internal audits and making recommendations for remuneration for the Board and staff, and external fees. It also makes proposals to the Board regarding the use of external auditing services.

AUDIT

The main role and responsibilities of the ARC include:

- monitoring of the integrity of the financial statements of SRICL and any formal announcements relating to SRICL's financial performance, reviewing significant financial reporting judgements contained in them;
- implement and maintain risk management and financial controls;
- monitoring and review of the effectiveness of SRICL's IAF;
- making recommendations to the Board, for it to put to the shareholders for their approval in general meeting, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- review and monitoring of the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- development and implementing of policies on the engagement of the external auditor to supply non-audit services, considering relevant ethical guidance regarding the provision of non-audit services by the external audit firm;
- reporting to the Board any matters in respect of which it considers that action or improvement is needed, and making recommendations as to the steps to be taken;
- reporting to the Board on how it has discharged its responsibilities;
- ensuring provision exists for staff to raise, in confidence, concerns about possible improprieties in matters of financial reporting or other matters and that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action;
- monitoring and review of the effectiveness of internal audit activities.

REMUNERATION – EXECUTIVE DIRECTORS

The remuneration of Executive Directors is designed to promote the long-term success of the Company.

The formal procedure for developing executive remuneration and for fixing the remuneration packages of individual Directors is established by the ARC. No director is involved in deciding his or her own remuneration.

The ARC makes available its terms of reference, explaining its role and the authority delegated to it by the Board. The ARC determines the appropriate balance between fixed and performance-related, immediate and deferred remuneration.

- Remuneration incentives are designed to be compatible with risk policies and systems.
- If the Company releases an executive director to serve as a non-executive director elsewhere, the remuneration report includes a statement as to whether the director retains such earnings and, if so, what the remuneration is.
- Levels of remuneration for non-executive directors reflect the time commitment and responsibilities of the individual's role.
- The Committee considers what compensation commitments (including pension contributions and all other elements) their directors' terms of appointment would entail in the event of early termination.

REMUNERATION – NON-EXECUTIVE DIRECTORS (NEDS)

NEDs, including the Chairman of the Board, receive a basic annual fee in respect of their Board duties and do not participate in any incentive or performance plans. Fees are reviewed annually taking into account the scope of Board duties and general market trends.

PENSIONS

The Committee considers the pension consequences and associated costs to the Company of basic salary increases and any other changes in pensionable remuneration.

Although there is no requirement to do so, the Company mirrors the terms and conditions of the UK workplace pension, having set up a stakeholder pension scheme for all employees.

B.1.6 MATERIAL TRANSACTIONS WITH SHAREHOLDERS AND PERSONS EXERCISING SIGNIFICANT INFLUENCE DURING THE PERIOD

The minority shareholdings in SRICL were passed to SRHL during the year, resulting in SRHL being the 100% shareholder in SRICL.

Capital was added to the business in the form of equity shares in Outworx (£16.2m), a policy administration company based in Durban, South Africa.

B.2 FIT AND PROPER REQUIREMENTS

B.2.1 FIT AND PROPER POLICY

The Company's 'Fit and Proper' Policy provides a framework to ensure that individuals running the business or fulfilling key functions have the necessary skills, appropriate knowledge and experience and are of good repute and integrity. SRICL meets these requirements by ensuring individuals are both fit and proper in line with the Policy and in accordance with the European Insurance and Occupational Pensions Authority ("EIOPA") guidelines.

The Company assesses an individual's fitness and propriety in several ways, including:

- Adopting a robust and rigorous selection process to assess the individual's professional competence, in terms of technical and management skills, relative to the role;
- Carrying out background checks to confirm employment history, validation of professional and educational qualifications, financial soundness and identity checks. The level of background checks is commensurate to the role and level of potential risk associated with it.
- On an annual basis, carrying out a review of each key function holder's fitness and propriety and requiring key function holders notify the Company of any changes which may impact their compliance with the Fit and Proper policy.

Members of the Board and sub-committees are required to ensure the skills and knowledge required to properly discharge their duties are kept up to date, including compliance with any relevant professional Continuing Professional Development ("CPD") requirements.

B.3 RISK MANAGEMENT SYSTEM INCLUDING THE OWN RISK AND SOLVENCY ASSESSMENT

The Company's Risk Management Framework ("RMF") and ORSA process have been designed to ensure the Risk Committee and Board receives timely and appropriate reporting to understand, appropriately manage and mitigate the risks associated with the business objectives over the short, medium and longer term, together with the overall level of risk embedded within functional and operational processes and activities, including those which have been outsourced. Risk strategy, appetite and framework is laid out in a policy which is subject to annual review.

The Company operates a 'three lines of defence' system of governance:

First line of defence

Primary responsibility for risk identification and management lies with business management

Second line of defence

Support for and challenge on the completeness and accuracy of risk assessment, risk reporting and adequacy of mitigation plans are performed by specialist risk functions e.g. compliance

Third line of defence

Independent and objective assurance on the robustness of the risk management framework and the appropriateness and effectiveness of internal control is provided by Internal Audit and independent third party reviews/audits where appropriate

The Risk Register captures details of significant risks facing the business, their potential impact and mitigating controls, following the below framework.

Underwriting

- Premium Risk
- Insurance Risk
- Underwriting Risk
- Reserving Risk
- External Influences / Market / Industry Risk
- Intermediary Risk
- Anti-Selection Risk
- Fraud Risk
- Volume / GWP Risk
- Claims Inflation Risk

Assets/ Liabilities

- Investment Risk
- Liquidity Risk
- Funding Risk
- Credit & Counterparty Risk
- Capital Risk
- Buffer Risk
- Expenses / Operating Costs Risk
- Claims Fund / Reserves Risk
- Market Risk
- Economic Risk
- Property Risk

Technical Liabilities

- Reserve Risk
- Premium Risk
- Model Risk (SF)
- PPOs
- ENID
- Claims Handling - Leakage / Costs
- Reinsurance Risk
- Default Risk
- Technical Provisions (SII)
- Market Risk
- Concentration Risk
- Lapse Risk
- Risk Margin
- Discounting Risk
- CAT Risk

Operational

- Outsourcing Risk
- Intermediary Risk
- IT Risk
- Information Security System Risk
- Business Continuity
- Disaster Recovery
- Key Personnel
- Regulatory Risk
- Legal Risk
- Conduct Risk
- Brand and Reputation Risk
- Group Risk
- Contagion Risk
- HR
- Finance Function

The Company sets the right risk appetite that supports strategy setting, risk management, stakeholder value optimisation, and provides the boundaries for risk taking. The Risk Register measures the performance of, and exposure to, each risk through the Risk Register.

This appetite is set out through high-level qualitative and quantitative statements as an expression of the level of risk the organisation will accept. There are three primary concepts to note:

- The level and nature of risk the Company is willing to take.
- The level of risk that the Company can take - there could be risks that, while not desirable or sought, would be acceptable, at least temporarily, under certain scenarios.
- The maximum level of downside risk that the Company can absorb before putting it into financial distress or regulatory breach.

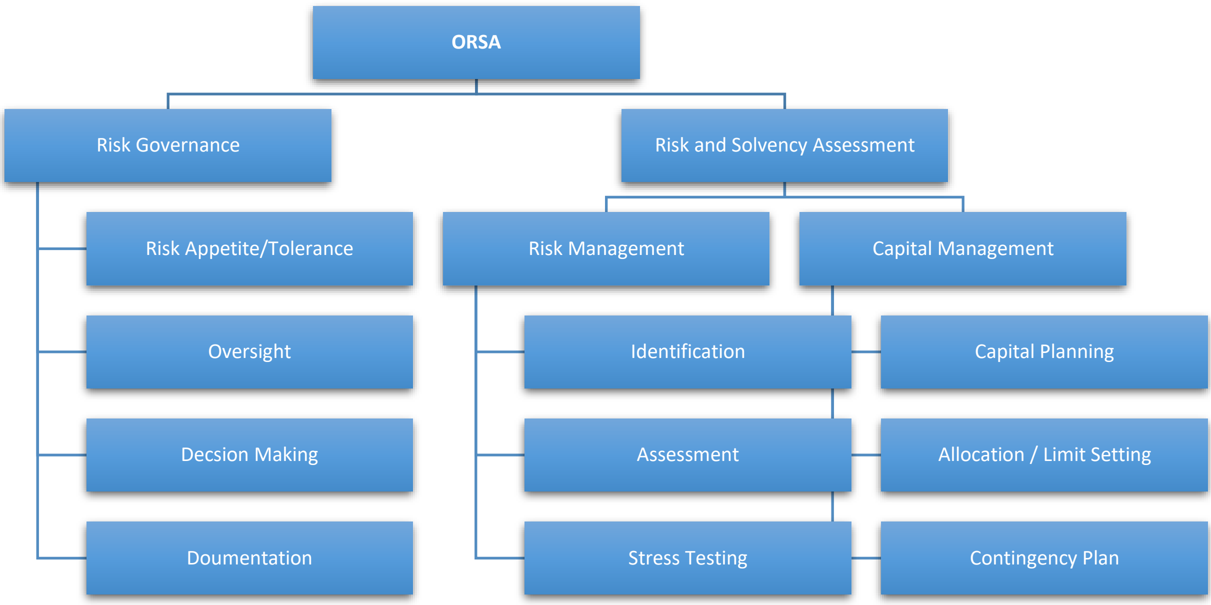
The Board receives a monthly update on the status of the most material risks and is notified of any breaches of the Company's risk appetite levels.

Risk mitigation techniques are applied to each risk, and management actions are developed to monitor and mitigate the risk as far as possible.

Should risks materialise that breach the risk appetite, these are mitigated, as far as possible, by the actions listed in the Risk Register. When risks materialising that were previously unknown, then these are addressed in the first instance by the RMFH, escalated to the RCIC, who will refer the matter to the Board if deemed appropriate.

On an annual basis, or following a material change in the business or the risk profile, SRICL conducts a review and update of its ORSA with a formal report being made available to the Board and stakeholders. The Company has embedded the ORSA as a continuous process conducted throughout the year with consideration being given to any material changes in business strategy, market or legislative changes, events or similar that may impact the business.

ORSA Framework



B.4 INTERNAL CONTROL SYSTEM

INTERNAL CONTROL SYSTEM

The Company has embedded a robust internal control system that includes:

- the corporate governance framework, processes and controls;
- a financial control framework to ensure complete and accurate financial reporting;
- the appointment of key function holders to Actuarial, Compliance, Internal Audit and Risk Management; and
- independent assurance provided by the Internal Audit function ("IAF").

The Company's Audit & Remuneration Committee ("ARC") review all internal and external audit reports, ensuring any risks identified are properly recorded, and that any action required is implemented and followed up to completion to ensure the risk is appropriately mitigated.

