

Registered Number: 02221960

ROYAL INSURANCE HOLDINGS LIMITED

Annual Report and Accounts

for the year ended 31 December 2016



ROYAL INSURANCE HOLDINGS LIMITED

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ROYAL INSURANCE HOLDINGS LIMITED

Company Information

Directors

B Bergin (resigned on 25 August 2016)

I A Craston

C D A Heiss (appointed on 2 March 2016)

D Walsh (resigned on 29 February 2016)

G L Wilkinson

Secretary

Roysun Limited

Registered Office

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

Auditor

KPMG LLP
Chartered Accountants and Statutory Auditor
15 Canada Square
London
E14 5GL

ROYAL INSURANCE HOLDINGS LIMITED

Strategic 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. On 15 September 2016 Royal Insurance Holdings plc was re-registered as a private limited company by the name of Royal Insurance Holdings Limited

Business review and principal activity

The Company is the holding company for subsidiaries transacting the business of insurance and related financial services in the United Kingdom and overseas. The subsidiaries are listed at the end of this report.

The results for the Company show a profit on ordinary activities before tax of £681m (2015: loss £29m). The shareholder's funds of the Company as at 31 December 2016 were £2,222m (31 December 2015: £1,917m).

Future outlook

There is not expected to be any change to the business in the foreseeable future.

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.

Key performance indicators

There are no KPIs produced for the Company as no significant transactions have occurred during the year.

By order of the Board



E Bell
For and on behalf of Roysun Limited
Secretary

23 May 2017

ROYAL INSURANCE HOLDINGS LIMITED

Directors' report

For the year ended 31 December 2016

Directors

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

Directors' responsibilities

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

Dividends

The directors did not recommend payment of a final dividend in respect of the year ended 31 December 2016 (2015: £nil). An interim dividend of £378m (2015: £nil) was paid during the year.

Reference to the Strategic report

Information relating to likely future development is contained within the Strategic report on page 2 and is incorporated into this report by reference.

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.

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.

Pursuant to section 489 of the Companies Act 2006, KPMG LLP has confirmed its 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

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 a going concern basis.

Signed by order of the Board



E Bell
For and on behalf of
Roysun Limited
Secretary
23 May 2017

ROYAL INSURANCE HOLDINGS LIMITED

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

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable laws 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 United Kingdom Accounting Standards and applicable law (United Kingdom 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 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.

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.

Independent auditor's report to the members of Royal Insurance Holdings Limited

We have audited the financial statements of Royal Insurance Holdings Limited for the year ended 31 December 2016 set out on pages 6 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including *FRS 101 Reduced Disclosure Framework*.

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.

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 profit for the year then ended;
- have been properly prepared in accordance with United Kingdom 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 Strategic Report and Directors' Report for the financial year 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.

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.

Caroline Gilbertson

Caroline Gilbertson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

25 May 2017

ROYAL INSURANCE HOLDINGS LIMITED

Profit and loss account for the year ended 31 December 2016

	Notes	2016 £m	2015 £m
Income from shares in Group undertakings	6	725	8
Foreign exchange gains and losses		-	(1)
Impairment of investment in subsidiary	6	(8)	(3)
Interest payable and similar charges to Group undertakings	6	(36)	(33)
Profit/(loss) on ordinary activities before tax		681	(29)
Taxation on profit/(loss) on ordinary activities	7	2	2
Profit/(loss) for the financial year		683	(27)

All figures relate to continuing operations.

The notes on pages 9 to 19 form an integral part of these financial statements.

There was no other comprehensive income during the year and accordingly no statement of other comprehensive income is presented.

ROYAL INSURANCE HOLDINGS LIMITED

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

	Share capital £m	Share premium £m	Profit and loss account £m	Total equity £m
Balance at 1 January 2015	1,220	783	(59)	1,944
Total comprehensive expense for the year	-	-	(27)	(27)
Balance at 31 December 2015	1,220	783	(86)	1,917
Total comprehensive expense for the year	-	-	683	683
Transaction with owner of the Company - dividend	-	-	(378)	(378)
Capital reduction	(1,220)	(783)	2,003	-
Balance at 31 December 2016	-	-	2,222	2,222

The attached notes on pages 9 to 19 form an integral part of these financial statements.


