

Company registration number (England and Wales): 9349932

HOLYWELL WREN HOLDINGS LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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HOLYWELL WREN HOLDINGS LTD

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HOLYWELL WREN HOLDINGS LTD

COMPANY INFORMATION

COMPANY PERSONNEL

Directors	I R Dewhirst M A Dewhirst
Secretary	Argenta Secretariat Ltd

COMPANY ADDRESSES

Registered office	5th Floor 70 Gracechurch Street London EC3V 0XL
Auditors	Humphrey & Co Audit Services Ltd 7 - 9 The Avenue Eastbourne East Sussex BN21 3YA

HOLYWELL WREN HOLDINGS LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors have pleasure in presenting their strategic report for the year ended 31 December 2022.

Principal activities and review of the business

The principal activity of the group in the year under review was to participate in underwriting at Lloyd's on a limited liability basis through one of its wholly owned subsidiary companies. The group, through another of its subsidiaries, also carried out arable farming activities.

The group has continued to underwrite on the 2023 year of account.

The result for the year is in respect of the 2022 annual accounting year, which consists of movements in the 2020, 2021 and 2022 years of account as well as any 2019 and prior run-off years. Gross premiums written increased from £1,944,487 to £2,373,121 compared to the previous year and the overall balance on the technical account decreased from £101,934 in 2021 to £82,484 as a result of the level of claims experienced.

The group's total capital and reserves at the year end were £2,294,305 (2021: £2,187,782).

The key business risks and uncertainties affecting the company are considered to relate to insurance risk, investment and currency risk and regulatory risk.

Other risks within the group include exposure to fluctuations in the rural and land prices as well as operating in arable farming.

Financial risk management objectives and policies

The group is principally exposed to financial risk through its participation on Lloyd's syndicates. It has delegated sole management and control of its underwriting through each syndicate to the managing agent of that syndicate and it looks to the managing agents to implement appropriate policies, procedures and internal controls to manage each syndicate's exposures to insurance risk, credit risk, market risk, liquidity risk and operational risk. The group is also directly exposed to these risks, but they are not considered material for the assessment of the assets, liabilities, financial position and profit or loss of the group.

Hedge accounting is not used by the group.

War in Ukraine

The ongoing war in Ukraine will have an impact on future claims and underwriting results in due course and the directors are monitoring the situation. The impact on the Lloyd's insurance market is currently uncertain, however, the directors are of the opinion that the group has sufficient funds to support its underwriting for the foreseeable future through Funds at Lloyd's made available by the group or its members.

Key performance indicators

The directors monitor the performance of the group by reference to the following key performance indicators:

	2022	2021
Capacity (youngest underwriting year) (£)	2,094,561	2,005,021
Gross premium written as a % of capacity	113.3 %	97.0 %
Underwriting profit/(loss) of latest closed year as a % of capacity	1.9 %	(0.6)%
Run-off years of account movement (£)	(301)	(26,240)
Combined ratio	91.7 %	93.0 %

The combined ratio is the ratio of net claims incurred, commissions and expenses to net premiums earned.

HOLYWELL WREN HOLDINGS LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Section 172(1) statement

The directors of the group have a duty to promote the success of the group whilst giving due regard to the interests of stakeholders affected by the group's activities.

As a result of the nature of this group as a Lloyd's corporate member, the majority of its activities are carried out by the syndicates in which it participates. The group is not involved directly in the management of the syndicates' activities, as these are the responsibility of the relevant managing agent. Each managing agent has a board of directors who are responsible for the activities of each syndicate, and themselves have a duty towards a range of considerations including (but not limited to) employees, community and environmental matters, standards of business conduct and the long term consequence of decisions.

The group itself undertakes very few transactions and does not employ any staff other than the directors. The directors ensure supplier invoices are paid on time in line with any agreed terms. The directors work very closely with the members of the group and the members agent, Argenta Private Capital Ltd, to discuss all significant decisions, including the selection of which syndicates to participate. This ensures the directors act fairly between members of the group.