The internal control system is supported by a range of policies that the Company has developed to ensure all relevant staff and service providers are aware of the procedures, controls and standards that the Company adhere to. In addition, the Company has implemented a financial control framework designed to ensure that outputs from financial reporting are free from material misstatement, error or omission, and are prepared in accordance with all relevant laws and financial reporting standards. Monthly management accounts for SRICL are subject to rigorous internal review, whilst the Company's annual report and accounts is subject to external audit and signed off by the Board prior to publication.

B.5 INTERNAL AUDIT FUNCTION

INDEPENDENCE

The Independent Audit Function ("IAF") is performed by an individual who does not perform any operational functions and is free from undue influence by any other key functions. The IAF adopts a risk-based approach to internal audit planning, free from influence from the AMSB or other key function holders to ensure that the planning process is independent and impartial.

CONFLICTS OF INTEREST

The IAF declares all conflicts of interest to the ARC, as they arise. The IAF ensures that internally recruited auditors do not audit activities or functions they previously performed during the timeframe covered by the external audit.

INTERNAL AUDIT POLICY

The Company operates an internal audit policy covering the following areas:

- the terms and conditions according to which the IAF can be called upon to give its opinion or assistance or to carry out other special tasks;
- internal rules setting out the procedures the IAF needs to follow before communication with the regulatory authority;
- where appropriate, the criteria for the rotation of staff assignments;
- describes how the internal audit functions;
- coordinates the internal audit activity;
- ensures compliance with the internal audit requirements.

INTERNAL AUDIT PLAN

The IAF ensures that the internal audit plan:

- is based on a methodical risk analysis, taking into account all the activities and the complete SoG, as well as expected developments of activities and innovations;
- covers all significant activities that are to be reviewed within a reasonable period of time.

The IAF keeps a record of its work to allow for an assessment of the effectiveness of the work, and to document the audits in a way that allows for retracing the audits undertaken, the findings they produced and tracking of remedial actions that are recommended.

The IAF, in its reports to the ARC and the Board, clearly identifies any shortcomings or failings, includes recommendations as to how those are remedied and the envisaged period in which such remedies are to be implemented, as well as information on the implementation of remedies in respect of previous audit recommendations/requirements.

The Risk Management Function Holder ("RMFH") will ensure, where any remedies have been instructed, that they are expedited in a timely manner.

The IAF is responsible to the ARC for producing the internal audit plan, providing audit reports, and making the relevant declarations. The ARC will review the effectiveness of the IAF's work and consider recommendations put forward, and subsequently report to the Board.

USE OF EXTERNAL CONSULTANTS

Where appropriate, the Company engages the services of independent external consultants to supplement the work of internal audit. Some of the key areas where this was used by the Company during the reporting period were:

- Actuarial Reserving: the Company engages an external firm to carry out an independent actuarial review of reserves periodically throughout the year, the results of which are used to book SRICL's best estimate of reserves. At the reporting period end, the Company engaged a further independent peer review of this process by a different actuarial firm.

- Claims Handling: during the year the Company engaged an independent firm to carry out a review of the claims handling function, which provided the Board with assurance that claims are handled efficiently and in line with best practice across the industry.

- Solvency Reporting: During the year, a review of the Solvency reporting was carried out by Acti Consulting, providing the Board with assurance of the accuracy of the Solvency submissions.

B.6 ACTUARIAL FUNCTION

The Actuarial Function Holder ("AFH") has a number of responsibilities, ensuring that the methodologies, models and assumptions used in calculating technical provisions and capital requirements are robust and consistently applied throughout the year. The AFH also assists with pricing and reserving where required and/or where actuarial skills are relevant, with assistance from external consultants, data providers, and business partners.

Specific functions include:

- Oversight of developing/updating of rating structures for new and existing products
- Monitoring business levels and sales mix in line with budget
- Predicting and monitoring future LR performance
- Predicting and monitoring impact of proposed rate changes
- Calculations of provisions, reinsurance recoveries

Direct contact with external service providers such as reinsurers, co-insurers, actuarial consultants, data providers, in respect of:

- Analysis of data used for assessment/analysis/modelling purposes
- Analysis of provided data/services (e.g. modelling)
- Review of calculations of provisions, reinsurance recoveries
- Prediction and monitoring of future Ultimate Loss Ratio

B.6.1 THE MODEL SCOPE OF THE ACTUARIAL FUNCTION

The AF, as defined by Article 48 of the Directive 2009/138/EC, is responsible for the following activities:

- Co-ordination and calculation of technical provisions (TPs), in terms of:
    - ensuring the appropriateness of methodologies used in the calculation of TPs;
    - assessing the sufficiency and quality of data used in the calculation of TPs;
    - comparing best estimates against experience;
    - informing management of the reliability and adequacy of TPs
- Expressing an opinion on the overall underwriting policy;
- Expressing an opinion on the adequacy of reinsurance arrangements; and
- Contributing to the effective implementation of the risk management system.

The actuarial function also takes an active role in business planning and peer reviews of Solvency II submissions and reports.

B.6.2 ACTUARIAL FUNCTION HOLDER'S REPORT

On an annual basis, the AFH produces a report for the Board that sets out the main tasks that have been undertaken during the year by the actuarial function, the results and outcomes of those activities and any recommendations for changes to future treatment.

The latest Actuarial Function Holder's report was produced in March 2019, and updated in July 2019.

B.7 OUTSOURCING

Prior to engaging with any service provider, the Company will:

- evaluate the risks associated with all existing and proposed outsourcing arrangements;
- develop a process for determining the materiality of arrangements;
- implement a program for managing and monitoring risks;
- ensure that the Board receives sufficient information to enable them to discharge their duties.

All outsourcing arrangements, whether intra-group or third party, are subjected to a materiality assessment. The Company recognises that outsourcing and intra-group arrangements will exhibit varying degrees of risk, and as such, the robustness of the management of outsourced risks is aligned to the materiality of that particular arrangement.

With respect to outsourcing arrangements that are deemed material, both the Risk Management Policy and the Outsourcing Policy will apply.

B.7.1 MATERIAL INTRA-GROUP OUTSOURCING ARRANGEMENTS

When entering into a material outsourcing arrangement with related parties or intra-group arrangement with another entity that is a member of the same group as the regulated entity, a general contract or outsourcing agreement must be in place. This will outline, among other things:

- the scope of the arrangement;
- the services to be supplied;
- the nature of the relationship between the Company and the service provider;
- procedures governing the subcontracting of services.

SRICL addresses these expectations within company-wide processes and plans, as appropriate, dealing with any specific risks to each subsidiary, and ensuring that the Board of Directors is satisfied that the business can fulfil its responsibilities. SRICL establishes the processes, approve the policies, and develops and maintains the reporting on behalf of its subsidiaries.

Consistent with the risk-based supervisory role of SRICL, there may be additional expectations for arrangements, depending on the risks related to the outsourcing arrangement and the conclusions of the regulated entity's supervisory review.

SRICL is responsible for implementing a due diligence process that addresses the qualitative aspects of the arrangement, particularly those pertaining to the unique operational requirements of the business, this includes but is not limited to:

- procedures governing the subcontracting of services;
- an appropriate business continuity plan covering the outsourced service;
- a process for monitoring and oversight;
- legislative requirements relating to conduct and governance.
- annual review of the commerciality of the agreements including any intra-group cross-charging

B.7.2 DUE DILIGENCE PROCESSES

Internal due diligence is conducted to determine: the nature and scope of the business activity to be outsourced; its relationship to the rest of the Company's activities; the management of the activity both currently and going forward.

When entering or substantially amending or renewing, an outsourcing arrangement with a service provider that is a part of the same group or related party, the due diligence procedure will fully assess the risks associated with the outsourcing arrangement, and address all relevant aspects of requirements from the service provider.

Due diligence processes will vary depending on the circumstances, such as in the case of renewals where no material change has occurred that would affect the viability of the outsourcing or intra-group relationship, in such circumstances a more streamlined due diligence process is appropriate.

B.7.3 MONITORING AND OVERSIGHT

The Risk Oversight Officer is responsible for implementing and overseeing procedures to monitor and control outsourcing risks in accordance with SRICL's Outsourcing and Risk Management Policies.

Reports based on the monitoring and oversight activities and the effectiveness of the risk management programme are delivered to SRICL's Board in periodical reports.

SRICL maintains a centralised list of all its material outsourcing arrangements. This list is updated on an ongoing basis and forms part of the documentation delivered to the Board. The following table sets out the outsourced functions that are critical to the Company.

Supplier	**Outsourced function**	**Country**
Eldon Insurance Services Ltd	Provides claims handling services to SRICL.	UK
Edevelopment2 Ltd	Provides services related to all financial elements of payments and refunds to SRICL's brokers including credit control, banking and premium finance arrangements.	UK
Rock Services Ltd	Provides shared service functions to manage accounts payable, HR, payroll, finance, underwriting and pricing.	UK
STM Fidecs Ltd	STM ceased to provide Insurance management services and company secretarial services during 2018. They still provide payroll services for SRICL employed staff.	Gibraltar

B.8 ANY OTHER INFORMATION

On 23 June 2016, the UK voted to leave the EU. On 29th March 2017 Article 50 of the Lisbon Treaty was triggered, initiating the UK's withdrawal from EU membership.

SRICL underwrites policies in the UK, but is based in Gibraltar. Gibraltar is part of the EU by virtue of the UK's membership and is not a separate member state. At present, pursuant to the Financial Services and Markets Act 2000 (Gibraltar) Order 2001 (the 'Gibraltar Order'), the UK treats Gibraltar-based insurers as EEA insurers allowing them to underwrite UK business. When the UK leaves the EU, it is expected that Gibraltar-based insurers will continue to be afforded passporting rights into the UK.

C. RISK PROFILE

This section sets out the key risks to which the Company is exposed and provides a review of the key risk drivers, any risk mitigation techniques used, and highlights any material changes in risk exposure since the last SFCR.

A breakdown of the Company's SCR by risk module is as follows:

Risk Module	Year Ended 31 Dec 2018 £m	Year ended 31 Dec 2017 £m
Non-life underwriting risk	4.12	4.21
Market risk	14.45	8.56
Counterparty default risk	12.29	14.88
Diversification	-7.60	-6.28
Basic SCR	23.41	21.38
Operational risk	7.02	6.41
Total SCR	30.43	27.79

C.1 NON-LIFE UNDERWRITING RISK

DEFINITION

The non-life underwriting risk of the Company comprises premium and reserve risk, catastrophe risk and lapse risk, specifically:

- the risk arising from risk of loss, or of adverse change in the value of insurance liabilities, resulting from fluctuations in the timing, frequency and severity of insured events, and in the timing and amount of claim settlements (premium and reserve risk); and
- the risk of loss, or of adverse change in the value of insurance liabilities, resulting from significant uncertainty of pricing and provisioning assumptions related to extreme or exceptional events (catastrophe risk).
- the risk of loss, or of adverse change in the value of insurance liabilities, resulting from a discontinuance of insurance policies (lapse risk).