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ROYAL INSURANCE HOLDINGS LIMITED

Balance Sheet
as at 31 December 2016

	Notes	2016 £m	2015 £m
Fixed assets			
Investments	8	4,070	4,078
Current assets			
Other debtors	9	8	6
Deferred tax	11	-	6
		8	12
Cash at bank and in hand		-	-
Creditors: amounts falling due less than one year	10	(1,856)	(1,840)
Net current liabilities		(1,848)	(1,828)
Total assets less current liabilities		2,222	2,250
Creditors: amounts falling after one year		-	(333)
		2,222	1,917
Capital and reserves			
Called up share capital	12	-	1,220
Share premium account		-	783
Profit and loss account		2,222	(86)
Shareholders' funds		2,222	1,917

The attached notes on pages 9 to 19 form an integral part of these financial statements.

The financial statements were approved on 23 May 2017 by the Board of Directors and are signed on its behalf by:


GAVIN WILKINSON
Director
23 May 2017

ROYAL INSURANCE HOLDINGS LIMITED

Notes to the accounts

1. Basis of preparation (Financial Statements)

The financial statements are prepared in accordance with 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 pounds sterling, which is also the Company's functional currency and rounded to the nearest million except where otherwise indicated.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('IFRS'), but makes amendments where necessary in order to comply with Companies Act 2006. The Company has set out below where advantage of FRS 101 exemptions has been taken.

The disclosure exemptions applied by the Company are as follows:-

- A cash flow statement and related notes;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- The disclosure of any related party transactions with other wholly owned subsidiaries within the RSA group of companies.

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 disclosure:-

- Certain disclosures required by IFRS13 *Fair Value Measurement*; and
- the disclosures required by IFRS7 *Financial Instrument Disclosures*.

The Company has taken advantage of the exemption under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated accounts as it is a wholly-owned subsidiary of RSA Insurance Group plc, which prepares group accounts. The Report and Accounts containing these financial statements can be found at www.rsagroup.com.

The financial statements have been prepared under the historical cost convention, on a going concern basis.

The balance sheet as at 31 December 2016 reports net current liabilities of £1,848m (2015: £1,828m) after taking into account a liability of £1,856m (2015: £1,840m) due to Group companies on demand. After due and careful enquiry, the directors believe that it is not the intention of the Group companies to call for payment of the liability in the foreseeable future, and accordingly the financial statements have been prepared on a 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

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates ruling at the balance sheet date. The value of a non-monetary item is translated into sterling at the date of the initial recognition of the item and is not revalued subsequently for changes in exchange rates. When determining the net realisable value or recoverable amount for a non-monetary asset, the value is translated using the exchange rate at the valuation date.

Transactions denominated in foreign currencies are translated into sterling using the cumulative average rates for the financial year. The resulting exchange differences are taken to the profit and loss account.

(b) Taxation

Taxation and deferred tax 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.

Deferred tax is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and the carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the related deferred tax liability is settled.

Deferred tax in respect of the unremitted earnings of overseas subsidiaries and principal associated undertakings is recognised as an expense in the year in which the profits arise, except where the remittance of earnings can be controlled and it is probable that remittance will not take place in the foreseeable future, in which case the tax charge is recognised on the dividends received.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which unused tax losses and temporary differences can be utilised.

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Notes to the accounts (continued)

(c) Investments in subsidiaries

Investments in subsidiaries are valued at cost less impairments where applicable. The Company assesses at the end of each reporting period whether a subsidiary is impaired. Where there is an indication of impairment, the Company conducts an impairment test where it compares the carrying value of the investment with the higher of fair value of the investment and its value in use. The value in use is calculated as the expected value of future cash flows from the investment. Where a subsidiary is impaired, the impairment charge is recognised in the profit and loss account.

The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(d) Other loans and receivables

Other loans and receivables, including those due to and from Group undertakings are measured at amortised cost. The Company assesses at the end of each reporting period whether a loan or receivable is impaired. A loan or receivable is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the loan or receivable that can be reliably estimated.