The group and the syndicates are required to operate within the guidelines and code of conduct of the Lloyd's market. Behind the Lloyd's market is the Lloyd's Corporation, an independent organisation and regulator that acts to protect and maintain the market's reputation and provides services and original research, reports and analysis to the industry's knowledge base.

The directors' intention is to behave responsibly and ensure that management operate the business in a responsible manner by a managed crop rotation plan adopting good practices of land management whilst engaging trusted contractors, agronomists and other suppliers to achieve these and in doing so will contribute to the delivery of a successful operation. The directors' plan takes into account the impact of the group's operations on the local community and environment and as such they are engaging in environmental schemes such as Hedgerow and Boundary management.

The directors continue to develop and maintain strong customer and supplier relationships and maintain up-to-date contracts with their key suppliers.

The group is classified as a low energy user and as such no energy and carbon information has been disclosed in the accounts.

Approved by the Board on 7 September 2023 and signed on its behalf by



M A Dewhirst
Director

HOLYWELL WREN HOLDINGS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors have pleasure in presenting their report together with the financial statements for the year ended 31 December 2022.

Results and dividends

The profit for the year after taxation was £106,523 (2021: loss £49,986). The directors do not recommend the payment of a final dividend.

Directors

The directors who held office at any time during the year are listed below:

I R Dewhirst

M A Dewhirst

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report, Strategic 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 group and of the profit or loss of the group 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 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006.

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

Auditors

The auditors, Humphrey & Co Audit Services Ltd, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

Approved by the Board on 7 September 2023 and signed on its behalf by



M A Dewhirst
Director

HOLYWELL WREN HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOLYWELL WREN HOLDINGS LTD

Opinion

We have audited the financial statements of Holywell Wren Holdings Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 on pages 8 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 29 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

HOLYWELL WREN HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOLYWELL WREN HOLDINGS LTD (continued)

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 by the parent company, or returns adequate for 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.

Responsibilities of the directors

As explained more fully in the Statement of directors' responsibilities 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills;
- we obtained an understanding of the group and the laws and regulations that could reasonably be expected to have a direct effect on the financial statements through discussion with the Board and the application of our knowledge and experience;
- we assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
- making enquiries of management; and
- considering the extent of internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

HOLYWELL WREN HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOLYWELL WREN HOLDINGS LTD (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

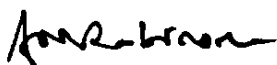
- agreeing financial statement transactions, balances and disclosures to underlying supporting documentation;
- discussions with those charged with governance.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

This report is made solely to the group'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 group'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 group and the group's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Robinson (Senior Statutory Auditor)
for and on behalf of Humphrey & Co Audit Services Ltd
Chartered Accountants
Statutory Auditor
Date: 21 September 2023

Humphrey & Co Audit Services Ltd
7 - 9 The Avenue
Eastbourne
East Sussex
BN21 3YA

HOLYWELL WREN HOLDINGS LTD**CONSOLIDATED INCOME STATEMENT - TECHNICAL ACCOUNT (GENERAL BUSINESS)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Gross premiums written	5	2,373,121	1,944,487
Outward reinsurance premiums		(545,244)	(501,973)
Net premiums written		1,827,877	1,442,514
Change in the provision for unearned premiums			
Gross provision	7	(118,069)	5,771
Reinsurers' share	7	13,448	(7,652)
Net change in the provision for unearned premiums		(104,621)	(1,881)
Earned premiums net of reinsurance		1,723,256	1,440,633
Allocated investment return transferred from the non-technical account		(59,731)	1,120
Claims paid			
Gross amount		(1,006,616)	(1,003,661)
Reinsurers' share		277,557	291,157
Net claims paid		(729,059)	(712,504)
Change in provision for claims			
Gross amount	7	(398,854)	(128,616)
Reinsurers' share	7	171,731	55,148
Net change in provision for claims		(227,123)	(73,468)
Claims incurred net of reinsurance		(956,182)	(785,972)
Net operating expenses	9	(624,859)	(553,847)
Balance on technical account for general business		82,484	101,934