ASSESSMENT OF NON-LIFE UNDERWRITING RISK

The Company assesses and controls underwriting risk using a number of techniques:

1) Analytical pricing:

A significant proportion of policies are sold via aggregators directly to the customer. This allows SRICL to obtain detailed data on which it bases its future pricing of policies. The availability of this information is fundamental to SRICL's strategy of reviewing and amending rates when deemed necessary including reaction to changes in market conditions.

2) Effective claims management:

SRICL uses agreed KPI's in the management of claims. Regular audits of the claims files are completed to ensure that claims are settled promptly and fairly on behalf of customers. Furthermore, independent leakage reviews are carried out every six months by an external specialist, SX3.

4) Additional Tools:

- Daily / Weekly / Monthly review of KPI's
- Actuarial Pricing reviews
- Monthly Triangulation reviews across all schemes and product lines,
- Monthly market review to determine competitive positioning / real time pricing
- Independent actuarial reserve reviews by an external firm, Lane Clarke and Peacock (LCP)
- External reserve review supplemented by a second independent review of those actuarial results
- Reserves booked based on external actuarial best estimates
- Regular internal and external audits of claims handlers
- Systematic audits of brokers
- Robust governance to ensure the correct application of pricing factors
- Pricing is based on assumptions which have regard to trends and past experience, and exposures are managed by having documented underwriting limits and criteria
- On-going review of front end fraud detection tools to reduce anti-selection
- ORSA to assess the performance of key risks under stressed conditions

RISK MITIGATION TECHNIQUES

SRICL uses a range of risk mitigation techniques to manage underwriting risk. A key component of this is the purchase of reinsurance, which includes both quota share and excess of loss arrangements. The Company also utilises Loss Portfolio Transfer ("LPT") and Adverse Development Cover ("ADC") arrangements with highly-rated reinsurance partners.

The Company's reinsurance partners are all at least A-rated and a range of partners are used to diversify the exposure to any one reinsurer.

A key element of underwriting risk mitigation is the constant monitoring of management information ("MI") reports (listed above), as well as regular monitoring of the external insurance environment to ensure the business reacts to any changes in the market.

Risk Sensitivity Analysis

As part of the Company's Own Risk and Solvency Assessment ("ORSA"), which is carried out on an annual basis or following a material change in the Company's risk profile, a range of stress and scenario tests are carried out against the most material risks. Given that the Company retains only a small percentage of business, after allowing for reinsurance and loss portfolio transfer arrangements, then its sensitivity to underwriting risk is low.

C.2 MARKET RISK

DEFINITION

The market risk reflects the risk arising from the level or volatility of market prices of financial instruments which have an impact upon the value of the assets and liabilities of the Company. It reflects the structural mismatch between assets and liabilities, in particular with respect to the duration thereof.

Market risk is broken down into six sub-modules:

- Spread Risk
- Equity Risk
- Property Risk

- Currency Risk
- Concentration Risk
- Interest Rate Risk

EXPOSURE TO MARKET RISK:

Material exposures by sub-Categories of Market Risk:	Yr. Ended 31 Dec 2018 £000s	Yr. Ended 31 Dec 2017 £000s
Spread Risk	15	365
Equity Risk	7,120	3,609
Property risk	237	205
Currency Risk	1,297	313
Concentration Risk	12,067	7,495
Interest Rate Risk	384	26
Diversification within risk module	-6,672	-3,452
Total Market risk	14,448	8,561

SRICL's objective when managing its market risk is to ensure that it remains in line with SRICL's risk appetite. SRICL has established policies and procedures in order to manage market risk and methods to measure it.

All SRICL investment assets are aggregated and monitored by the RCIC with help from Investment Managers, where relevant. During each meeting, the RCIC performs a review of the current portfolio performance comparing its performance against benchmarks and budget. Significant variances are reviewed, interrogated and compared to market indices. The portfolio risk is also compared to the stated risk appetite to confirm that it has not been exceeded. The outcomes from the RCIC committee meetings are reported to the Board.

Other monies, principally cash on deposit, are managed internally with oversight from the Board.

The RCIC is responsible for ensuring that SRICL has liquidity available to meet both immediate and foreseeable cash flow requirements.

There were no changes in SRICL's market risk exposure in the financial year nor to the objectives, policies and processes for managing market risk.

RISK MITIGATION TECHNIQUES

The Company aims to minimise exposure to market risk by holding a well-diversified portfolio of assets, Risk is also managed where applicable using derivative instruments, e.g. as a hedge against movement in corporate bond prices.

RISK SENSITIVITY ANALYSIS

The principal driver of market risk at present is the Company's investment in equities, which is forecast to reduce over the business planning period. This strategy will also reduce exposure to concentration risk.

The other modules that make up market risk are relatively immaterial, and the Company is not sensitive to movements in those exposures, e.g. currency risk, as the vast majority of assets and liabilities are denominated in pounds sterling.

C.3 COUNTERPARTY DEFAULT RISK

DEFINITION

The counterparty default risk reflects the risk of loss possible losses due to unexpected default, or deterioration in the credit standing, of the counterparties and debtors of the Company over the following 12 months.

EXPOSURE TO COUNTERPARTY DEFAULT RISK

	Yr. Ended 31 Dec 2018 £000s	Yr. Ended 31 Dec 2017 £000s
Type 1 counterparty risk	5,042	5,107
Type 2 counterparty risk	8,046	10,666
Diversification within risk module	-799	-888
Total Counterparty Default risk	12,289	14,885

The Company's exposure to type 1 counterparty default risk relates to the reinsurance counterparty balances and cash held at banks.

RISK MITIGATION TECHNIQUES

To mitigate against the risk of default, the Company only deals with reinsurance partners who are credit rated 'A' or above, and banking institutions that have a good credit rating. Ratings are monitored regularly, and due diligence is performed before entering into any new arrangements.

The key drivers of the Company's type 2 counterparty default risk are the receivables due to SRICL from counterparties that are 'related' to SRICL via common ultimate beneficial ownership. The Company ensures that loan agreements between related parties are strictly adhered to and that regular assessment of the financial strength of related party debtors is carried out.

A charge is in place to secure a large proportion of balances owed by related parties, providing further mitigation against the risk of default. Note that although these balances have changed from 'unsecured' to 'secured' during the period, for Solvency II purposes, the capital charge that SRICL carries has not reduced.

RISK SENSITIVITY ANALYSIS

As part of the ORSA process, the Company has carried out stress and scenario testing to identify management actions should a material default occur with one of its key counterparties. The Board are satisfied that the likelihood of default from a related party is low and that the capital charge the Company is carrying in respect of its related party debt is more than sufficient to cover the potential risk of default. Furthermore, the exposure to type 2 counterparty risk is forecast to substantially reduce over the business planning horizon of the next three years, which will have a material impact on the overall SCR.

C.4 LIQUIDITY RISK

DEFINITION

Liquidity risk is the risk that the Company either does not have sufficient financial resources available to enable it to meet its obligations as they fall due, or can secure such resources only at excessive cost.

EXPOSURE

Prudent liquidity risk management includes maintaining sufficient cash to meet its foreseeable needs and to invest cash assets safely and profitably. SRICL monitors cash flow using sophisticated forecasting techniques to ensure that all liabilities are met when due. Such forecasting takes into consideration SRICL's financing plans, compliance with internal balance sheet targets and external regulatory requirements.

The Company's liquid assets are held in cash and short term liquid assets, with highly-rated investment counterparties. The Company's exposure to liquidity risk is low, as the level of cash and liquid assets held is more than sufficient to meet its future liabilities as they become due. Liquidity risk concentration is mitigated by holding investments with a range of counterparties.

The finance function regularly update and monitor the Company's cash flow forecast to ensure that action is taken to ensure that liquid funds are available in advance of when they are required and to ensure the Company is fully compliant with its regulatory capital requirements on an ongoing basis.

C.5 OPERATIONAL RISK

DEFINITION

The risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

EXPOSURE

SRICL has identified the following key operational risks

1. Failure or underperformance of processes / systems or people
2. Reliance on key personnel
3. Failure or underperformance of outsourced functions
4. Legal or regulatory events
5. Information systems – disaster recovery / security

SRICL sees operational risk as an ongoing area that is monitored and assessed both formally and informally utilizing the following measures

1. Quarterly review of the risk register
2. Monthly Board reviews of identified areas of high risk
3. Monthly compliance and QA reporting
4. Regular cycle of Internal Audit in place for key areas and functions
5. Regular audits of external service providers
6. Regular testing of disaster and business continuity plans
7. Bi-annual / Annual Review of risk appetite and associated policies
8. ORSA process to assess operational risk under stressed conditions

C.6 OTHER MATERIAL RISKS

C.6.1 RE-INSURANCE RISK

All the co and quota share/excess of loss reinsurance arrangements are agreed in advance for 12 months at any time. Therefore, any loss in capacity would only effect future premium written. In the event of loss of capacity, SRICL would limit the business underwritten for the next year such that capital be effectively managed.

In addition, SRICL has a diversified panel of co and reinsurance partners, all of which are A rated or above.

The Board of SRICL have developed strong and long standing relationships with reinsurance partners, with some having been in place for 10 years. This should add some context as to the strength of the relationships and the risk of loss.

C6.2 CLAIMS HANDLING RISK

SRICL has outsourced its claims handling function to Eldon Insurance Services Ltd (Eldon). The Company pays for these services in advance so Eldon is obligated to handle any claims arising on policies incepted whilst the Claims Handling Agreement is in force.

SRICL intends to continue outsourcing its claims handling function to Eldon and is entirely satisfied with both the quality and value of the services provided. SRICL performs ongoing due diligence on Eldon’s ability to meet its obligations and the Board is satisfied that there is no unmitigated risk arising from the ability of Eldon to continue to service SRICL’s claims portfolio going forward.

D. VALUATION FOR SOLVENCY PURPOSES

D.1 ASSETS (EXCLUDING REINSURANCE RECOVERABLES)

A comparison of the Solvency II valuation and local GAAP valuation of material asset classes is shown below, with explanatory notes on the key differences between the valuation bases.

Year ended 31 December 2018 £000s	Note	Solvency II valuation	Statutory accounts valuation
Deferred acquisition costs	1	0	8,684
Deferred tax assets		626	0
Property, plant & equipment held for own use		0	0
Investments (other than assets held for index-linked and UL contracts)		28,846	30,139
Insurance and intermediaries' receivables	2	1,128	2,188
Reinsurance receivables		13,152	13,347
Receivables (trade, not insurance)		56,203	60,597
Cash and cash equivalents		18,694	14,545
Any other assets, not elsewhere shown		121	121
Total Assets (excluding reinsurance recoverables)		**118,770**	**129,621**

Notes

1. Deferred acquisition costs (DAC): under local GAAP acquisition costs arising from insurance contracts are spread over a period equivalent to that over which the premiums on the underlying business are earned. DAC is not recognised in the SII Balance Sheet as it does not meet SII valuation principles.
2. Insurance and intermediaries' receivables: these balances are recognised at the amount expected to be received when due. The presentation of this balance on the SII balance sheet differs from the statutory accounting basis since receivables under the accounting basis includes premiums which are included in Technical Provisions in the SII balance sheet.

