

CHUBB CAPITAL VII LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2021

COMPANY REGISTRATION NUMBER: 03265185



DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are pleased to submit their report and the financial statements for the year to 31 December 2021. Pursuant to Section 480 of Companies Act 2006, these financial statements have not been audited.

It should be noted that the company's financial statements have been prepared in compliance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS102"), being applicable United Kingdom Generally Accepted Accounting Practice ("UK GAAP"). The company transitioned from previously extant UK GAAP to FRS 102 as at 1 January 2014. Any financial amounts included within this report, including comparative amounts, are calculated based on FRS 102.

PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

The principal activity of the company is that of a corporate underwriting member of Lloyd's. The company has resigned as a corporate underwriting member of Lloyd's, with its last year of active underwriting being 2000. Accordingly, all technical account transactions are considered to be derived from discontinued operations.

The company participated exclusively on Syndicate 1171 which was managed by Ridge Underwriting Agencies Limited, a fellow subsidiary undertaking of Chubb (CR) Holdings. The company's participation on Syndicate 1171 for the 2000 year of account was £7,090,000, representing 70.9% of the total capacity of £10,000,030.

During September 2013, the syndicate's 2000 year of account closed into Centrewrite, a Lloyd's reinsurance vehicle, with a reinsurance to close of £Nil.

RESULTS AND DIVIDENDS

The result for the financial year to 31 December 2021 on ordinary activities before tax amounted to £Nil (2020: £Nil) and the shareholders' funds of the company total £2,010,000 (2020: £2,010,000). The directors do not recommend the payment of a dividend (2020: £Nil).

DIRECTORS

The following have been directors from 1 January 2021 to the date of this report unless otherwise indicated:

M A Connole	(resigned 1 June 2022)
P S Lawlis	(appointed 1 June 2022)
R Q Wilson	(appointed 30 July 2021)
D T Whelan	

Qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) have been put in place for the benefit of the directors and, at the date of this report, are in force in relation to certain losses and liabilities which they may incur (or have incurred) in connection with their duties, powers or office.

The company also has the benefit of a group insurance company management activities policy effected by Chubb Limited. No charge was made to the company during the year for this policy.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK GAAP (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), and applicable law). 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of 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.

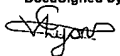
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 - continued

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board

DocuSigned by:

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V.C Lyons

for and on behalf of
Chubb London Services Limited
Secretary
21 September 2022

100 Leadenhall Street
London
EC3A 3BP

CHUBB CAPITAL VII LIMITED

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**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £'000	2020 £'000
TECHNICAL ACCOUNT – LONG TERM BUSINESS			
EARNED PREMIUMS, NET OF REINSURANCE:			
Gross premiums written	2	-	-
Outward reinsurance premiums		-	-
		<hr/>	<hr/>
EARNED PREMIUMS, NET OF REINSURANCE		-	-
ALLOCATED INVESTMENT RETURN TRANSFERRED FROM THE NON-TECHNICAL ACCOUNT	3	-	-
CLAIMS INCURRED, NET OF REINSURANCE:			
Claims paid:			
Gross amount	2	-	-
Reinsurers' share		-	-
		<hr/>	<hr/>
Net paid claims		-	-
		<hr/>	<hr/>
Change in the provision for claims outstanding:			
Gross amount	2	-	-
Reinsurers' share		-	-
		<hr/>	<hr/>
Change in the net provision for claims outstanding		-	-
		<hr/>	<hr/>
CLAIMS INCURRED, NET OF REINSURANCE		-	-
Net operating expenses	4	-	-
		<hr/>	<hr/>
BALANCE ON THE TECHNICAL ACCOUNT FOR LONG TERM BUSINESS		-	-
		<hr/>	<hr/>

All of the above results derive from discontinued operations.

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021 – continued**

	Note	2021 £'000	2020 £'000
NON-TECHNICAL ACCOUNT			
BALANCE ON THE LONG TERM BUSINESS TECHNICAL ACCOUNT		-	-
Investment income	6	-	-
Allocated investment return transferred to the general business technical account	3	-	-
Other income	7	-	-
Other charges, including value adjustments	8	-	-
RESULT / PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		-	-
Tax on result / profit on ordinary activities	9	-	-
RESULT / PROFIT FOR THE FINANCIAL YEAR		-	-

Results for the current and prior year derive from discontinued operations.

The company has no recognised gains or losses in the current or prior year other than those presented and hence no separate Statement of Total Recognised Gains and Losses is presented.

There is no difference between the result / profit on ordinary activities before tax and the result / profit for the financial year for the current or prior year and their historical cost equivalents.

