

**Registered Number: 00121651**

**Royal & Sun Alliance Insurance (Global) Limited**

**Annual Report and Accounts**

**for the year ended 31 December 2016**



# Royal & Sun Alliance Insurance (Global) Limited

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# Royal & Sun Alliance Insurance (Global) Limited

## Company Information

### Directors

#### Non-Destructive Testers Limited

C D A Heiss (Appointed 9 February 2016)

M Postles (Appointed 9 February 2016)

E Bell (Resigned 9 February 2016)

### Secretary

Roysun Limited

### Registered Office

St Mark's Court  
Chart Way  
Horsham  
West Sussex  
RH12 1XL

### Auditor

KPMG LLP  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

### Principal Banker

HSBC Bank Plc  
P O Box 125  
8 Canada Square  
London  
E14 5HQ

# Royal & Sun Alliance Insurance (Global) Limited

## Directors' report

For the year ended 31 December 2016

The directors present their annual report on the affairs of the Company and the audited financial statements for the year ended 31 December 2016.

### Business review and principal activity

The Company operates under the trading name of Royal & Sun Alliance Insurance (Global) Limited. The principal activity of the Company was formerly the writing of general insurance business, including multinational business, principally in the Netherlands and Belgium. The company transferred its insurance business to Royal & Sun Alliance Insurance plc with effect 1 January 2012 and is no longer authorised to write insurance business.

On 13 October 2016, the Company transferred its investment holdings in British Foreign and Marine Insurance Company Limited to RSA Insurance group plc.

The results for the Company show a profit on ordinary activities before tax of £1,660,000 (2015: loss of £80,000). The shareholders' funds of the Company as at 31 December 2016 were £95,910,400 (2015: £95,607,000).

### Future outlook

The cessation of trade on 1 January 2012 has resulted in the financial statements being prepared on an other than going concern basis and it is expected that the Company will be wound up in the near future.

### Dividends

The directors did not recommend payment of a dividend in respect of the period ended 31 December 2016 (2015: £nil).

### Principal risks and uncertainties

The Company has no principal risks or uncertainties because it is an intermediate holding company within the RSA Insurance Group plc group of companies (the "Group"). The Company's risks are managed in accordance with Group policies. The principal risks and uncertainties of the Group, which include those of the Company, are set out in the Strategic report - risk management on pages 38 to 41 and in the risk and capital management note on pages 120 to 127 of the 2016 Annual Report & Accounts of the Group, which do not form part of this report.

A discussion on the management of financial risk is set out below.

### Financial risk management

The Company's financial risks are managed and monitored at a Group level. The risk management of the Group, which includes that of the Company, is set out in the risk and capital management note on pages 120 to 127 of the 2016 Annual Report and Accounts of the Group, which does not form part of this report. The directors consider that there is a minimal level of financial risk associated with the Company's assets and liabilities due to the nature of the Company's activities.

# Royal & Sun Alliance Insurance (Global) Limited

## Directors' report continued For the year ended 31 December 2016

### Key performance indicators

There are no KPIs produced for the Company as the Company has had no activity for a number of years.

### Directors

The names of the directors who served throughout the year are listed on page 1

The directors' responsibilities statement appears on page 4 and is incorporated by reference into this report.

### Political donations

The Company did not make any political donations during the financial year (2015: £nil).

### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all reasonable steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information, and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

KPMG LLP have confirmed their willingness to continue in office as auditor of the Company for the year ending 31 December 2017. Under the Companies Act 2006, the Company is not required to hold an Annual General Meeting and accordingly KPMG LLP will be deemed to be re-appointed for each succeeding financial year.

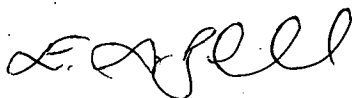
### Going concern

The cessation of the Company's trade has resulted in the financial statements not being prepared on the going concern basis. Using this basis of preparation, the directors are satisfied that no change is required to the carrying value of the Company's assets and liabilities.