D.2 TECHNICAL PROVISIONS

Year end 31 December 2018 £000s	Motor vehicle liability insurance	Other motor insurance	Total Solvency II valuation	Statutory accounts valuation
Technical provisions – non-life	232,841	6,959	239,800	170,448
- *Best Estimate*	230,217	6,880	237,097	-
- *Risk margin*	2,624	78	2,702	-
Reinsurance recoverables	216,012	6,034	222,046	158,376
Technical provisions minus recoverables from reinsurance	16,829	925	17,754	12,072

Technical provisions under SII consist of a claims technical provision, a premium technical provision (which together form the best estimate liability) and a risk margin.

Best estimate liabilities (BEL) are the probability weighted average of future cash flows, discounted back to the balance sheet date using risk-free discount rates. The BEL is apportioned to each line of business, as shown in the table above.

The risk margin is calculated as the sum of the present values of the cost of capital in each future year, i.e. the amount calculated by applying the Cost-of-Capital rate to the SCR in each future year, until the obligations are extinguished and there is no remaining SCR. The total risk margin is then apportioned to each line of business, as shown above.

D.3 OTHER LIABILITIES

Year ended 31 December 2018 £000s	Note	Solvency II valuation	Statutory accounts valuation
Reinsurance payables	3	59,219	79,423
Payables (trade, not insurance)		3,908	4,159
Total Liabilities (excluding Technical Provisions)		63,127	65,685

Notes:

3. Reinsurance payables are recognised at the amount expected to be paid when due. The presentation of this balance on the SII balance sheet differs from the statutory accounting basis since reinsurance payables under GAAP includes claims, which are included in Technical Provisions in the SII balance sheet.

D.4 ALTERNATIVE METHODS FOR VALUATION

There are no other alternative methods for valuation used.

D.5 ANY OTHER INFORMATION

There is no other material information to disclose.

E. CAPITAL MANAGEMENT

E.1 OWN FUNDS

OBJECTIVES, POLICIES AND PROCESSES

The Company's objectives when managing its capital are:

- to ensure it can fully meet all its policyholder obligations in a timely manner;
- to safeguard SRICL's ability to continue operating and meeting its liabilities as they become due;
- to provide an adequate return to the shareholders by pricing insurance contracts commensurately with the level of risk; and
- maintain sufficient own funds to comply with the EIOPA Solvency II capital requirements as incorporated into Gibraltar law.

OWN FUNDS:

	Tier	Yr. ended 31 Dec 2018 £000s	Yr. ended 31 Dec 2017 £000s
Share Capital	1	41,178	25,502
Share Premium	1	9,051	9,051
Deferred Tax Asset	3	626	-
Minority interests	1	-	-
Reconciliation Reserve	1	-14,676	-1,396
Total Eligible Own Funds to meet the SCR		36,180	33,157

SRICL's own funds are comprised of Tier 1 share capital, share premium, plus the Reconciliation reserve.

Total equity in SRICL's financial statements for the year ending 31 December 2018 was £33.4m; the excess of assets over liabilities for Solvency II was £36.2m. The difference of £6.3m is analysed in the table below:

	Yr. Ended 31 Dec 2018 £000s	Yr. Ended 31 Dec 2017 £000s
Net assets reported in SRICL's financial statements	33,967	33,060
Adjustments:		
Difference in value of Technical Provisions vs GAAP reserves (net of reinsurance recoverables)	-7,391	3,401
Deferred acquisition costs (valued at nil for SII)	-8,684	-5,801
Difference in deferred tax asset	626	-
Net difference in reinsurance receivables/payables	20,009	2,502
Other net differences	-2,347	-5
Sub-total	2,213	99
Excess of assets over liabilities for SII (Solo entity)	36,180	33,157

BUSINESS PLANNING

During the reporting period the Company refreshed its rolling 3-year business plan for the period 2019 to 2021, based on the new business model described in Section A of this report. The business plan has been reviewed and approved by the Board and the relevant committees. The reduction in gross written premium, compared to years 2017 and prior, will lead to a reduction in the capital requirement and the Company's solvency ratio is forecast to increase going forward.

The ORSA process is an integral part of the planning process, allowing management and the Board to assess the current risks facing the Company and analyse the impact of a range of stress and scenario tests on the results.

E.2 SOLVENCY CAPITAL REQUIREMENT AND MINIMUM CAPITAL REQUIREMENT

SRICL	Yr. Ended 31 Dec 2018 £000s	Yr. Ended 31 Dec 2017 £000s
Own Funds	34,240	33,157
SCR	30,430	27,789
Surplus	3,811	5,368
Ratio of Eligible Own Funds to SCR	113%	119%
MCR	7,607	6,947
Surplus	12,940	26,210
Ratio of Eligible Own Funds to MCR	270%	477%

E.3 USE OF THE DURATION-BASED EQUITY RISK SUB-MODULE IN THE CALCULATION OF THE SCR

The duration-based method of calculating the equity risk sub-module has not been used.

E.4 DIFFERENCE BETWEEN THE STANDARD FORMULA AND ANY INTERNAL MODEL USED

This section is not applicable as SRICL uses the Standard model.

E.5 NON-COMPLIANCE WITH THE MCR AND NON-COMPLIANCE WITH THE SCR

SRICL was compliant with both the SCR and MCR throughout the reporting period.

E.6 ANY OTHER INFORMATION

There is no other material information to disclose.

F. TEMPLATES

QUANTITATIVE REPORTING TEMPLATES (QRTS) – SRICL

Balance sheet

S.02.01.01.01

		Solvency II value	Statutory accounts value
		C0010	C0020
Assets			
Goodwill	R0010		0.00
Deferred acquisition costs	R0020		8,021,619.43
Intangible assets	R0030	0.00	0.00
Deferred tax assets	R0040	626,082.23	0.00
Pension benefit surplus	R0050	0.00	0.00
Property, plant & equipment held for own use	R0060	-0.27	-0.27
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	28,845,855.12	28,845,855.12
Property (other than for own use)	R0080	947,000.00	947,000.00
Holdings in related undertakings, including participations	R0090	526,805.63	526,805.63
Equities	R0100	26,723,912.63	26,723,912.63
Equities - listed	R0110	7,627,519.45	7,627,519.45
Equities - unlisted	R0120	19,096,393.18	19,096,393.18
Bonds	R0130	460,000.00	460,000.00
Government Bonds	R0140	0.00	0.00
Corporate Bonds	R0150	0.00	0.00
Structured notes	R0160	460,000.00	460,000.00
Collateralised securities	R0170	0.00	0.00
Collective Investments Undertakings	R0180	109,269.88	109,269.88
Derivatives	R0190	78,866.98	78,866.98
Deposits other than cash equivalents	R0200	0.00	0.00
Other investments	R0210	0.00	0.00
Assets held for index-linked and unit-linked contracts	R0220	0.00	0.00
Loans and mortgages	R0230	0.00	0.00
Loans on policies	R0240	0.00	0.00
Loans and mortgages to individuals	R0250	0.00	0.00
Other loans and mortgages	R0260	0.00	0.00
Reinsurance recoverables from:	R0270	240,942,116.95	151,507,362.78
Non-life and health similar to non-life	R0280	222,046,287.64	151,507,362.78
Non-life excluding health	R0290	222,046,287.64	151,507,362.78
Health similar to non-life	R0300	0.00	0.00
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	18,895,829.31	0.00
Health similar to life	R0320	0.00	0.00
Life excluding health and index-linked and unit-linked	R0330	18,895,829.31	0.00
Life index-linked and unit-linked	R0340	0.00	0.00
Deposits to cedants	R0350	0.00	0.00
Insurance and intermediaries receivables	R0360	1,127,658.32	2,181,646.63
Reinsurance receivables	R0370	13,151,998.41	13,151,998.41
Receivables (trade, not insurance)	R0380	56,202,750.51	56,202,750.51
Own shares (held directly)	R0390	0.00	0.00
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0.00	0.00
Cash and cash equivalents	R0410	18,694,340.93	18,694,340.93
Any other assets, not elsewhere shown	R0420	121,103.89	121,103.89
Total assets	R0500	359,711,906.09	278,726,677.43

Liabilities			
Technical provisions – non-life	R0510	239,799,808.33	171,196,660.14
Technical provisions – non-life (excluding health)	R0520	239,799,808.33	171,196,660.14
Technical provisions calculated as a whole	R0530	0.00	
Best Estimate	R0540	237,097,404.74	
Risk margin	R0550	2,702,403.59	
Technical provisions - health (similar to non-life)	R0560	0.00	0.00
Technical provisions calculated as a whole	R0570	0.00	
Best Estimate	R0580	0.00	
Risk margin	R0590	0.00	
Technical provisions - life (excluding index-linked and unit-linked)	R0600	20,605,077.75	0.00
Technical provisions - health (similar to life)	R0610	0.00	0.00
Technical provisions calculated as a whole	R0620	0.00	
Best Estimate	R0630	0.00	
Risk margin	R0640	0.00	
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	20,605,077.75	0.00
Technical provisions calculated as a whole	R0660	0.00	
Best Estimate	R0670	20,263,572.62	
Risk margin	R0680	341,505.13	
Technical provisions – index-linked and unit-linked	R0690	0.00	0.00
Technical provisions calculated as a whole	R0700	0.00	
Best Estimate	R0710	0.00	
Risk margin	R0720	0.00	
Other technical provisions	R0730		0.00
Contingent liabilities	R0740	0.00	0.00
Provisions other than technical provisions	R0750	0.00	0.00
Pension benefit obligations	R0760	0.00	0.00
Deposits from reinsurers	R0770	0.00	0.00
Deferred tax liabilities	R0780	0.00	0.00
Derivatives	R0790	0.00	0.00
Debts owed to credit institutions	R0800	0.00	0.00
Financial liabilities other than debts owed to credit institutions	R0810	0.00	0.00
Insurance & intermediaries payables	R0820	0.00	0.00
Reinsurance payables	R0830	59,218,853.77	61,777,006.28
Payables (trade, not insurance)	R0840	3,908,132.59	3,908,132.59
Subordinated liabilities	R0850	0.00	0.00
Subordinated liabilities not in Basic Own Funds	R0860	0.00	0.00
Subordinated liabilities in Basic Own Funds	R0870	0.00	0.00
Any other liabilities, not elsewhere shown	R0880	0.00	0.00
Total liabilities	R0900	323,531,872.44	236,881,799.01
Excess of assets over liabilities	R1000	36,180,033.65	41,844,878.42