HOLYWELL WREN HOLDINGS LTD

CONSOLIDATED INCOME STATEMENT - NON TECHNICAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Balance on the general business technical account		82,484	101,934
Investment income	8	41,581	30,174
Realised gain on investments	8	24,638	5,823
Realised loss on investments	8	(14,928)	(6,524)
Unrealised gain on investments	8	6,813	55,018
Unrealised loss on investments	8	(137,616)	(28,209)
Investment expenses and charges	8	(1,508)	(1,239)
Allocated investment return transferred to the technical account		59,731	(1,120)
Other income	10	252,401	94,452
Other charges		(196,173)	(239,064)
Profit on ordinary activities before taxation	11	117,423	11,245
Tax on profit on ordinary activities	20	(10,900)	(61,231)
Profit/(Loss) for the financial year		106,523	(49,986)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2022 £	2021 £
Profit/(Loss) for the financial year	106,523	(49,986)
Other comprehensive income	-	-
Profit/(Loss) for the financial year	106,523	(49,986)

All amounts above relate to continuing operations.

HOLYWELL WREN HOLDINGS LTD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

ASSETS	Note	Syndicate Assets £	Corporate £	2022 Total £	2021 Total £
Fixed assets					
Intangible assets	13	-	11,958	11,958	14,699
Tangible assets	14	-	734,098	734,098	736,618
Total fixed assets		-	746,056	746,056	751,317
Investments					
Financial investments	15	1,916,811	950,499	2,867,310	2,584,744
Deposits with ceding undertakings		7,557	-	7,557	12,301
Total investments		1,924,368	950,499	2,874,867	2,597,045
Reinsurers' share of technical provisions					
Provision for unearned premiums	7	186,595	-	186,595	153,348
Claims outstanding	7	403,392	-	403,392	363,368
Other technical provisions		786,852	-	786,852	560,193
Total reinsurers' share of technical provisions		1,376,839	-	1,376,839	1,076,909
Debtors					
Arising out of direct insurance operations	16				
Policyholders		7	-	7	7
Intermediaries		640,316	-	640,316	496,054
Arising out of reinsurance operations	16	114,269	-	114,269	94,925
Other debtors	17	586,152	58,220	644,372	493,736
Total debtors		1,340,744	58,220	1,398,964	1,084,722
Other assets					
Cash at bank	18	320,423	1,136,427	1,456,850	1,327,457
Other		-	21,546	21,546	32,266
Total other assets		320,423	1,157,973	1,478,396	1,359,723
Prepayments and accrued income					
Accrued interest		2,605	-	2,605	1,886
Deferred acquisition costs	7	246,749	-	246,749	211,746
Other prepayments and accrued income		11,561	1,246	12,807	11,012
Total prepayments and accrued income		260,915	1,246	262,161	224,644
Total assets		5,223,289	2,913,994	8,137,283	7,094,360

HOLYWELL WREN HOLDINGS LTD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued) AS AT 31 DECEMBER 2022