(e) Critical accounting estimates and judgements

Carrying value of investments in subsidiaries

Investments in subsidiaries are valued at cost less impairments where applicable. Judgement is required to determine when an investment in a subsidiary is impaired and where a subsidiary is impaired, in estimating its impaired value. An impairment is recognised when the recoverable amount of an asset is lower than the current carrying value of the asset.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

2. Exchange Rates

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

	2016 Average for the period	2016 End of Period	2015 End of Period
Danish Krone	9.11	8.71	10.13
Euro	1.22	1.17	1.36
Singapore Dollar	1.87	1.79	2.09
United States Dollar	1.35	1.24	1.47

3. Auditor's remuneration

Fees payable to KPMG LLP for the audit of the Company's annual accounts were £9,000 (2015: £9,000) which were borne by a Group company Royal & Sun Alliance Insurance plc. Details of non-audit fees payable to KPMG LLP are disclosed in the RSA Insurance Group plc 2016 Annual Report & Accounts.

4. Directors' remuneration

The aggregate emoluments of the directors, including amounts received from subsidiaries, were as follows:

	2016 £000	2015 £000
Salaries and bonuses	1,461	1,912
Allowances, benefits and other awards	296	220
	<u>1,757</u>	<u>2,132</u>

The criteria for making bonus awards is based on targeted levels of business sector profit and specific business objectives.

No director who served during the year accrued retirement benefits under defined benefit schemes (2015: no director). Contributions of £30,704 (2015: £48,720) were made to Group defined benefit schemes during the year in respect of three directors who served during the year (2015: three directors).

Two directors exercised share options over shares in the Company's ultimate parent company during the year (2015: two directors). During the year there were four directors in respect of whose qualifying services shares were received or receivable under long term incentive schemes. (2015: four directors).

	2016 £000	2015 £000
The emoluments of the highest paid director are as follows:		
Salary, bonus, allowances, benefits and other awards	602	661
	<u>602</u>	<u>661</u>

The highest paid director did exercise share options over shares in the Company's ultimate parent company during the year. Shares were received or receivable under long term incentive schemes.

ROYAL INSURANCE HOLDINGS LIMITED

Notes to the accounts (continued)

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).

6. Investment income, expenses and charges

	2016	2015
	£m	£m
Income from Group undertakings	725	8
	<u>725</u>	<u>8</u>
	2016	2015
	£m	£m
Interest payable to Group undertakings	(36)	(33)
Impairment of investment in subsidiaries	(8)	(3)
	<u>(44)</u>	<u>(36)</u>

7. Taxation

The tax amounts (credited)/charged in the profit and loss account are as follows:

	2016	2015
	£m	£m
Current tax		
UK corporation tax	(8)	(6)
Total current tax	<u>(8)</u>	<u>(6)</u>
Deferred tax		
Origination and reversal of timing differences	6	3
Adjustment for change in tax rates	-	1
Total deferred tax (Note 11)	<u>6</u>	<u>4</u>
Tax credit	<u>(2)</u>	<u>(2)</u>

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

Factors affecting the tax (credit)/charge

The tax (credit)/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
	£m	£m
Profit/(loss) on ordinary activities before tax	<u>681</u>	<u>(29)</u>
Tax at 20.0% (2015: 20.2%)	<u>136</u>	<u>(6)</u>
Factors affecting (credit)/charge:		
Expenses not deductible for tax purposes	2	1
Tax exempt income and investment gains / (losses)	(145)	(2)
Fiscal adjustments	1	1
Movement in deferred tax assets not recognised	-	3
Effect of change in tax rates – CT/DT variance	(1)	-
Effect of change in tax rates – change in DT	-	1
Group relief surrendered/(received) without payment	5	-
Total tax (credit)/charge for the year	<u>(2)</u>	<u>(2)</u>

ROYAL INSURANCE HOLDINGS LIMITED

Notes to the accounts (continued)

8. Investments

Subsidiaries and associates

	2016 £m	2015 £m
At 1 January	4,078	4,079
Additions	-	2
Impairments	(8)	(3)
At 31 December	4,070	4,078
Comprising		
Original cost	4,082	4,082
Accumulated impairments	(12)	(4)
	4,070	4,078

A list of subsidiaries is attached at the end of this document.