Non-Life & Accepted non-proportional reinsurance

S.05.01.01.01

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)		Total
		Motor vehicle liability insurance	Other motor insurance	
		C0040	C0050	C0200
Premiums written				
Gross - Direct Business	R0110	66,712,692.47	16,678,173.12	83,390,865.59
Gross - Proportional reinsurance accepted	R0120			0.00
Gross - Non-proportional reinsurance accepted	R0130			0.00
Reinsurers' share	R0140	47,256,809.19	11,814,202.30	59,071,011.49
Net	R0200	19,455,883.28	4,863,970.82	24,319,854.10
Premiums earned				
Gross - Direct Business	R0210	99,292,681.41	24,823,170.35	124,115,851.76
Gross - Proportional reinsurance accepted	R0220			0.00
Gross - Non-proportional reinsurance accepted	R0230			0.00
Reinsurers' share	R0240	91,708,989.77	22,927,247.44	114,636,237.21
Net	R0300	7,583,691.64	1,895,922.91	9,479,614.55
Claims incurred				
Gross - Direct Business	R0310	80,328,994.74	20,082,248.69	100,411,243.43
Gross - Proportional reinsurance accepted	R0320			0.00
Gross - Non-proportional reinsurance accepted	R0330			0.00
Reinsurers' share	R0340	64,307,418.33	16,076,854.58	80,384,272.91
Net	R0400	16,021,576.41	4,005,394.11	20,026,970.52
Changes in other technical provisions				
Gross - Direct Business	R0410			0.00
Gross - Proportional reinsurance accepted	R0420			0.00
Gross - Non- proportional reinsurance accepted	R0430			0.00
Reinsurers'share	R0440			0.00
Net	R0500	0.00	0.00	0.00
Expenses incurred	R0550	15,827,069.68	3,956,767.42	19,783,837.10
Administrative expenses				
Gross - Direct Business	R0610	1,110,989.44	277,747.36	1,388,736.80
Gross - Proportional reinsurance accepted	R0620			0.00
Gross - Non-proportional reinsurance accepted	R0630			0.00
Reinsurers' share	R0640			0.00
Net	R0700	1,110,989.44	277,747.36	1,388,736.80
Investment management expenses				
Gross - Direct Business	R0710	37,192.44	9,298.11	46,490.55
Gross - Proportional reinsurance accepted	R0720			0.00
Gross - Non-proportional reinsurance accepted	R0730			0.00
Reinsurers' share	R0740			0.00
Net	R0800	37,192.44	9,298.11	46,490.55
Claims management expenses				
Gross - Direct Business	R0810	3,002,071.16	750,517.79	3,752,588.95
Gross - Proportional reinsurance accepted	R0820			0.00
Gross - Non-proportional reinsurance accepted	R0830			0.00
Reinsurers' share	R0840			0.00
Net	R0900	3,002,071.16	750,517.79	3,752,588.95
Acquisition expenses				
Gross - Direct Business	R0910	8,396,823.79	2,099,205.95	10,496,029.74
Gross - Proportional reinsurance accepted	R0920			0.00
Gross - Non-proportional reinsurance accepted	R0930			0.00
Reinsurers' share	R0940			0.00
Net	R1000	8,396,823.79	2,099,205.95	10,496,029.74
Overhead expenses				
Gross - Direct Business	R1010	3,279,992.85	819,998.21	4,099,991.06
Gross - Proportional reinsurance accepted	R1020			0.00
Gross - Non-proportional reinsurance accepted	R1030			0.00
Reinsurers' share	R1040			0.00
Net	R1100	3,279,992.85	819,998.21	4,099,991.06
Other expenses	R1200			
Total expenses	R1300			19,783,837.10

Non-life obligations for home country

S.05.02.01.01

		Home country	Country (by amount of gross premiums written)	Total for top 5 countries and home country (by amount of gross premiums written)
			SS	
		C0080	C0090	C0140
Premiums written				
Gross - Direct Business	R0110	83,390,865.59		83,390,865.59
Gross - Proportional reinsurance accepted	R0120			0.00
Gross - Non-proportional reinsurance accepted	R0130			0.00
Reinsurers' share	R0140	59,071,011.49		59,071,011.49
Net	R0200	24,319,854.10	0.00	24,319,854.10
Premiums earned				
Gross - Direct Business	R0210	124,115,851.76		124,115,851.76
Gross - Proportional reinsurance accepted	R0220			0.00
Gross - Non-proportional reinsurance accepted	R0230			0.00
Reinsurers' share	R0240	114,636,237.21		114,636,237.21
Net	R0300	9,479,614.55	0.00	9,479,614.55
Claims incurred				
Gross - Direct Business	R0310	100,411,243.43		100,411,243.43
Gross - Proportional reinsurance accepted	R0320			0.00
Gross - Non-proportional reinsurance accepted	R0330			0.00
Reinsurers' share	R0340	80,384,272.91		80,384,272.91
Net	R0400	20,026,970.52	0.00	20,026,970.52
Changes in other technical provisions				
Gross - Direct Business	R0410			0.00
Gross - Proportional reinsurance accepted	R0420			0.00
Gross - Non-proportional reinsurance accepted	R0430			0.00
Reinsurers' share	R0440			0.00
Net	R0500	0.00	0.00	0.00
Expenses incurred	R0550	16,204,123.05		16,204,123.05
Other expenses	R1200			
Total expenses	R1300			16,204,123.05

Non-Life Technical Provisions

S.17.01.01

		Segmentation for: Direct business and accepted proportional reinsurance		Total Non-Life obligation
		Motor vehicle liability insurance	Other motor insurance	
		C0050	C0060	C0180
Technical provisions calculated as a whole	R0010	0.00	0.00	0.00
Direct business	R0020			0.00
Accepted proportional reinsurance business	R0030			0.00
Accepted non-proportional reinsurance	R0040			0.00
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			0.00
Technical provisions calculated as a sum of BE and RM				
Best estimate				
Premium provisions				
Gross - Total	R0060	28,727,824.30	5,167,099.97	33,894,924.27
Gross - direct business	R0070	28,727,824.30	5,167,099.97	33,894,924.27
Gross - accepted proportional reinsurance business	R0080			0.00
Gross - accepted non-proportional reinsurance business	R0090			0.00
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	R0100	27,807,080.95	4,951,899.80	32,758,980.75
Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses	R0110	27,807,080.95	4,951,899.80	32,758,980.75
Recoverables from SPV before adjustment for expected losses	R0120			0.00
Recoverables from Finite Reinsurance before adjustment for expected losses	R0130			0.00
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	27,757,648.15	4,940,492.23	32,698,140.38
Net Best Estimate of Premium Provisions	R0150	970,176.15	226,607.74	1,196,783.89
Claims provisions				
Gross - Total	R0160	201,489,325.27	1,713,155.20	203,202,480.47
Gross - direct business	R0170	201,489,325.27	1,713,155.20	203,202,480.47
Gross - accepted proportional reinsurance business	R0180			0.00
Gross - accepted non-proportional reinsurance business	R0190			0.00
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	R0200	188,530,119.04	1,157,246.89	189,687,365.93
Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses	R0210	188,530,119.04	1,157,246.89	189,687,365.93
Recoverables from SPV before adjustment for expected losses	R0220			0.00
Recoverables from Finite Reinsurance before adjustment for expected losses	R0230			0.00
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	188,254,503.87	1,093,643.39	189,348,147.26
Net Best Estimate of Claims Provisions	R0250	13,234,821.40	619,511.81	13,854,333.21
Total Best estimate - gross	R0260	230,217,149.57	6,880,255.17	237,097,404.74
Total Best estimate - net	R0270	14,204,997.55	846,119.55	15,051,117.10
Risk margin	R0280	2,623,983.39	78,420.20	2,702,403.59
Amount of the transitional on Technical Provisions				
TP as a whole	R0290			0.00
Best estimate	R0300			0.00
Risk margin	R0310			0.00
Technical provisions - total				
Technical provisions - total	R0320	232,841,132.96	6,958,675.37	239,799,808.33
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	216,012,152.02	6,034,135.62	222,046,287.64
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	16,828,980.94	924,539.75	17,753,520.69
Line of Business: further segmentation (Homogeneous Risk Groups)				
Premium provisions - Total number of homogeneous risk groups	R0350	1	1	
Claims provisions - Total number of homogeneous risk groups	R0360	2	1	
Cash-flows of the Best estimate of Premium Provisions (Gross)				
Cash out-flows				
Future benefits and claims	R0370	29,254,519.07	5,279,243.78	34,533,762.85
Future expenses and other cash-out flows	R0380	518,574.96	122,533.91	641,108.87
Cash in-flows				
Future premiums	R0390	1,045,269.72	234,677.72	1,279,947.44
Other cash-in flows (incl. Recoverable from salvages and subrogations)	R0400	0.00	0.00	0.00
Cash-flows of the Best estimate of Claims Provisions (Gross)				
Cash out-flows				
Future benefits and claims	R0410	201,489,325.27	1,713,155.20	203,202,480.47
Future expenses and other cash-out flows	R0420	0.00	0.00	0.00
Cash in-flows				
Future premiums	R0430	0.00	0.00	0.00
Other cash-in flows (incl. Recoverable from salvages and subrogations)	R0440	0.00	0.00	0.00
Percentage of gross Best Estimate calculated using approximations	R0450	0.0000	0.0000	
Best estimate subject to transitional of the interest rate	R0460	0.00	0.00	0.00
Technical provisions without transitional on interest rate	R0470	0.00	0.00	0.00
Best estimate subject to volatility adjustment	R0480	0.00	0.00	0.00
Technical provisions without volatility adjustment and without others transitional measures	R0490	0.00	0.00	0.00

Own funds

S.23.01.01

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
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	20,844,790.00	20,844,790.00			
Share premium account related to ordinary share capital	R0030	9,051,276.00	9,051,276.00			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0.00	0.00			
Subordinated mutual member accounts	R0050	0.00				
Surplus funds	R0070	0.00				
Preference shares	R0090	20,333,436.00		20,333,436.00		
Share premium account related to preference shares	R0110	0.00				
Reconciliation reserve	R0130	-14,675,550.58	-14,675,550.58			
Subordinated liabilities	R0140	0.00				
An amount equal to the value of net deferred tax assets	R0160	626,082.23				626,082.23
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0.00				
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	0.00				
Total basic own funds after deductions	R0290	36,180,033.65	15,220,515.42	20,333,436.00	0.00	626,082.23
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0.00				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0.00				
Unpaid and uncalled preference shares callable on demand	R0320	0.00				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0.00				
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0.00				
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0.00				
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0.00				
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0.00				
Other ancillary own funds	R0390	0.00				
Total ancillary own funds	R0400	0.00			0.00	0.00
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	36,180,033.65	15,220,515.42	20,333,436.00	0.00	626,082.23
Total available own funds to meet the MCR	R0510	35,553,951.42	15,220,515.42	20,333,436.00	0.00	
Total eligible own funds to meet the SCR	R0540	34,240,479.93	15,220,515.42	3,805,128.86	15,214,835.65	0.00
Total eligible own funds to meet the MCR	R0550	20,547,127.84	15,220,515.42	3,805,128.86	1,521,483.56	
SCR	R0580	30,429,671.30				
MCR	R0600	7,607,417.82				
Ratio of Eligible own funds to SCR	R0620	1.125233315				
Ratio of Eligible own funds to MCR	R0640	2.700933263				