### Strategic Report

The Company has taken advantage of the exemption in section 414(2) of the Companies Act 2006 (Strategic Report and Directors' Report Regulations 2013) from the requirement to prepare a strategic report on the basis that it would be entitled to prepare accounts for the year in accordance with the small companies' regime but for being a member of an ineligible group.

Signed by order of the Board



RHINOR BALL  
For and on behalf of Roysun Limited  
Secretary  
19 May 2017

# Royal & Sun Alliance Insurance (Global) Limited

## Statement of Directors' responsibilities in respect of the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# Royal & Sun Alliance Insurance (Global) Limited

## Independent auditor's report to the members of Royal & Sun Alliance Insurance (Global) Limited

We have audited the financial statements of Royal & Sun Alliance Insurance (Global) Limited for the year ended 31 December 2016 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework. These financial statements have not been prepared on the going concern basis for the reason set out in note 1 to the financial statements.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the Directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matters prescribed by the Companies Act 2006

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006


### Emphasis of matter – non-going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements are not prepared on the going concern basis for the reasons set out in that note.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Murray Raisbeck (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants and Statutory Auditor  
15 Canada Square  
Canary Wharf  
London  
E14 5GL  
19 May 2017

# Royal & Sun Alliance Insurance (Global) Limited

## Profit and loss account for the year ended 31 December 2016

		2016	2015
	Notes	£'000	£'000
Realised gain on disposal of investment	7	1,416	-
Other charges	2	244	(80)
<b>Profit / (Loss) on ordinary activities before tax</b>		<b>1,660</b>	<b>(80)</b>
Taxation on profit on ordinary activities	6	-	-
<b>Profit / (Loss) for the financial year</b>		<b>1,660</b>	<b>(80)</b>

All figures relate to discontinued operations.

The notes on pages 10 to 14 form an integral part of these financial statements.



# Royal & Sun Alliance Insurance (Global) Limited

## Statement of other comprehensive income for the year ended 31 December 2016

	2016	2015
Notes	£'000	£'000
Profit / (Loss) for the financial year	1,660	(80)
Total comprehensive profit / (loss) for the year	1,660	(80)

The notes on pages 10 to 14 form an integral part of these financial statements.

# Royal & Sun Alliance Insurance (Global) Limited

## Statement of changes in equity for the year ended 31 December 2016

	Called up share capital	Share Premium Account	Revaluation reserves	Profit and loss account	Total shareholders funds	2015
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2016	36,367	28,355	1,357	29,528	95,607	95,687
Profit for the Financial Year	-	-	-	1,660	1,660	(80)
Other reserve transfers	-	-	(1,357)	-	(1,357)	-
<b>Balance at 31 December 2016</b>	<b>36,367</b>	<b>28,355</b>	<b>-</b>	<b>31,188</b>	<b>95,910</b>	<b>95,607</b>

The attached notes on pages 10 to 14 form an integral part of these consolidated financial statements.

**Registered Number: 00121651**  
**Royal & Sun Alliance Insurance (Global) Limited**

**Balance sheet**  
as at  
31 December 2016

	Notes	2016 £'000	2015 £'000
<b>Investments</b>			
Investments in group undertakings and participating interests	7	-	2,697
		-	2,697
<b>Debtors: amounts falling due within one year</b>			
Debtors	8	95,910	92,910
		95,910	92,910
<b>Creditors: amounts falling due within one year</b>	9	-	-
<b>Net current assets</b>		95,910	95,607
<b>Capital and reserves</b>			
Called up share capital	10	36,367	36,367
Share premium account		28,355	28,355
Revaluation reserve		-	1,357
Profit and loss account		31,188	29,528
<b>Shareholders' funds</b>		95,910	95,607

The attached notes on pages 10 to 14 form an integral part of these financial statements.