	Note	Syndicate Liabilities £	Corporate £	2022 Total £	2021 Total £
LIABILITIES					
Capital and reserves					
Called-up share capital	19	-	450,000	450,000	450,000
Share premium account		-	-	-	-
Merger reserve		-	12,293	12,293	12,293
Profit and loss account		(84,602)	1,916,614	1,832,012	1,725,489
Shareholder's funds attributable to equity interests		(84,602)	2,378,907	2,294,305	2,187,782
Technical provisions					
Provision for unearned premiums	7	1,052,121	-	1,052,121	847,544
Claims outstanding - gross amount	7	3,588,990	-	3,588,990	3,024,837
Total technical provisions		4,641,111	-	4,641,111	3,872,381
Provisions for other risks and charges					
Provision for taxation	20	-	-	-	-
Deposits received from reinsurers		374	-	374	1,593
Creditors					
Arising out of direct insurance operations		55,593	-	55,593	43,761
Arising out of reinsurance operations		492,126	-	492,126	385,649
Amounts due to credit institutions	22	-	-	-	-
Other creditors	21	73,224	516,785	590,009	531,668
Total creditors		620,943	516,785	1,137,728	961,078
Accruals and deferred income					
Other accruals and deferred income		45,463	18,302	63,765	71,526
Total liabilities		5,223,289	2,913,994	8,137,283	7,094,360

Approved by the Board on 7 September 2023 and signed on its behalf by



M A Dewhirst
Director

Company Registration No. 09349932

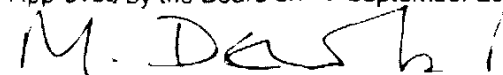
HOLYWELL WREN HOLDINGS LTD

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 Total £	2021 Total £
Fixed assets			
Fixed assets and financial investments	15	810,000	810,000
Current assets			
Debtors	17	354,708	334,434
Cash at bank and in hand		509,486	543,859
Financial investments	15	-	-
Total current assets		864,194	878,293
Creditors: amounts falling due within one year	21		
Amounts due to subsidiary undertakings		-	-
Shareholders' loan account		-	-
Corporation tax		-	-
Accruals		(6,240)	(12,000)
Net current assets		857,954	866,293
Total assets less current liabilities		1,667,954	1,676,293
Creditors: amounts falling due after one year	21	(360,000)	(360,000)
Provision for taxation	20	-	-
Net assets		1,307,954	1,316,293
Capital and reserves			
Called up share capital	19	450,000	450,000
Share premium account		-	-
Revenue reserves		857,954	866,293
Total shareholders funds		1,307,954	1,316,293

No profit and loss account is presented for Holywell Wren Holdings Ltd, as permitted by section 408 of the Companies Act 2006. The parent company's loss after tax for the year was £8,339 (2021: £8,352 loss).

Approved by the Board on 7 September 2023 and signed on its behalf by



M A Dewhirst
Director

Company Registration No. 09349932

HOLYWELL WREN HOLDINGS LTD**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS AT 31 DECEMBER 2022**

	Called up share capital £	Share premium account £	Merger reserve	Retained earnings £	Total £
At 1 January 2021	450,000	-	12,293	1,775,475	2,237,768
Loss for the financial year	-	-	-	(49,986)	(49,986)
Other comprehensive income	-	-	-	-	-
Dividends paid	-	-	-	-	-
Proceeds from the issue of shares	-	-	-	-	-
Other movements	-	-	-	-	-
At 31 December 2021	450,000	-	12,293	1,725,489	2,187,782
At 1 January 2022	450,000	-	12,293	1,725,489	2,187,782
Profit for the financial year	-	-	-	106,523	106,523
Other comprehensive income	-	-	-	-	-
Dividends paid	-	-	-	-	-
Proceeds from the issue of shares	-	-	-	-	-
Other movements	-	-	-	-	-
At 31 December 2022	450,000	-	12,293	1,832,012	2,294,305

HOLYWELL WREN HOLDINGS LTD

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS AT 31 DECEMBER 2022

	Called up share capital £	Share premium account £	Retained earnings £	Total £
At 1 January 2021	450,000	-	874,645	1,324,645
Loss for the financial year	-	-	(8,352)	(8,352)
Other comprehensive income	-	-	-	-
Dividends paid	-	-	-	-
Proceeds from the issue of shares	-	-	-	-
At 31 December 2021	450,000	-	866,293	1,316,293
At 1 January 2022	450,000	-	866,293	1,316,293
Loss for the financial year	-	-	(8,339)	(8,339)
Other comprehensive income	-	-	-	-
Dividends paid	-	-	-	-
Proceeds from the issue of shares	-	-	-	-
At 31 December 2022	450,000	-	857,954	1,307,954