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	36,180,033.65
Own shares (held directly and indirectly)	R0710	0.00
Foreseeable dividends, distributions and charges	R0720	0.00
Other basic own fund items	R0730	50,855,584.23
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0.00
Reconciliation reserve	R0760	-14,675,550.58
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	0.00
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	0.00
Total Expected profits included in future premiums (EPIFP)	R0790	0.00

Solvency Capital Requirement - for undertakings on Standard Formula

S.25.01.01

Article 112*	Z0010	2	* 1- Article 112(7) reporting (output: x1) 2 - Regular reporting (output: x0)

Basic Solvency Capital Requirement

		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
Market risk	R0010	14,448,024.64	14,448,024.64	
Counterparty default risk	R0020	12,289,144.73	12,289,144.73	
Life underwriting risk	R0030	150,098.61	150,098.61	
Health underwriting risk	R0040	0.00	0.00	
Non-life underwriting risk	R0050	4,118,740.70	4,118,740.70	
Diversification	R0060	-7,598,569.23	-7,598,569.23	
Intangible asset risk	R0070		0.00	
Basic Solvency Capital Requirement	R0100	23,407,439.46	23,407,439.46	

Calculation of Solvency Capital Requirement

		Value
		C0100
Adjustment due to RFF/MAP nSCR aggregation	R0120	0.00
Operational risk	R0130	7,022,231.84
Loss-absorbing capacity of technical provisions	R0140	0.00
Loss-absorbing capacity of deferred taxes	R0150	0.00
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0.00
Solvency Capital Requirement excluding capital add-on	R0200	30,429,671.30
Capital add-on already set	R0210	0.00
Solvency capital requirement	R0220	30,429,671.30
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	0.00
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	0.00
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	0.00
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	0.00
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0.00
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation (*)	R0450	4
Net future discretionary benefits	R0460	0.00

*
1- Full recalculation
2 - Simplification at risk sub-module level
3 - Simplification at risk module level
4 - No adjustment

Total (no breakdown by currency)
Non-life insurance claims
S.19.01.01.01

Unit	GBP

Line of business*	Z0010	4	*Z0010 Line of Business 1 - 1and 13 Medical expense insurance 2 - 2 and 14 Income protection insurance 3 - 3 and 15 Workers' compensation insurance 4 - 4 and 16 Motor vehicle liability insurance 5 - 5 and 17 Other motor insurance 6 - 6 and 18 Marine, aviation and transport insurance 7-7 and 19 Fire and other damage to property insurance 9 - 9 and 21Credit and suretyship insurance 10 - 10 and 22 Legal expenses insurance 11- 11and 23 Assistance 12 - 12 and 24 Miscellaneous financial loss 25 - Non-proportional health reinsurance 26 - Non-proportional casualty reinsurance 27-Non-proportional marine, aviation and transport reinsurance
Accident year / Underwriting year*	Z0020	2	*Z0020 Accident year or Underwriting year 1- Accident year 2 - Underwriting year
Currency*	Z0030	Total	*Z0030 Currency ISO 4217 alphabetic code
Currency conversion*	Z0040	2	*Z0040 Currency conversion 1- Original currency 2 - Reporting currency

Gross Claims Paid (non-cumulative) - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160
Prior	R0100																0.00
N-14	R0110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
N-13	R0120	246,367.22	1,856,718.50	1,320,698.01	821,932.58	1,128,097.28	283,080.22	48,701.28	111,464.18	26,946.30	0.00	0.00	0.00	0.00	0.00		
N-12	R0130	1,284,416.53	7,919,395.39	5,207,043.21	3,661,222.52	2,666,596.33	1,177,520.90	623,540.72	284,833.36	-14,581.18	-84,684.28	-21,488.56	69,492.68	342,581.13			
N-11	R0140	3,724,146.12	14,131,609.16	13,194,365.64	7,404,322.25	4,414,745.94	1,966,177.17	1,253,136.77	1,620,778.89	976,844.76	244,621.61	32,121.09	593,733.47				
N-10	R0150	4,039,356.78	21,149,167.15	16,954,784.63	10,809,030.38	8,773,845.35	3,092,074.76	1,462,506.58	1,849,614.68	437,301.19	57,743.50	81,895.27					
N-9	R0160	4,751,154.04	26,127,831.70	15,988,752.39	7,418,273.36	8,416,927.74	6,610,105.17	2,366,199.25	711,281.45	1,416,050.83	639,525.14						
N-8	R0170	9,937,245.99	28,983,285.93	12,702,786.11	7,242,667.25	5,769,043.27	2,309,351.21	3,942,106.83	2,442,571.92	207,065.25							
N-7	R0180	11,951,433.95	30,678,936.49	15,262,245.91	7,566,432.93	4,854,351.92	5,328,788.25	4,529,297.70	1,123,860.78								
N-6	R0190	6,794,879.07	21,462,755.20	9,129,102.56	3,953,078.60	6,784,627.41	2,183,871.47	3,435,424.81									
N-5	R0200	7,730,463.18	22,058,970.71	9,037,353.71	5,602,530.49	3,535,890.64	3,423,252.56										
N-4	R0210	7,131,137.73	18,860,076.04	7,578,808.59	4,434,104.09	5,291,938.24											
N-3	R0220	9,630,259.20	28,428,860.30	12,077,962.19	9,623,884.96												
N-2	R0230	15,867,167.50	43,211,567.83	16,345,238.02													
N-1	R0240	19,145,150.55	53,578,439.33														
N	R0250	8,389,222.88															

Reinsurance Recoveries received (non-cumulative) - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0600	C0610	C0620	C0630	C0640	C0650	C0660	C0670	C0680	C0690	C0700	C0710	C0720	C0730	C0740	C0750
Prior	R0300																0.00
N-14	R0310	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
N-13	R0320	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
N-12	R0330	0.00	0.00	0.00	0.00	0.00	0.00	450,184.00	0.00	0.00	0.00	156,738.00	0.00	81,956.00			
N-11	R0340	0.00	0.00	0.00	0.00	0.00	26,635.50	14,084.25	1,288,384.62	1,004,255.80	442,739.36	55,178.00	506,932.69				
N-10	R0350	0.00	0.00	0.00	0.00	3,622,487.70	2,093,124.50	-58,622.07	1,360,037.00	341,162.00	79,301.00	93,165.00					
N-9	R0360	0.00	0.00	0.00	766,586.00	2,724,237.00	3,052,656.00	1,002,373.00	368,068.00	417,875.00	654,882.00						
N-8	R0370	901,225.55	2,774,355.42	1,210,388.16	733,896.51	549,522.84	227,564.63	1,571,642.57	1,629,443.60	413,461.42							
N-7	R0380	1,961,193.26	5,034,318.37	2,591,169.24	1,154,946.19	796,584.10	874,437.63	2,177,981.94	463,156.47								
N-6	R0390	1,698,719.77	5,365,688.80	2,282,275.64	988,269.65	3,489,738.35	741,036.49	2,495,847.08									
N-5	R0400	1,932,615.79	5,514,742.68	2,259,338.43	1,772,576.22	883,972.66	1,756,181.99										
N-4	R0410	1,782,784.43	4,715,019.01	1,894,702.15	1,108,526.02	2,402,581.06											
N-3	R0420	2,186,068.84	6,453,351.29	9,077,224.72	7,441,404.72												
N-2	R0430	9,916,979.69	41,591,134.04	15,732,291.59													
N-1	R0440	11,965,719.10	51,569,247.85														
N	R0450	4,563,896.90															

Net Claims Paid (non-cumulative) - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C1200	C1210	C1220	C1230	C1240	C1250	C1260	C1270	C1280	C1290	C1300	C1310	C1320	C1330	C1340	C1350
Prior	R0500																0.00
N-14	R0510	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
N-13	R0520	246,367.22	1,856,718.50	1,320,698.01	821,932.58	1,128,097.28	283,080.22	48,701.28	111,464.18	26,946.30	0.00	0.00	0.00	0.00	0.00		
N-12	R0530	1,284,416.53	7,919,395.39	5,207,043.21	3,661,222.52	2,666,596.33	1,177,520.90	173,356.72	284,833.36	-14,581.18	-84,684.28	-178,226.56	69,492.68	260,625.13			
N-11	R0540	3,724,146.12	14,131,609.16	13,194,365.64	7,404,322.25	4,414,745.94	1,939,541.67	1,239,052.52	332,394.27	-27,411.04	-198,117.75	-23,056.91	86,800.78				
N-10	R0550	4,039,356.78	21,149,167.15	16,954,784.63	10,809,030.38	5,151,357.65	998,950.26	1,521,128.65	489,577.68	96,139.19	-21,557.50	-11,269.73					
N-9	R0560	4,751,154.04	26,127,831.70	15,988,752.39	6,651,687.36	5,692,690.74	3,557,449.17	1,363,826.25	343,213.45	998,175.83	-15,356.86						
N-8	R0570	9,036,020.44	26,208,930.51	11,492,397.95	6,508,770.74	5,219,520.43	2,081,786.58	2,370,464.26	813,128.32	-206,396.17							
N-7	R0580	9,990,240.69	25,644,618.12	12,671,076.67	6,411,486.74	4,057,767.82	4,454,350.62	2,351,315.76	660,704.31								
N-6	R0590	5,096,159.30	16,097,066.40	6,846,826.92	2,964,808.95	3,294,889.06	1,442,834.98	939,577.73									
N-5	R0600	5,797,847.39	16,544,228.03	6,778,015.28	3,829,954.27	2,651,917.98	1,667,070.57										
N-4	R0610	5,348,353.30	14,145,057.03	5,684,106.44	3,325,578.07	2,889,357.18											
N-3	R0620	7,444,190.36	21,975,509.01	3,000,737.47	2,182,480.24												
N-2	R0630	5,950,187.81	1,620,433.79	612,946.43													
N-1	R0640	7,179,431.45	2,009,191.48														
N	R0650	3,825,325.98															

Gross Claims Paid (non-cumulative) - Current year, sum of years (cumulative)

		In Current year	Sum of all years (cumulative)
		C0170	C0180
Prior	R0100	0.00	0.00
N-14	R0110	0.00	0.00
N-13	R0120	0.00	5,844,005.57
N-12	R0130	342,581.13	23,115,888.75
N-11	R0140	593,733.47	49,556,602.87
N-10	R0150	81,895.27	68,707,320.27
N-9	R0160	639,525.14	74,446,101.07
N-8	R0170	207,065.25	73,536,123.76
N-7	R0180	1,123,860.78	81,295,347.93
N-6	R0190	3,435,424.81	53,743,739.12
N-5	R0200	3,423,252.56	51,388,461.29
N-4	R0210	5,291,938.24	43,296,064.69
N-3	R0220	9,623,884.96	59,760,966.65
N-2	R0230	16,345,238.02	75,423,973.35
N-1	R0240	53,578,439.33	72,723,589.88
N	R0250	8,389,222.88	8,389,222.88
Total	R0260	103,076,061.84	741,227,408.08