The financial statements of Royal & Sun Alliance Insurance (Global) Limited (registered number 00121651) were approved on 19 May 2017 by the Board of Directors and are signed on its behalf by:

  
**CHARLOTTE HEISS**  
Director

# Royal & Sun Alliance Insurance (Global) Limited

## Notes to the accounts

### 1. Basis of preparation (Financial Statements)

The Company is a wholly owned subsidiary of RSA Insurance Group plc ('RSAIG'). Royal & Sun Alliance Insurance (Global) Limited is a company incorporated and domiciled in the UK. The Company's ultimate parent company and controlling party is RSAIG, which is registered in England and Wales and is the parent company of the smallest and largest group to consolidate these financial statements. RSAIG has prepared its company accounts under IFRS as adopted by the EU since its date of transition to IFRS at 1 January 2004.

The financial statements are prepared in accordance Financial Reporting Standard (FRS 101) Reduced Disclosure Framework and in compliance with the Companies Act 2006. The amendments to FRS 101 (2013/14 Cycle) issued in July 2014 and effective immediately have been applied.

The Company financial statements are presented in Pound Sterling, which is also the company's functional currency and rounded to the nearest Thousands except where otherwise indicated.

FRS 101 requires the Company to follow the requirements of each relevant International Financial Reporting Standard (IFRS) except that it permits a number of exceptions that would be required if the Company was to prepare accounts in compliance with IFRS.

The Company has written to its shareholders informing them that it will make use of these exemptions and received no objections.

The exemptions used by the Company are as follows:-

- A Cash Flow Statement and related notes;
- Disclosure in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy;

As the consolidated financial statements of the Company's ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:-

- Certain disclosures required by IAS 24 Related Party Disclosures

The financial statements have been prepared under the historical cost convention, and on an other than going concern basis.

The company transitioned from the UK financial reporting accounting standards in force at 31 December 2014 ('old UK GAAP') to FRS 101 ('new UK GAAP') at 01 January 2015. There has been no impact on shareholders funds or profits previously reported as a result of this change.

In considering the appropriateness of the going concern basis the Board have reviewed the Company's ongoing financial commitments for the next twelve months and beyond. As a result of this review the directors have satisfied themselves that it is appropriate to prepare these financial statements on an other than going concern basis.

### Significant Accounting Policies

A summary of the significant accounting policies, which have been applied consistently throughout the year and the preceding year, are set out below:-

#### (a) Translation of foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at rates ruling at the balance sheet date. Transactions denominated in foreign currencies are translated into sterling using cumulative average rate for the financial year. The resulting exchange differences are taken to the profit and loss account.

#### (b) Taxation

Taxation is recognised in the profit and loss account, except to the extent that the tax arises from a transaction or event recognised either in other comprehensive income or directly in equity.

Taxation is based on profits and income for the year as determined in accordance with the relevant tax legislation, together with adjustments for prior years.

#### (c) Investments / Investments in subsidiaries

Investments in subsidiaries are valued at fair value.

# Royal & Sun Alliance Insurance (Global) Limited

## Notes to the accounts (continued)

### 2. Exchange Rates

The rate of exchange used in these accounts in respect of the major overseas currency are:

	2016 Cumulative Average	2016 End of Period	2015 Cumulative Average	2015 End of Period
Euro	1.22	1.17	1.38	1.36
Australian Dollar	1.82	1.71	2.03	2.03

The statement of other comprehensive income includes a foreign exchange of £nil (2015: £nil) and a tax charge on foreign exchange gains of £nil (2015: tax on recovery on loss of £nil).

Other charges in the profit and loss account includes £244,000 of net gains (2015: £80,000 of net losses) on the retranslation of foreign currency items, which is included in current year retained profit.

### 3. Auditor's remuneration

Fees payable to KPMG LLP for the audit of the Company's accounts for the year ended 31 December 2016 were £5,500 (31 December 2015: £6,500) which were borne by a parent company, Royal & Sun Alliance Insurance plc. Details of non-audit fees payable to KPMG LLP are disclosed in the Royal & Sun Alliance Insurance Group plc 2016 Annual Report and Accounts.