HOLYWELL WREN HOLDINGS LTD
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash inflow/(outflow) from operating activities	23	5,424	(107,642)
Interest received		9,981	4,228
Interest paid		(499)	(496)
UK corporation tax refunded/paid		8,189	-
Foreign tax paid		(1,496)	(596)
Net cash inflow/(outflow) from operating activities		21,599	(104,506)
Cash inflow/(outflow) from investing activities			
Purchase of tangible fixed assets		-	(9,769)
Purchase of syndicate participation rights		-	-
Proceeds from sale of syndicate participation rights		64,646	-
Purchase of investments		(344,586)	-
Proceeds from sale of investments		343,572	-
Dividends received		5,838	3,236
Dividends paid		-	-
Net cash inflow/(outflow) from investing activities		69,470	(6,533)
Cash inflow from financing			
Funds lent to the group			
by the parent company's shareholders		-	-
Issue of share capital		-	-
Net cash inflow from financing		-	-
Increase/(Decrease) in cash		91,069	(111,039)
Net funds at 1 January		1,039,682	1,149,985
Exchange movement		5,676	736
Increase/(Decrease) in cash in the year		91,069	(111,039)
Net funds at 31 December		1,136,427	1,039,682

The group has no control over the disposition of assets and liabilities at Lloyd's. Consequently, the consolidated statement of cash flows is prepared reflecting only the movement in corporate funds, which includes transfers to and from the syndicates at Lloyd's.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

1 General information

The company is a private company limited by shares that was incorporated in England and Wales and whose registered office is given on page 1 of these financial statements. The company is a holding company which was incorporated in 2014 and holds 100% of the equity interest in Holywell (Wren) Limited, a corporate member of Lloyd's, and Dewhurst Holywell Enterprises Limited, which grows and sells produce from the arable land.

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", FRS 103 "Insurance Contracts", the Companies Act 2006 and Regulation 6 of Schedule 3 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008, relating to insurance.

The directors do not consider any company within the group to be a financial institution under FRS 102.

The financial statements are prepared in Sterling, which is the functional currency of the group. Monetary amounts in these financial statement are rounded to the nearest £.

2.2 Basis of consolidation

The amounts shown in the column to the statement of financial position headed 'corporate' consolidate the accounts of Holywell Wren Holdings Limited and its subsidiary undertakings. The amounts shown in the column to the statement of financial position headed 'total' consolidate the accounts of Holywell Wren Holdings Limited and its subsidiary undertakings and a pro rata share of the assets and liabilities of the syndicates on which they participate.

Merger accounting has been used in accordance with Section 19 of FRS 102. Consequently the consolidated income statement and consolidated statement of financial position show the results and position of Holywell Wren Holdings Limited and its subsidiaries as though the group has always existed.

The consolidated financial statements are based on the financial statements of subsidiary undertakings that are coterminous with those of the parent company.

Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the group (its subsidiaries). Control is achieved where the group has power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

2.3 Going concern

The group's underwriting is supported by Funds at Lloyd's, either made available by the group directly or by its members. The directors are of the opinion that the group has adequate resources to meet its underwriting and other operational obligations for the foreseeable future. Accordingly, the going concern concept has been adopted in the preparation of the financial statements.

In continuing to apply the going concern basis to this group's financial statements the following factors have been taken into account: the likely timing of any underwriting and non-underwriting cashflows, any Funds at Lloyd's supporting the group's underwriting and not reflected in the group's statement of financial position and the continued support of the directors and shareholders including the potential deferral of balances due to them.

2.4 Basis of accounting

The financial statements are prepared under the historical cost basis of accounting modified to include the revaluation of certain financial instruments held at fair value, through the income statement.