9. Debtors: amounts falling due within one year

	2016 £m	2015 £m
Corporation tax	8	6
	8	6

10. Creditors: amounts falling due within one year

	2016 £m	2015 £m
Amounts owed to Group undertakings	1,856	1,840
	1,856	1,840

11. Deferred Tax

Deferred tax for the current year is based on a rate of 17% (2015: 18%)

	2016 £m	2015 £m
Other deferred tax reliefs	-	6
Deferred tax asset	-	6
	2016 £m	2015 £m
At 1 January	6	10
Amounts charged to the profit and loss account	(6)	(3)
Effect of change in tax rates – profit and loss account	-	(1)
Deferred tax asset at 31 December	-	6

The Company has deductible temporary differences of £131m (2015: £247m) for which no deferred tax has been recognized.

ROYAL INSURANCE HOLDINGS LIMITED

Notes to the accounts (continued)

12. Share Capital

	2016	2015
	£	£
Allotted, issued and fully paid		
50 ordinary shares of £1.00 each (2015: 4,881,047,056 ordinary shares of £0.25 each)	<u>50</u>	<u>1,220,261,764</u>

Following approval from the shareholders, the Company was re-registered as a private limited company on 15 September 2016.

12. Share Capital (continued)

On the 26 September 2016 the shares were consolidated on a 97,620,841.12 for 1 basis. 4,881,047,056 ordinary fully paid shares of 25p each were consolidated to 50 ordinary full paid shares of £24,405,235.28 each.

Subsequent to the share consolidation, the sum of £782,995,000 standing to the credit of the share premium account of the Company was cancelled.

Subsequent to this a capital reduction was carried out on 26 September 2016, where the issued share capital of £1,220,261,714 was reduced to £50 by reducing the nominal value of each share to £1 of 50 issued ordinary shares.

13. Parent companies

The Company's immediate and 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 20 Fenchurch Street, London, EC3M 3AU.

14. Events after the reporting period

On 7 February 2017, a dividend of £3,551,845 was declared by RSA E-Holdings Limited to the Company. The dividend declared by RSA E-Holdings Limited was part of RSA Insurance Group plc's capital optimisation program, which included the voluntary liquidation of RSA E-Holdings Limited. The dividend amount was used to offset the intercompany balance due to RSA E-Holdings from the Company with the result being that the net outstanding intercompany amount due to RSA E-Holdings Limited from the Company would be £17,752,395.

ROYAL INSURANCE HOLDINGS LIMITED

Notes to the accounts (continued)

Subsidiaries

Unless otherwise stated, the share capital disclosed comprises ordinary shares (or equivalent) which are 100% held directly or indirectly. The proportion of voting power held equals the proportion of ownership interest unless indicated.

The Company's subsidiaries at 31 December 2016 were as follows:

Name and country of incorporation	Registered office addresses	Class of shares held	Percentage Holding (%)
Bahrain			
Royal & Sun Alliance Insurance (Middle East) BSC (c)	Al foo, Building, office no. 21, 2nd floor, Building no. 662, Road no. 2811, Black no. 428, Al Seef, Manama, Kingdom of Bahrain	Ordinary	50
Brazil			
Royal & Sun Alliance Insurance plc - Escritório de Representação no Brasil Ltda.	Avenida Major Sylvio de Magalhães Padilha, 5200, America Business Park, Ed. Dallas, Conj. 31, Sala 02, Jardim Morumbi, 05693-000, City of São Paulo, State of São Paulo, Brazil	Ordinary	100
Canada			
3342484 Canada Limited	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Common	100
8301140 Canada Limited	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Common	100
8301140 Canada Limited ²	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Preferred	100
Ascentus Insurance Ltd.	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Common	100
Canadian Northern Shield Insurance Company	555 West Hastings Street, Suite 1900, Vancouver BC V6B 4N6, Canada	Common	100
Coast Underwriters Limited ²	208-4940 No. 3 Road, Richmond BC V6X 3A5, Canada	Class 1 Preferred Unlimited	100
Coast Underwriters Limited ²	208-4940 No. 3 Road, Richmond BC V6X 3A5, Canada	Class 2 Preferred Unlimited	100
Coast Underwriters Limited ^{2,5}	208-4940 No. 3 Road, Richmond BC V6X 3A5, Canada	Class A	85.42
Coast Underwriters Limited ²	208-4940 No. 3 Road, Richmond BC V6X 3A5, Canada	Class B1	100
Johnson Inc.	Fort William Building, 10 Factory Lane, St. John's NL A1C 6H5, Canada	Series A Common	100
Johnson Inc.	Fort William Building, 10 Factory Lane, St. John's NL A1C 6H5, Canada	Series B Common	100
Johnson, L. Inc.	1 Place Ville Marie, Ste. 4000, Montreal QC H3B 4M4, Canada	Class A Common	100
Johnson, L. Inc.	1 Place Ville Marie, Ste. 4000, Montreal QC H3B 4M4, Canada	Class B Common	100
MRM Solutions Limited ^{2,5}	208-4940 No. 3 Road, Richmond BC V6X 3A5, Canada	Class A Common	100
MRM Solutions Limited ^{2,5}	208-4940 No. 3 Road, Richmond BC V6X 3A5, Canada	Class B Common	100
Quebec Assurance Company	2475 Laurier Blvd., Quebec City, Québec, G1T 1C4, Canada	Common Shares	100
Reilly & Wickens Brokers Ltd. ¹	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Class A Voting Shares Unlimited	9.99
Reilly & Wickens Brokers Ltd. ^{1,2}	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Class B	32.51
		Non-Voting Shares	
		Unlimited	
Roins Financial Services Limited	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Common	100
Roins Financial Services Limited ²	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Preference	100
Roins Holding Limited	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Common	100
Royal & Sun Alliance Insurance Company of Canada ²	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Class A Preferred	100

ROYAL INSURANCE HOLDINGS LIMITED

Notes to the accounts (continued)

Subsidiaries (continued)

Name and country of incorporation	Registered office addresses	Class of shares held	Percentage Holding (%)
Canada			
Royal & Sun Alliance Insurance Company of Canada	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Common	99.996
RSA Travel Insurance Inc.	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Common	100
Shaw Sabey & Associates Ltd ¹	1800 - 401 West Georgia Street, Vancouver BC V6B 5A1, Canada	Common Unlimited	25
The Johnson Corporation	Fort William Building, 10 Factory Lane, St. John's NL A1C 6H5, Canada	Common	100
Unifund Assurance Company	Fort William Building, 10 Factory Lane, St. John's NL A1C 6H5, Canada	Common	100
Unifund Assurance Company ²	Fort William Building, 10 Factory Lane, St. John's NL A1C 6H5, Canada	Preferred	100
Unifund Claims Inc.	Fort William Building, 10 Factory Lane, St. John's NL A1C 6H5, Canada	Common	100
Western Assurance Company	18 York Street, Suite 800, Toronto ON M5J 2T8, Canada	Common	100
Denmark			
Besigtelses Kontoret af 1914 A/S	Codanhus, Gammel Kongevej 60, DK-1790 Kobenhavn V, Denmark	Ordinary	100
Codan A/S	Codanhus, Gammel Kongevej 60, DK-1790 Kobenhavn V, Denmark	Ordinary	100
Codan Ejendomme II A/S	Codanhus, Gammel Kongevej 60, DK-1790 Kobenhavn V, Denmark	Ordinary	100
Codan Forsikring A/S	Codanhus, Gammel Kongevej 60, DK-1790 Kobenhavn V, Denmark	Ordinary	100
Forsikringsselskabet Privatsikring A/S	Codanhus, Gammel Kongevej 60, DK-1790 Kobenhavn V, Denmark	Ordinary	100
Guernsey			
Insurance Corporation of the Channel Islands Limited	Dixcart House, Sir William Place, St. Peter Port, Guernsey, GY1 4EY	Ordinary	100
Insurance Corporation Service Company Limited	Dixcart House, Sir William Place, St. Peter Port, Guernsey, GY1 4EY	Ordinary	100
India			
Royal & Sun Alliance IT Solutions (India) Private Limited	Rider House, Plot No.136, Sector 44, Gurgaon , Haryana, 122002, India	Ordinary	100
RSA Actuarial Services (India) Private Limited	First Floor, Building 10 C, Cyber City Complex, DLF Phase II, Gurgaon , Haryana, 122002, India	Ordinary	100
Ireland			
123 Money Limited ²	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	B1 Ordinary	100
123 Money Limited ²	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	B2 Ordinary	100
123 Money Limited ²	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	B3 Ordinary	100
123 Money Limited ²	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	B4 Ordinary	100
123 Money Limited ²	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	B5 Ordinary	100
123 Money Limited ²	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	C Ordinary	100
123 Money Limited	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	Ordinary	100
Benchmark Underwriting Limited	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	Ordinary	100
EGI Holdings Limited	6th Floor, 2 Grand Canal Square, Dublin 2, Ireland, Ireland	Ordinary	100
Europa General Underwriters Limited	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	Ordinary	100
Royal & Sun Alliance (Ireland) Limited	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	Ordinary	100
RSA Insurance Ireland DAC	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	Ordinary	100
RSA Overseas (No.3) Limited	6th Floor, 2 Grand Canal Square, Dublin 2 , Ireland, United Kingdom	Ordinary	100
RSA Overseas Holdings (No.1) Unlimited Company	6th Floor, 2 Grand Canal Square, Dublin 2 , Ireland, United Kingdom	Common	100
RSA Overseas Holdings (No.2) Unlimited Company	6th Floor, 2 Grand Canal Square, Dublin 2 , Ireland, United Kingdom	Common	100