### 4. Directors' emoluments

The directors were all remunerated by Royal & Sun Alliance Insurance plc, a fellow subsidiary of RSA Insurance Group plc, for their services to the RSA Group as a whole. They were not remunerated for their services as directors of the Company and the amount of time spent performing their duties is incidental to their roles across RSA Group. This is consistent with prior years.

### 5. Employees and staff costs

The Company did not employ anyone during the period (2015: nil). All administrative duties are performed by employees of Royal & Sun Alliance Insurance plc at no cost to the Company (2015: £nil).

# Royal & Sun Alliance Insurance (Global) Limited

## Notes to the accounts (continued)

### 6. Taxation

The tax amounts charged in the profit and loss account are as follows:

	2016	2015
	£'000	£'000
<b>Current tax</b>		
UK corporation tax	-	-
Adjustments in respect of prior periods (UK & Overseas)	-	-
<b>Total current tax</b>	-	-
<b>Tax charge / (credit)</b>	-	-

The UK corporation tax for the current year is based on a rate of 20% (2015: 20.2%).

#### *Reconciliation of the total tax charge*

The tax charge for the year is less than 20% (2015: less than 20.2%) due to the items set out in the reconciliation below:

	2016	2015
	£'000	£'000
<b>Profit / (Loss) on ordinary activities before tax</b>	<b>1,660</b>	<b>(80)</b>
<b>Tax at 20% (2015: 20.2%)</b>	<b>332</b>	<b>(16)</b>
<i>Factors affecting the tax charge</i>		
Tax exempt income and investment gains / (losses)	(285)	-
Fiscal adjustments	307	311
Group relief surrendered / (received) without payment	(354)	(295)
<b>Total tax charge</b>	<b>-</b>	<b>-</b>

The Company has no deferred tax assets or liabilities at 31 December 2016 or 31 December 2015.

# Royal & Sun Alliance Insurance (Global) Limited

## Notes to the accounts (continued)

### 7. Investments

#### Group undertakings and participating interests

The Company held investments in British and Foreign Marine Insurance Company Limited, which is a subsidiary of RSA Insurance Group plc and registered in England and Wales. Following de-authorisation of the company as a general insurer in 2012 the company no longer has a principle activity.

On 13 October 2016 the Company's holding in British and Foreign Marine Insurance Company Ltd was transferred to Royal & Sun Alliance plc for a consideration of £2,755,517 in the form of a share transfer.

	Class of shares held	Percentage of nominal value and voting rights held by the Company
British and Foreign Marine Insurance Company Limited	Ordinary	14%
	2016	2015
	£'000	£'000
Valuation		
At 1 January	2,697	2,697
Disposal	(2,756)	-
At 31 December	(59)	2,697
Gain on disposal		
	2016	2015
	2,756	-
Consideration received	(2,697)	-
Less fair value of investment	59	-
Cumulative unrealised gains	1,357	-
Realised gain on disposal	1,416	-

The historical cost of investments in group undertakings is £nil (2015: £1,340,000).

Profit on disposal of investments on a historical cost basis was £1,416,000 (2015: £nil).

### 8. Debtors: amounts falling due within one year

	2016	2015
	£'000	£'000
Amounts owed by group undertakings	95,910	92,910
	95,910	92,910

### 9. Creditors: amounts falling due within one year

Other Creditors includes £nil (2015: £nil) in respect of corporation tax payable.

### 10. Share Capital

	2016	2015
	£'000	£'000
Allotted, issued and fully paid		
36,367,172 ordinary shares at £1 each (2015: 36,367,172 ordinary shares at £1 each)	36,367	36,367
	36,367	36,367

# Royal & Sun Alliance Insurance (Global) Limited

## Notes to the accounts (continued)

### 11. Parent companies

The Company's immediate parent company is Royal & Sun Alliance Insurance plc, which is registered in England and Wales.

The Company's ultimate parent company and controlling party is RSA Insurance Group plc, which is registered in England and Wales and is the parent company of the smallest and largest group to consolidate these financial statements. A copy of that company's accounts can be obtained from 17<sup>th</sup> Floor, 20 Fenchurch Street, London, EC3M 3AU.