The technical account has been prepared on an annual basis of accounting, whereby the incurred cost of claims, commission and related expenses are charged against the earned proportion of premiums net of re-insurance. Amounts reported in the technical account relate to movements in the period in respect of all relevant years of account of the syndicates on which the group participates.

Accounting information in respect of the syndicate participations has been provided by the syndicate managing agents through an information exchange facility operated by Lloyd's and has been reported on by the syndicate auditors.

Assets and liabilities arising as a result of the underwriting activities are mainly controlled by the syndicates' managing agents and are shown separately on the statement of financial position as "Syndicate Assets" and "Syndicate Liabilities". The assets are held subject to trust deeds for the benefit of the syndicates' insurance creditors.

General business

i Premiums

Gross premiums are accounted for in the period in which the risk commences, together with adjustments to premiums written in previous accounting periods. Future premiums relating to risks commencing in the period are based upon estimates made by the syndicates' management. Other adjustments are accounted for as arising.

ii Unearned premiums

Written premium is earned according to the risk profile of the policy. Unearned premiums represent the proportion of premiums written in the year that relate to unexpired terms of policies in force at the financial reporting date, calculated on a time apportionment basis having regard where appropriate, to the incidence of risk. The specific basis adopted by each syndicate is determined by the relevant managing agent.

iii Deferred acquisition costs

Acquisition costs, which represent commission and other related expenses, are deferred over the period in which the related premiums are earned.

iv Reinsurance premiums

Reinsurance premium costs are allocated by the managing agent of each syndicate to reflect the protection arranged in respect of the business written and earned.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES (continued) **FOR THE YEAR ENDED 31 DECEMBER 2022**

v Claims

Provision is made for the estimated cost of claims outstanding at the end of the year, including those incurred but not reported at that date, and for the related cost of settlement. Claims incurred comprise amounts paid or provided in respect of claims occurring during the current year, together with the amount by which settlement or reassessment of claims from previous years differs from the provision at the beginning of the year.

The claims provision determined by the managing agent will have been based on information that was currently available at the time. However, the ultimate liability will vary as a result of subsequent information and events and this may result in significant adjustments to the amounts provided and will be reflected in the financial statements for the period in which the adjustment is made.

vi Closed years of account

At the end of the third year, the underwriting account is normally closed by reinsurance into the following year of account. The amount of the reinsurance to close premium payable is determined by the managing agent, generally by estimating the cost of claims notified but not settled at 31 December, together with the estimated cost of claims incurred but not reported at that date, and an estimate of future claims handling costs.

Any subsequent variation in the ultimate liabilities of the closed year of account is borne by the underwriting year into which it is reinsured.

The payment of a reinsurance to close premium does not eliminate the liability of the closed year for outstanding claims. If the reinsuring syndicate was unable to meet its obligations, and the other elements of Lloyd's chain of security were to fail, then the closed underwriting account would have to settle outstanding claims.

The directors consider that the likelihood of such a failure of the reinsurance to close is extremely remote, and consequently the reinsurance to close has been deemed to settle the liabilities outstanding at the closure of an underwriting account. The company has included its share of the reinsurance to close premiums payable as technical provisions at the end of the current period, and no further provision is made for any potential variation in the ultimate liability of that year of account.

vii Run-off years of account

Where an underwriting year of account is not closed at the end of the third year (a "run-off" year of account) a provision is made for the estimated cost of all known and unknown outstanding liabilities of that year. The provision is determined initially by the managing agent on a similar basis to the reinsurance to close. However, any subsequent variation in the ultimate liabilities for that year remains with the corporate member participating therein. As a result any run-off year will continue to report movements in its results after the third year until such time as it secures a reinsurance to close.

viii Investments and allocated investment income

In accordance with Lloyd's current accounting practice, investments are stated at market value, including accrued interest at the financial reporting date. Investment income is included in the General Business Technical Account reflecting that earned on the investment portfolio managed by the syndicates. The allocated investment income therefore comprises income received and investment profits and losses arising in the calendar year including appreciation/depreciation and accrued interest consequent upon the revaluation of investments at 31 December. All gains and losses on investments are treated as realised at the financial reporting date.