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

		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0310	C0320	C0330	C0340	C0350
Prior	R0100																0.00
N-14	R0110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
N-13	R0120	1,762,250.95	13,115,365.52	-9,422,031.17	-426,217.17	-807,487.30	-162,647.76	-389,370.91	-535,826.80	-573,615.74	-573,615.74	-576,687.36	-576,687.34	-576,687.37	-576,687.37		
N-12	R0130	4,981,877.30	20,600,247.92	1,257,349.00	290,372.57	3,900,490.96	1,124,110.44	170,196.20	9,001.08	-255,316.28	-148,087.35	1,592,871.41	1,583,080.70	1,038,549.22			
N-11	R0140	20,350,331.82	37,837,089.75	15,520,426.01	17,388,698.86	4,141,725.43	2,387,424.74	1,055,292.56	-679,837.14	542,398.99	1,531,541.94	1,413,032.22	513,631.94				
N-10	R0150	38,098,043.11	34,384,191.47	20,584,329.16	10,734,208.39	7,373,753.23	3,477,534.16	2,452,769.88	1,666,013.96	904,063.30	740,152.57	648,939.13					
N-9	R0160	17,459,601.01	41,609,976.73	18,026,457.78	16,856,749.67	4,754,056.84	2,982,256.59	8,289,048.14	7,820,466.31	6,539,579.39	6,090,859.01						
N-8	R0170	35,511,329.86	23,154,883.41	15,419,068.71	10,063,643.30	6,644,816.34	4,889,459.74	1,841,221.92	1,124,953.01	1,066,167.18							
N-7	R0180	57,598,870.74	30,694,511.55	17,907,480.58	12,083,392.84	6,914,778.86	4,993,050.99	625,963.68	-285,953.24								
N-6	R0190	44,538,713.94	24,096,494.16	16,917,848.36	14,089,446.48	8,342,694.00	5,007,040.05	528,362.67									
N-5	R0200	45,990,428.06	27,126,109.54	18,169,557.62	14,552,962.55	10,974,294.90	8,426,888.87										
N-4	R0210	43,912,446.36	26,774,943.80	21,610,569.30	17,234,106.04	9,993,879.17											
N-3	R0220	63,939,945.21	45,730,338.53	30,552,712.89	19,546,830.27												
N-2	R0230	116,726,250.45	63,654,683.70	44,708,321.70													
N-1	R0240	130,528,502.84	63,166,706.03														
N	R0250	66,615,835.20															

Gross discounted Best Estimate Claims Provisions - Current year, sum of years (cumulative)

		Year end (discounted data)
		C0360
Prior	R0100	0.00
N-14	R0110	0.00
N-13	R0120	-576,687.37
N-12	R0130	1,038,549.22
N-11	R0140	513,631.94
N-10	R0150	648,939.13
N-9	R0160	6,090,859.01
N-8	R0170	1,066,167.18
N-7	R0180	-285,953.24
N-6	R0190	528,362.67
N-5	R0200	8,426,888.87
N-4	R0210	9,993,879.17
N-3	R0220	19,546,830.27
N-2	R0230	44,708,321.70
N-1	R0240	63,166,706.03
N	R0250	66,615,835.20
Total	R0260	221,482,329.78

Reinsurance Recoveries received (non-cumulative) - Current year, sum of years (cumulative)

		In Current year	Sum of years (cumulative)
		C0760	C0770
Prior	R0300	0.00	0.00
N-14	R0310	0.00	0.00
N-13	R0320	0.00	0.00
N-12	R0330	81,956.00	688,878.00
N-11	R0340	506,932.69	3,338,210.22
N-10	R0350	93,165.00	7,530,655.13
N-9	R0360	654,882.00	8,986,677.00
N-8	R0370	413,461.42	10,011,500.70
N-7	R0380	463,156.47	15,053,787.20
N-6	R0390	2,495,847.08	17,061,575.78
N-5	R0400	1,756,181.99	14,119,427.77
N-4	R0410	2,402,581.06	11,903,612.67
N-3	R0420	7,441,404.72	25,158,049.57
N-2	R0430	15,732,291.59	67,240,405.32
N-1	R0440	51,569,247.85	63,534,966.95
N	R0450	4,563,896.90	4,563,896.90
Total	R0460	88,175,004.77	249,191,643.21

Undiscounted Best Estimate Claims Provisions - Reinsurance recoverable - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0800	C0810	C0820	C0830	C0840	C0850	C0860	C0870	C0880	C0890	C0900	C0910	C0920	C0930	C0940	C0950
Prior	R0300																0.00
N-14	R0310	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
N-13	R0320	0.00	0.00	0.00	106,437.50	-107,125.70	34.92	-581,284.46	-577,548.47	-576,836.20	-576,836.20	-579,907.82	-576,574.49	-576,574.51	-576,574.51		
N-12	R0330	8,959,437.50	5,365,750.00	1,895,562.50	-1,497,414.84	101,239.44	325,059.91	-134,292.26	-155,291.10	-167,539.49	-173,687.93	1,358,231.52	1,406,052.49	1,099,518.06			
N-11	R0340	8,101,437.50	11,582,187.50	-5,023,284.69	562,422.86	950,520.04	948,751.37	1,006,306.59	-747,299.79	-86,296.06	1,289,316.22	787,434.07	172,362.68				
N-10	R0350	19,504,062.50	15,194,571.28	2,557,953.93	6,721,617.77	498,487.54	2,368,959.79	2,540,070.37	2,413,297.88	982,520.76	-473,810.10	-536,239.15					
N-9	R0360	3,786,480.75	6,989,404.92	8,002,102.63	8,208,546.85	269,698.28	205,394.76	5,442,797.61	5,920,662.92	5,425,136.06	5,208,340.91						
N-8	R0370	2,055,457.73	3,720,769.93	3,099,714.66	2,576,057.80	2,492,571.88	2,825,158.47	1,940,817.90	1,268,072.95	885,107.28							
N-7	R0380	10,094,686.56	5,688,844.73	3,514,756.74	2,655,246.76	1,295,892.64	2,013,449.90	27,833.77	-189,035.86								
N-6	R0390	14,608,314.21	10,311,254.17	8,619,862.46	8,688,363.71	5,449,666.18	3,981,341.23	247,908.32									
N-5	R0400	14,145,663.44	9,846,525.75	8,625,439.28	8,175,900.45	7,662,343.41	6,994,498.88										
N-4	R0410	14,908,233.09	11,334,449.88	12,034,088.85	10,322,592.56	5,876,070.31											
N-3	R0420	19,115,630.32	21,917,933.18	26,289,248.96	16,620,110.73												
N-2	R0430	82,191,020.79	62,301,210.75	44,649,426.05													
N-1	R0440	107,725,178.49	57,947,021.52														
N	R0450	56,006,757.42															

Discounted Best Estimate Claims Provisions - Reinsurance recoverable - Current year, sum of years (cumulative)

		Year end (discounted data)
		C0960
Prior	R0300	0.00
N-14	R0310	0.00
N-13	R0320	-576,574.51
N-12	R0330	1,099,518.06
N-11	R0340	172,362.68
N-10	R0350	-536,239.15
N-9	R0360	5,208,340.91
N-8	R0370	885,107.28
N-7	R0380	-189,035.86
N-6	R0390	247,908.32
N-5	R0400	6,994,498.88
N-4	R0410	5,876,070.31
N-3	R0420	16,620,110.73
N-2	R0430	44,649,426.05
N-1	R0440	57,947,021.52
N	R0450	56,006,757.42
Total	R0460	194,405,272.64

Net Claims Paid (non-cumulative) - Current year, sum of years (cumulative)

		In Current year	Sum of years (cumulative)
		C1360	C1370
Prior	R0500	0.00	0.00
N-14	R0510	0.00	0.00
N-13	R0520	0.00	5,844,005.57
N-12	R0530	260,625.13	22,427,010.75
N-11	R0540	86,800.78	46,218,392.65
N-10	R0550	-11,269.73	61,176,665.14
N-9	R0560	-15,356.86	65,459,424.07
N-8	R0570	-206,396.17	63,524,623.06
N-7	R0580	660,704.31	66,241,560.73
N-6	R0590	939,577.73	36,682,163.34
N-5	R0600	1,667,070.57	37,269,033.52
N-4	R0610	2,889,357.18	31,392,452.02
N-3	R0620	2,182,480.24	34,602,917.08
N-2	R0630	612,946.43	8,183,568.03
N-1	R0640	2,009,191.48	9,188,622.93
N	R0650	3,825,325.98	3,825,325.98
Total	R0660	14,901,057.07	492,035,764.87

Net Undiscounted Best Estimate Claims Provisions - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C1400	C1410	C1420	C1430	C1440	C1450	C1460	C1470	C1480	C1490	C1500	C1510	C1520	C1530	C1540	C1550
Prior	R0500																0.00
N-14	R0510	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
N-13	R0520	1,762,250.95	13,115,365.52	-9,422,031.17	-532,654.67	-700,361.60	-162,682.68	191,913.55	41,721.67	3,220.46	3,220.46	3,220.46	-112.85	-112.86	-112.86		
N-12	R0530	-3,977,560.20	15,234,497.92	-638,213.50	1,787,787.41	3,799,251.52	799,050.53	304,488.46	164,292.18	-87,776.79	25,600.58	234,639.89	177,028.21	-60,968.84			
N-11	R0540	12,248,894.32	26,254,902.25	20,543,710.70	16,826,276.00	3,191,205.39	1,438,673.37	48,985.97	67,462.65	628,695.05	242,225.72	625,598.15	341,269.26				
N-10	R0550	18,593,980.61	19,189,620.19	18,026,375.23	4,012,590.62	6,875,265.69	1,108,574.37	-87,300.49	-747,283.92	-78,457.46	1,213,962.67	1,185,178.28					
N-9	R0560	13,673,120.26	34,620,571.81	10,024,355.15	8,648,202.82	4,484,358.56	2,776,861.83	2,846,250.53	1,899,803.39	1,114,443.33	882,518.10						
N-8	R0570	33,455,872.13	19,434,113.48	12,319,354.05	7,487,585.50	4,152,244.46	2,064,301.27	-99,595.98	-143,119.94	181,059.90							
N-7	R0580	47,504,184.18	25,005,666.82	14,392,723.84	9,428,146.08	5,618,886.22	2,979,601.09	598,129.91	-96,917.38								
N-6	R0590	29,930,399.73	13,785,239.99	8,297,985.90	5,401,082.77	2,893,027.82	1,025,698.82	280,454.35									
N-5	R0600	31,844,764.62	17,279,583.79	9,544,118.34	6,377,062.10	3,311,951.49	1,432,389.99										
N-4	R0610	29,004,213.27	15,440,493.92	9,576,480.45	6,911,513.48	4,117,808.86											
N-3	R0620	44,824,314.89	23,812,405.35	4,263,463.93	2,926,719.54												
N-2	R0630	34,535,229.66	1,353,472.95	58,895.65													
N-1	R0640	22,803,324.35	5,219,684.51														
N	R0650	10,609,077.78															