CHUBB CAPITAL VII LIMITED

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BALANCE SHEET AS AT 31 DECEMBER 2021

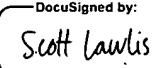
	Note	2021 £'000	2020 £'000
ASSETS			
DEBTORS			
Other debtors	10	2,410	2,410
OTHER ASSETS			
Cash at bank and in hand	12	-	-
TOTAL ASSETS		2,410	2,410
LIABILITIES			
CAPITAL AND RESERVES			
Called-up share capital	13	63,285	63,285
Profit and loss account		(61,275)	(61,275)
TOTAL SHAREHOLDERS' FUNDS		2,010	2,010
CREDITORS			
Other creditors including taxation and social security	14	400	400
TOTAL LIABILITIES		2,410	2,410

For the year ending 31 December 2021, the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Directors' responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year ending 31 December 2021 in accordance with section 476 of the Companies Act 2006; and
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the board of directors on 21 September 2022 and signed on its behalf by:

DocuSigned by:

 31229888847C472...
P S Lawlis
 Director

21 September 2022

COMPANY REGISTRATION NUMBER: 03265185

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called-up share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
At 1 January 2020	63,285	(61,275)	2,010
Result for the financial year	-	-	-
At 31 December 2020	63,285	(61,275)	2,010
Result for the financial year	-	-	-
As 31 December 2021	63,285	(61,275)	2,010

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the provision of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 ("SI2008/410") relating to insurance companies' individual financial statements and applicable accounting standards in the United Kingdom, including Financial Reporting Standard FRS 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"). The company is a wholly owned subsidiary of Chubb (CR) Holdings and is included in the consolidated financial statements, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow Statement and disclosing details of key management personnel and related party transactions under the terms of FRS102.

The Company has also taken advantage of the exemption under Section 414A of the Companies Act 2006 from the requirement to present a Strategic Report in the financial statements as the Company meets the criteria to prepare accounts in accordance with the small companies regime for the current accounting period.

The principal accounting policies, which are set out below, have been applied consistently throughout the year:

Underwriting business

- Preparing financial statements in accordance with Schedule 3 to the Regulations was previously required the company to recognise its proportion of all the transactions undertaken by the Lloyd's syndicate in which it participates ("the syndicate") during the calendar year. Similarly, its proportion of the syndicate's assets and liabilities have previously been reflected in its balance sheet. The proportion referred to above was calculated by reference to the company's participation as a percentage of the syndicate's total capacity. For the current year the company had no participation in the syndicate.

Premiums written

Premiums written, which are stated gross of brokerage but exclusive of premium taxes, relate to business inception during the year, together with adjustments made in the year to premiums written in prior accounting periods. Estimates are made of pipeline premiums, representing amounts due but not yet received or notified to the company by intermediaries.

Acquisition costs

Acquisition costs comprise brokerage, commissions and other related costs, and are deferred over the period in which the related premiums are earned.

Claims incurred

Claims incurred comprise the estimated cost of all claims occurring during the year, whether reported or not, including related direct and indirect expenses and adjustments to claims outstanding from previous years. Where applicable, deductions are made for reinsurance and other recoveries.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

1. ACCOUNTING POLICIES – continued

Reinsurance to close

The reinsurance to close is technically a reinsurance contract and, as such, the payment of a reinsurance to close does not remove from members of that year of account ultimate responsibility for claims payable on risks they have written.

If the company has increased its participation from one year of account to the next, the reinsurance to close paid is eliminated, as a result of this offset, leaving an element of the reinsurance to close received. This reflects the fact that the company has assumed a greater proportion of the business of the syndicate. If the company has reduced its participation from one year of account to the next, the reinsurance to close received is eliminated, leaving an element of the reinsurance to close paid. This reflects the reduction in the company's exposure to risks previously written by the syndicate. The excess representing the increase or reduction in percentage participation is shown in the technical account as gross premiums written or reinsurance premiums payable as appropriate and is represented in the balance sheet by the related share of assets and liabilities transferred between the two Lloyd's years of account of the managed syndicate.

Syndicate investment income, expenses and charges

Syndicate investments and cash are held on a pooled basis, the return from which is allocated to underwriting years proportionately to the funds contributed by the year.

Investment return

Investment return comprises all investment income, realised investment gains and losses and movements in unrealised gains and losses, net of investment expenses, charges and interest. FRS3 "Reporting Financial Performance" and the Association of British Insurers' Statement of Recommended Practice require that, for insurance entities, both realised investment gains and losses be included as part of investment return in the profit and loss account. Dividends receivable are accounted for by reference to the date on which the price of the investment is quoted ex-dividend. Interest and expenses are accounted for on an accruals basis.

Realised gains and losses on investments carried at bid value are calculated as the difference between net sale proceeds and purchase price. Movements in unrealised gains and losses on investments represent the difference between the valuation at the balance sheet date and their purchase price or, if they have previously been revalued, their valuation at the last balance sheet date, together with the reversal of unrealised gains and losses recognised in earlier accounting periods in respect of investment disposals in the current period.

Investment return is initially recorded in the non-technical account. A transfer is made from the non-technical account to the general business technical account to reflect the investment return on funds supporting underwriting business. All syndicate investment gains and losses including those that are unrealised are attributed to the technical account in accordance with TR 1/99.

Taxation

UK taxation in the profit and loss account is based on the underwriting result and other income and charges of the year as determined in accordance with the relevant tax legislation, together with adjustments for prior years.

Deferred tax

Deferred tax has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more tax in future, or a right to pay less tax in future. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax assets and liabilities recognised have not been discounted.