ix Financial assets and financial liabilities

The syndicates' investments comprise of debt and equity investments, derivatives, cash and cash equivalents and loans and receivables.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

ix Financial assets and financial liabilities (continued)

Debtors/creditors arising from insurance/reinsurance operations shown in the statement of financial position include the totals of all the syndicate's outstanding debit and credit transactions as processed by the Lloyd's central facility. No account has been taken of any offsets which may be applicable in calculating the net amounts due between the syndicates and each of their counterparty insureds, reinsurers or intermediaries as appropriate.

Recognition

Financial assets and liabilities are recognised when the syndicate becomes party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the syndicate after deducting all of its liabilities.

Initial measurement

All financial assets and liabilities are initially measured at transaction price (including transaction cost), except for those financial assets classified as at fair value through the income statement which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Subsequent measurement

Non-current debt instruments are subsequently measured at amortised cost using the effective interest rate method.

Debt instruments that are classified as payable or receivable within one financial year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Other debt instruments are measured at fair value through the income statement.

Derecognition of financial assets and liabilities

Financial assets are derecognised when and only when a) the contractual rights of the cash flow from the financial asset expire or are settled, b) the syndicates transfer to another party substantially all of the risks and rewards of ownership of the financial asset or c) the syndicates, despite having retained some significant risks and rewards of ownership, have transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse in time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the syndicates estimate the fair value by using a valuation technique.

Impairment of financial instruments measured at amortised cost or cost

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, i.e. using the effective interest rate method.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

ix Financial assets and financial liabilities (continued)

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. The amount of the reversal is recognised in the income statement immediately.

x Basis of currency translation

Syndicates maintain separate funds in Sterling, United States and Canadian dollars, and may also do so in certain other currencies. All transactions where separate currencies are maintained are translated into Sterling at the rates of exchange ruling at the financial reporting date. Transactions during the period in other overseas currencies are expressed in Sterling at the rates ruling at the transaction date.

Monetary assets and liabilities, which according to FRS 103 are deemed to include unearned premiums and deferred acquisition costs, are translated into Sterling at the rates of exchange at the financial reporting date.

Any non-monetary items are translated into the functional currency using the rate of exchange prevailing at the time of the transaction. Insurance assets and liabilities (unearned premiums and deferred acquisition costs) have now been translated at period end to the functional currency at the closing rate.

xi Debtors/creditors arising from insurance/reinsurance operations

The amounts shown in the statement of financial position include the totals of all the syndicates outstanding debit and credit transactions. No account has been taken of any offsets which may be applicable in calculating the net amounts due between the syndicates and each of their counterparty insurers, reinsurers or intermediaries as appropriate.

xii Distribution of profits and collection of losses

Lloyd's operates a detailed set of regulations regarding solvency and the distribution of profits and payment of losses between syndicates and their members. Lloyd's continues to require membership of syndicates to be on an underwriting year of account basis and profits and losses belong to members according to their membership of a year of account. Normally profits and losses are transferred between the syndicate and members after results for a year of account are finalised after 36 months. This period may be extended if a year of account goes into run-off. The syndicate may make earlier on account distributions or cash calls according to the cash flow of a particular year of account and subject to Lloyd's requirements.

2.5 Reinsurance at corporate level

Where considered applicable by the directors, the group may purchase additional reinsurance to that purchased through the syndicates. Any such reinsurance premiums and related reinsurance recoveries are treated in the same manner as described for syndicates in note 2.4 (iv) and (v).

2.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The group is taxed on its results including its share of underwriting results declared by the syndicates and these are deemed to accrue over the calendar year in which they are declared. The syndicate results included in these financial statements are only declared for tax purposes in the calendar year following the normal closure of the year of account. No provision is made for corporation tax in relation to open years of account. However, full provision is made for deferred tax on underwriting results not subject to current corporation tax.