ROYAL INSURANCE HOLDINGS LIMITED

Notes to the accounts (continued)

Subsidiaries (continued)

Name and country of incorporation	Registered office addresses	Class of shares held	Percentage Holding (%)
Ireland			
RSA Reinsurance Ireland Limited	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	Ordinary	100
Sertus Underwriting Limited	RSA House, Dundrum Town Centre, Sandyford Road, Dundrum, Dublin 16, Ireland	Ordinary	100
The Patriotic Limited	RSA House, Dundrum Town Centre, Sandyford Road, Dublin 16, Ireland	Ordinary	100
Isle of Man			
Royal Insurance Service Company (Isle of Man) Limited	Jubilee Buildings, 1 Victoria Street, Douglas, IM99 1BF, Isle of Man	Ordinary	100
RSA Isle of Man No.1 Limited	33-37 Athol Street, Douglas, Isle of Man, IM1 1LB, Isle of Man	Ordinary	100
RSA Manx Holdings Limited	Fort Anne, Douglas, IM1 5PD, Isle of Man	Ordinary	100
Tower Insurance Company Limited	Jubilee Buildings, 1 Victoria Street, Douglas, IM99 1BF, Isle of Man	Ordinary	100
Jersey			
URICA Capital Limited	Elizabeth House, 9 Castle Street, St Helier, JE2 3RT, Jersey	Participating	49.95
Luxembourg			
RSA Overseas Holdings (Luxembourg) (No 1) SARL	412F Route d'Esch, L 1030, Luxembourg	Ordinary	100
Netherlands			
GDII - Global Direct Insurance Investments V.O.F.	Claude Debussylaan, 24, 1082MD, Amsterdam, Netherlands	Partnership Interest	100
IDIP Direct Insurance B.V.	20 Fenchurch Street, London, England, EC3M 3AU, United Kingdom	Ordinary	100
Intouch Insurance Group B.V.	20 Fenchurch Street, London, England, EC3M 3AU, United Kingdom	Ordinary	100
Royal & SunAlliance Benelux Holdings N.V.	20 Fenchurch Street, London, England, EC3M 3AU, United Kingdom	Ordinary	100
Royal Insurance Global B.V.	Wilhelminakeade 97-99, 3072 AP Rotterdam, Netherlands	Ordinary	100
RSA Overseas (Netherlands) B.V.	20 Fenchurch Street, London, England, EC3M 3AU, United Kingdom	Ordinary	100
RSA Overseas Holdings B.V.	20 Fenchurch Street, London, England, EC3M 3AU, United Kingdom	Ordinary	100
Sun Alliance Finance B.V.	20 Fenchurch Street, London, England, EC3M 3AU, United Kingdom	Ordinary	100
Norway			
NIS Norway AS	Drammensveien 134, Oslo, 0277, Norway	Ordinary	100
Oman			
Al Ahlia Insurance Company SAOC ³	PO Box 889, 100, Oman	Ordinary	70
Russian Federation			
GDII - Rus L.L.C.	Sadovay Square, 3 Office 667, 121099, Moscow, Russia	Ordinary	100
Saudi Arabia			
Al Alamiya for Cooperative Insurance Company ³	Office No.203, 2nd Floor, Home Centre Building, Tahlia Street, Suleymaniyah, Riyadh, Kingdom of Saudi Arabia, Saudi Arabia	Ordinary	50.07
Singapore			
Survey Association Pte. Ltd.	8 Cross Street, #10-00, PWC Building, Singapore (048424)	Ordinary	100
Sweden			
CAB Group AB ¹	Stortorget 11, S-702 11 Örebro, Sweden	Ordinary	27.27
Holmia Livförsäkring AB	Fleminggatan 18, S-106 26 Stockholm, Sweden	Ordinary	100
NIS Sweden I AB	c/o Trygg-Hansa Försäkring Filial, 10626, Stockholm, Sweden	Ordinary	100