Foreign currency transactions

Syndicate transactions and balances in US dollars are translated into sterling at the rates of exchange ruling at the balance sheet date. These exchange differences are recognised in the statement of total recognised gains and losses. Non-technical account transactions and syndicate transactions denominated in other foreign currencies are included at the rate of exchange ruling at the date the transaction is processed. All assets and liabilities denominated in other foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. These exchange differences are recognised in the technical or non-technical account as appropriate.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2. SEGMENTAL ANALYSIS

Segmental information in the format required by Schedule 3 to the Regulations is as follows:

	Gross premiums written £'000	Gross premiums earned £'000	Gross claims incurred £'000	Gross operating expenses £'000	Reinsurance balance £'000
Year to 31 December 2021					
Long term business Life	-	-	-	-	-
Year to 31 December 2020					
Long term business Life	-	-	-	-	-

The reinsurance balance represents the credit to the technical account from the aggregate of all items relating to outwards reinsurance.

3. ALLOCATED INVESTMENT RETURN TRANSFERRED FROM THE NON-TECHNICAL ACCOUNT

	2021 £'000	2020 £'000
Syndicate investment income	-	-

4. NET OPERATING EXPENSES

	2021 £'000	2020 £'000
Administrative expenses	-	-

5. DIRECTORS AND EMPLOYEES

The company has no employees (2020: None). The directors received no emoluments for their services to the company (2020: £Nil).

All executive directors are entitled to shares in Chubb Limited under long-term incentive plans. During the year, three directors received shares in Chubb Limited under long-term incentive plans; none of the directors exercised options over the shares of Chubb Limited.

6. INVESTMENT RETURN

	2021 £'000	2020 £'000
Investment income		
Syndicate investment income	-	-
Interest on US tax refund	-	-
Interest on Funds at Lloyd's	-	-
TOTAL INVESTMENT RETURN	-	-

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

7. OTHER INCOME

	2021	2020
	£'000	£'000
Profit on exchange.	-	-

8. OTHER CHARGES, INCLUDING VALUE ADJUSTMENTS

	2021	2020
	£'000	£'000
Administrative expenses	-	-

Fees payable to the company's auditors and its associates of £Nil (2020: Nil) for the audit of the company's financial statements are borne by Chubb Services UK Limited.

9. TAX ON RESULT / PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge / (credit) for the year

	2021	2020
	£'000	£'000
Current tax (note 9 (b)):		
UK corporation tax on profits for the year	-	-
Prior year adjustments	-	-
Total current tax	-	-
Deferred tax (note 11):		
Origination and reversal of timing differences	-	-
Effect of decreased tax rate on opening asset	-	-
Total deferred tax	-	-
Tax on result / profit on ordinary activities	-	-

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

9. TAX ON RESULT / PROFIT ON ORDINARY ACTIVITIES - continued

(b) Factors affecting tax credit for the year

The tax assessed for the year is the same as (2020: same as) the standard rate of corporation tax in the UK. The differences are explained below:

	2021 £'000	2020 £'000
Result / Profit on ordinary activities before tax	-	-
Result / Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	-	-
Effects of:		
Non-taxable foreign exchange loss	-	-
Prior year adjustments	-	-
Current tax credit for the year (note 9 (a))	-	-

10. OTHER DEBTORS

	2021 £'000	2020 £'000
Amounts falling due within one year:		
Amounts recoverable from group undertakings	2,313	2,313
Corporation tax	97	97
	2,410	2,410

11. DEFERRED TAX

	2021 £'000	2020 £'000
Asset at 1 January	-	-
Movement in profit and loss account for the year:		
Effect of decreased tax rate on opening asset (note 9 (a))	-	-
Additional provision (note 9 (a))	-	-
Asset at 31 December	-	-

12. CASH AT BANK AND IN HAND

In 2015 all the company's remaining Funds At Lloyd's ('FAL') cash in Chubb Capital VII Limited was released to Chubb Capital I Limited and disclosed within Other Debtors – Amounts recoverable from group undertakings.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

13. CALLED-UP SHARE CAPITAL

	2021 £'000	2020 £'000
Allotted, called-up and fully paid: 63,285,217 (2019: 63,285,217) Ordinary shares of £1 each	63,285	63,285

14. OTHER CREDITORS INCLUDING TAXATION AND SOCIAL SECURITY

	2021 £'000	2020 £'000
Amounts payable to group undertakings	400	400

15. TRANSACTIONS WITH RELATED PARTIES

Advantage has been taken of the exemption provided in FRS 102 from disclosing details of transactions with Chubb Limited and its subsidiary undertakings.

16. ULTIMATE HOLDING COMPANY

The company's immediate holding company is Chubb (CR) Holdings. The ultimate holding company is Chubb Limited, a company registered in Zurich, Switzerland, with its headquarters in Zurich, Switzerland and it is quoted on the New York Stock Exchange. Copies of the ultimate holding company's consolidated financial statements can be obtained from Investor Relations at Chubb's executive offices at 17 Woodbourne Avenue, Hamilton HM 08, Bermuda.

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