Net Discounted Best Estimate Claims Provisions - Current year, sum of years (cumulative)

		Year end (discounted data)
		C1560
Prior	R0500	0.00
N-14	R0510	0.00
N-13	R0520	-112.86
N-12	R0530	-60,968.84
N-11	R0540	341,269.26
N-10	R0550	1,185,178.28
N-9	R0560	882,518.10
N-8	R0570	181,059.90
N-7	R0580	-96,917.38
N-6	R0590	280,454.35
N-5	R0600	1,432,389.99
N-4	R0610	4,117,808.86
N-3	R0620	2,926,719.54
N-2	R0630	58,895.65
N-1	R0640	5,219,684.51
N	R0650	10,609,077.78
Total	R0660	27,077,057.14

Gross Reported but not Settled Claims (RBNS) - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0400	C0410	C0420	C0430	C0440	C0450	C0460	C0470	C0480	C0490	C0500	C0510	C0520	C0530	C0540	C0550
Prior	R0100																0.00
N-14	R0110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
N-13	R0120	1,723,951.36	3,845,860.10	2,477,665.56	2,314,194.18	470,697.01	190,829.99	131,684.00	38,000.00	0.00	0.00	0.00	0.00	0.00	0.00		
N-12	R0130	8,236,810.80	13,719,818.61	12,859,341.52	6,677,118.56	4,114,800.12	3,089,856.04	2,095,260.48	1,783,676.48	1,693,651.00	1,538,914.00	1,538,914.00	3,829,368.00	3,597,280.00			
N-11	R0140	15,287,870.34	27,159,898.06	17,030,835.79	9,228,772.76	4,344,402.88	2,432,754.20	1,649,141.38	-451,348.70	204,912.50	721,613.25	983,626.25	53,539.50				
N-10	R0150	23,980,881.63	42,579,412.62	29,324,450.17	7,789,816.14	6,120,414.11	3,262,493.93	2,181,177.07	317,625.89	9,044.70	63,709.42	116,171.72					
N-9	R0160	16,609,892.63	30,250,787.24	16,009,996.04	13,306,368.64	3,887,571.39	4,877,292.67	2,015,682.99	2,483,129.70	2,225,818.07	2,036,907.99						
N-8	R0170	18,161,350.25	19,928,886.29	11,167,132.26	6,758,915.70	5,088,894.24	3,254,252.87	216,818.32	228,986.83	-57,239.15							
N-7	R0180	19,916,538.54	24,366,238.24	13,613,594.38	8,770,406.47	6,079,355.07	3,123,959.51	775,981.41	-166,150.67								
N-6	R0190	13,895,970.00	22,204,566.91	15,208,488.04	11,613,630.06	4,732,636.94	5,051,312.71	487,910.24									
N-5	R0200	14,036,797.77	20,315,324.50	13,305,871.93	8,510,874.96	8,373,445.59	6,819,231.43										
N-4	R0210	12,688,788.13	19,097,213.50	13,512,781.20	15,336,776.73	9,837,307.71											
N-3	R0220	16,214,221.91	27,091,527.32	22,151,731.87	14,487,918.16												
N-2	R0230	29,456,701.36	48,270,713.24	36,542,258.65													
N-1	R0240	44,836,991.88	48,546,428.43														
N	R0250	18,704,128.63															

Gross Reported but not Settled Claims (RBNS) - Current year, sum of years (cumulative)

		Year end (discounted data)
		C0560
Prior	R0100	0.00
N-14	R0110	0.00
N-13	R0120	0.00
N-12	R0130	3,597,280.00
N-11	R0140	53,539.50
N-10	R0150	116,171.72
N-9	R0160	2,036,907.99
N-8	R0170	-57,239.15
N-7	R0180	-166,150.67
N-6	R0190	487,910.24
N-5	R0200	6,819,231.43
N-4	R0210	9,837,307.71
N-3	R0220	14,487,918.16
N-2	R0230	36,542,258.65
N-1	R0240	48,546,428.43
N	R0250	18,704,128.63
Total	R0260	141,005,692.64

Reinsurance RBNS Claims - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C1000	C1010	C1020	C1030	C1040	C1050	C1060	C1070	C1080	C1090	C1100	C1110	C1120	C1130	C1140	C1150
Prior	R0300																0.00
N-14	R0310	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
N-13	R0320	0.00	0.00	0.00	0.00	186.26	186.26	186.26	186.26	0.00	0.00	0.00	0.00	0.00	0.00		
N-12	R0330	0.00	0.00	0.00	2,645,841.83	2,240,027.34	2,471,755.82	1,964,814.36	1,856,750.84	1,783,565.57	1,530,159.20	1,333,772.83	3,672,024.11	3,675,944.61			
N-11	R0340	0.00	0.00	1,197,710.68	1,472,443.90	1,187,349.37	1,279,011.86	1,661,329.85	-527,610.96	-290,585.43	555,810.60	736,958.95	1,363.27				
N-10	R0350	0.00	12,502,133.83	12,286,533.96	2,518,402.48	-356,451.00	1,739,573.34	1,881,385.57	436,776.24	98,987.79	115,174.75	120,917.47					
N-9	R0360	0.00	5,552,445.22	4,915,756.77	5,928,351.14	-908,117.79	2,107,072.70	339,625.83	861,581.85	1,571,636.59	1,241,609.78						
N-8	R0370	1,684,269.10	1,926,062.99	1,168,695.84	690,220.06	1,613,738.28	1,537,330.97	669,832.17	338,949.14	-382,157.32							
N-7	R0380	3,268,242.23	4,053,101.02	2,190,376.86	1,472,906.33	1,146,722.90	1,008,033.44	312,923.93	-40,777.28								
N-6	R0390	3,473,992.50	11,097,011.71	9,318,388.46	7,421,754.82	2,833,592.71	4,148,177.40	254,879.13									
N-5	R0400	3,509,199.44	7,717,187.87	5,847,439.95	3,882,438.55	5,603,090.11	5,561,706.23										
N-4	R0410	3,205,474.83	7,432,973.35	5,986,836.51	9,698,484.58	6,272,690.57											
N-3	R0420	3,680,628.37	9,338,002.75	18,651,534.89	12,842,991.18												
N-2	R0430	19,594,709.58	46,931,704.80	35,734,310.03													
N-1	R0440	43,620,076.59	47,182,632.45														
N	R0450	18,066,582.63															

Reinsurance RBNS - Current year, sum of years (cumulative)

		Year end (discounted data)
		C1160
Prior	R0300	0.00
N-14	R0310	0.00
N-13	R0320	0.00
N-12	R0330	3,675,944.61
N-11	R0340	1,363.27
N-10	R0350	120,917.47
N-9	R0360	1,241,609.78
N-8	R0370	-382,157.32
N-7	R0380	-40,777.28
N-6	R0390	254,879.13
N-5	R0400	5,561,706.23
N-4	R0410	6,272,690.57
N-3	R0420	12,842,991.18
N-2	R0430	35,734,310.03
N-1	R0440	47,182,632.45
N	R0450	18,066,582.63
Total	R0460	130,532,692.75

Net RBNS Claims - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C1600	C1610	C1620	C1630	C1640	C1650	C1660	C1670	C1680	C1690	C1700	C1710	C1720	C1730	C1740	C1750
Prior	R0500																0.00
N-14	R0510	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
N-13	R0520	1,723,951.36	3,845,860.10	2,477,665.56	2,314,194.18	470,510.75	190,643.73	131,497.74	37,813.74	0.00	0.00	0.00	0.00	0.00	0.00		
N-12	R0530	8,236,810.80	13,719,818.61	12,859,341.52	4,031,276.73	1,874,772.78	618,100.22	130,446.12	-73,074.36	-89,914.57	8,754.80	205,141.17	157,343.89	-78,664.61			
N-11	R0540	15,287,870.34	27,159,898.06	15,833,125.11	7,756,328.86	3,157,053.51	1,153,742.34	-12,188.47	76,262.26	495,497.93	165,802.65	246,667.30	52,176.23				
N-10	R0550	23,980,881.63	30,077,278.79	17,037,916.21	5,271,413.66	6,476,865.11	1,522,920.59	299,791.50	-119,150.35	-89,943.09	-51,465.33	-4,745.75					
N-9	R0560	16,609,892.63	24,698,342.02	11,094,239.27	7,378,017.50	4,795,689.18	2,770,219.97	1,676,057.16	1,621,547.85	654,181.48	795,298.21						
N-8	R0570	16,477,081.15	18,002,823.30	9,998,436.42	6,068,695.64	3,475,155.96	1,716,921.90	-453,013.85	-109,962.31	324,918.17							
N-7	R0580	16,648,296.31	20,313,137.22	11,423,217.52	7,297,500.14	4,932,632.17	2,115,926.07	463,057.48	-125,373.39								
N-6	R0590	10,421,977.50	11,107,555.20	5,890,099.58	4,191,875.24	1,899,044.23	903,135.31	233,031.11									
N-5	R0600	10,527,598.33	12,598,136.63	7,458,431.98	4,628,436.41	2,770,355.48	1,257,525.20										
N-4	R0610	9,483,313.30	11,664,240.15	7,525,944.69	5,638,292.15	3,564,617.14											
N-3	R0620	12,533,593.54	17,753,524.57	3,500,196.98	1,644,926.98												
N-2	R0630	9,861,991.78	1,339,008.44	807,948.62													
N-1	R0640	1,216,915.29	1,363,795.98														
N	R0650	637,546.00															

Net RBNS Claims - Current year, sum of years (cumulative)

		Year end (discounted data)
		C1760
Prior	R0500	0.00
N-14	R0510	0.00
N-13	R0520	0.00
N-12	R0530	-78,664.61
N-11	R0540	52,176.23
N-10	R0550	-4,745.75
N-9	R0560	795,298.21
N-8	R0570	324,918.17
N-7	R0580	-125,373.39
N-6	R0590	233,031.11
N-5	R0600	1,257,525.20
N-4	R0610	3,564,617.14
N-3	R0620	1,644,926.98
N-2	R0630	807,948.62
N-1	R0640	1,363,795.98
N	R0650	637,546.00
Total	R0660	10,472,999.89

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

S.28.01.01

Linear formula component for non-life insurance and reinsurance obligations		MCR components
		C0010
MCRNL Result	R0010	3,282,140.77

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	14,204,997.56	17,838,199.64
Other motor insurance and proportional reinsurance	R0060	846,119.55	4,459,549.91
Marine, aviation and transport insurance and proportional reinsurance	R0070		
Fire and other damage to property insurance and proportional reinsurance	R0080		
General liability insurance and proportional reinsurance	R0090		
Credit and suretyship insurance and proportional reinsurance	R0100		
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	0.00

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	3,282,140.77
SCR	R0310	30,429,671.30
MCR cap	R0320	13,693,352.09
MCR floor	R0330	7,607,417.83
Combined MCR	R0340	7,607,417.83
Absolute floor of the MCR	R0350	7,607,417.82
Minimum Capital Requirement	R0400	7,607,417.83