ROYAL INSURANCE HOLDINGS LIMITED

Notes to the accounts (continued)

Subsidiaries (continued)

Name and country of incorporation	Registered office addresses	Class of shares held	Percentage Holding (%)
United Kingdom			
Acrecrest Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Alliance Assurance Company Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Bradford Insurance Trustee Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
British and Foreign Marine Insurance Company Limited	30 Finsbury Square, London, EC2P 2YU, United Kingdom	Ordinary	100
British Aviation Insurance Company Limited	Fitzwilliam House, 10 St Mary Axe, London, EC3A 8EQ, United Kingdom	Ordinary	57.1
Counce O'Hara & Company Limited ¹	82 King Street, Manchester, England, M2 4WQ, United Kingdom	Ordinary	39
Centrium Management Company Limited ²	5th Floor, United Kingdom House, 180 Oxford Street, London, England, W1D 1NN, United Kingdom	Ordinary	31.45
Century Insurance Company Limited	Level 8, 110 Queen Street, Glasgow, G1 3BX	Ordinary	100
Codan Finance Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Coverselect Limited	Hill House, 1 Little New Street, London, EC4A 3TR, United Kingdom	Ordinary	100
Eurotempest Limited ¹	c/o UCL Business Plc, The Network Building 97, Tottenham Court Road, London, England, W1T 4TP, United Kingdom	Ordinary	33.33
Fyfe Group Limited	Hill House, 1 Little New Street, London, EC4A 3TR, United Kingdom	Ordinary	100
Liability Insurance Solutions Limited	Hill House, 1 Little New Street, London, EC4A 3TR, United Kingdom	Ordinary	100
Liverpool Marine and General Insurance Company Limited	30 Finsbury Square, London, EC2P 2YU, United Kingdom	Ordinary	100
London Guarantee & Reinsurance Company Limited	30 Finsbury Square, London, EC2P 2YU, United Kingdom	Ordinary	100
Magian Underwriting Agency (1998) Limited	Hill House, 1 Little New Street, London, EC4A 3TR, United Kingdom	Ordinary	100
Martello Professional Risks Limited	Hill House, 1 Little New Street, London, EC4A 3TR, United Kingdom	Ordinary	100
Motor Trade Solutions Limited	Hill House, 1 Little New Street, London, EC4A 3TR, United Kingdom	Ordinary	100
National Vulcan Engineering Insurance Group Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Noble Marine (Insurance Brokers) Limited	Clinton House, 12 Lombard Street, Newark, Nottinghamshire, England, NG24 1XB, United Kingdom	Ordinary	100
Noble Marine (Underwriting Agencies) Limited	Clinton House, 12 Lombard Street, Newark, Nottinghamshire, England, NG24 1XB, United Kingdom	Ordinary	100
Non-Destructive Testers Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Oak Underwriting plc	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Polaris U.K. Limited ¹	New London House, 6 London Street, London, England, EC3R 7LP, United Kingdom	Ordinary	25.38
Professional Indemnity Direct Limited	1 More London Place, London, SE1 2AF	Ordinary	100
Punchbowl Park Management Limited ¹⁴	10 Buckingham Gate, London, England, SW1E 6LA, United Kingdom	Ordinary	65.09
R&SA Global Network Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	64
Road Runner Motor Trade Limited	Hill House, 1 Little New Street, London, EC4A 3TR, United Kingdom	Ordinary	100
Royal & Sun Alliance Insurance (Global) Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Royal & Sun Alliance Property Services Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Royal & Sun Alliance Reinsurance Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Royal Insurance (U.K.) Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Royal Insurance Operational Services (U.K.) Limited	30 Finsbury Square, London, EC2P 2YU, United Kingdom	Deferred Ordinary	100

ROYAL INSURANCE HOLDINGS LIMITED

Notes to the accounts (continued)

Subsidiaries (continued)

Name and country of incorporation	Registered office addresses	Class of shares held	Percentage Holding (%)
Royal & Sun Alliance Insurance plc ⁶	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Royal & Sun Alliance Pension Trustee Limited ⁶	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
R&SA Marketing Services plc ⁶	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
RSA E-Holdings Limited ⁶	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
RSA Accident Repairs Limited ⁶	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
RSA CRS (US) Limited ⁶	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Royal Insurance Operational Services (U.K.) Limited	30 Finsbury Square, London, EC2P 2YU, United Kingdom	Ordinary	100
Royal International Insurance Holdings Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	£1.00 Ordinary	100
Royal International Insurance Holdings Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	US\$1.00 Ordinary	100
Roysun Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
RSA Claims Management Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
RSA Finance	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
RSA Law Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary A	90
RSA Northern Ireland Insurance Limited	Law Society House, 90-106 Victoria Street, Belfast, Northern Ireland, BT1 3GN	Ordinary	100
RSA Overseas Holdings (UK) Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Saturn Professional Risks Limited	Hill House, 1 Little New Street, London, EC4A 3TR, United Kingdom	Ordinary	100
Sun Alliance and London Insurance plc	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Sun Alliance Insurance International Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Sun Alliance Insurance Overseas Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Sun Alliance Insurance UK Limited	30 Finsbury Square, London, EC2P 2YU, United Kingdom	Ordinary	100
Sun Alliance Management Services Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Sun Insurance Office Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
The Globe Insurance Company Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
The London Assurance	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
The Marine Insurance Company Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
The Northern Maritime Insurance Company Limited	30 Finsbury Square, London, EC2P 2YU, United Kingdom	Ordinary	100
The Sea Insurance Company Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
The Union Marine and General Insurance Company Limited	30 Finsbury Square, London, EC2P 2YU, United Kingdom	Ordinary	100
The Westminster Fire Office Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
Westgate Properties Limited	St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL, United Kingdom	Ordinary	100
United States of America			
Royal & Sun Alliance Insurance Agency Inc.	Wall Street Plaza, 88 Pine Street, 31st Floor, New York, NY 10005, United States	Common	100

Other notes:

1. Indicates that the holding represents an investment in Associate, either owned directly or indirectly
2. Indicates ownership of non-voting shares
3. In relation to Al Ahlia Insurance Company SAOC and Al Alamiya for Cooperative Insurance Company, the percentage held relates to the actual percentage of the share capital held and not the effective percentage held (which is 35.00% and 25.04% respectively).

ROYAL INSURANCE HOLDINGS LIMITED

Notes to the accounts (continued)

4. There is no subsidiary where the parent holds less than 50% of the voting rights and there are no entities where the Company holds more than 50% of the voting rights which are not subsidiaries unless indicated
5. The percentage held relates to the actual percentage of share capital held and not the effective percentage held (85.42%)
6. Directly owned