HM Revenue & Customs agrees the taxable results of the syndicates at a syndicate level on the basis of computations submitted by the managing agent. At the date of the approval of these financial statements the syndicate taxable results of years of account closed at this and previous year ends may not be fully agreed with HM Revenue & Customs. Any adjustments that may be necessary to the tax provisions established by the company, as a result of HM Revenue & Customs agreement of syndicate results, will be reflected in the financial statements of subsequent periods.

2.7 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the financial reporting date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities have not been discounted.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

2.8 Intangible assets

Costs incurred by the group in the Corporation of Lloyd's auctions in order to acquire rights to participate on syndicates' underwriting years are included within intangible assets and amortised over a 3 year period beginning with the respective year of syndicate participation. The intangible assets are reviewed for impairment where there are indicators for impairment and any impairment is charged to the income statement for the period.

Storage space of 300 tonnes at Tynegrain Silos was purchased in 2007/08 and 2013/14 together with a further 100 tonnes purchased in 2015. Storage space is being amortised on a straight line basis over 20 years.

Basic Payment Entitlements were purchased during 2009/10. The entitlements had not previously been amortised but following the enactment of the Agricultural Act on 11 November 2020 and planned phasing out of BPS entitlements from 2021 to 2027, they are being written off over the remaining useful life of 8 years.

2.9 Investments

Investments held directly by the group, by trustees of the Premium Trust Fund, or as the Lloyd's Deposit, are stated at fair value.

2.10 Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks, other short-term liquid investments with original maturities of three months or less and cash in hand.

2.11 Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	- no depreciation
Buildings and improvements	- 2% on cost
Tenant improvements	- 2% on cost
Plant and machinery	- 25% on cost

2.12 Preference shares

Preference shares are included as debt on the basis that the shares are redeemable at the option of the company or shareholder.

2.13 Stocks

Stocks represent biological assets at the year end including growing crops. These are valued at cost taking into account inputs and contracting charges. Stocks are included within other assets on the statement of financial position.

3 Estimation uncertainties

In applying the group's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. These judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The measurement of the provision for claims outstanding is the most significant judgement involving estimation uncertainty regarding amounts recognised in these financial statements in relation to underwriting by the syndicates and this is disclosed further in note 4.

The management and control of each syndicate is carried out by the managing agent of that syndicate, and the group looks to the managing agent to implement appropriate policies, procedures and internal controls to manage each syndicate.

In addition the directors consider the useful economic lives of property, plant & equipment to be an area of potential uncertainty. The group depreciates tangible assets over their estimated useful lives. The estimation of useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied. The actual lives of these assets can vary depending on a variety of factors, including technological innovation and maintenance. The carrying value of property, plant & equipment is set out in note 14.

Key accounting judgements

The key accounting judgements and sources of estimation uncertainty set out below relate to those made in respect of the group only, and do not include estimates and judgements made in respect of the syndicates.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

i Purchased syndicate capacity

Estimating value in use:

Where an indication of impairment of capacity values exists, the directors will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires an estimate of the future cash flows expected to arise from the capacity and a suitable discount rate in order to calculate present value.

Determining the useful life of purchased syndicate capacity:

The assessed useful life of syndicate capacity is 3 years. This is on the basis that this is the life over which the original value of the capacity is used up.

ii Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the directors consider both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

iii Recoverability of debtors

The group establishes a provision for debtors that are estimated not to be recoverable. When assessing recoverability, factors such as the ageing of the debtors, past experience of recoverability, and the credit profile of individual groups of customers are all considered.

iv Assessing future income from biological assets

In assessing whether the closing growing crops will generate future income streams, the directors have considered the condition of the crops and past experience to inform their decision on the valuation of the crop at the year end. There has been no write down in the valuation in the current financial year.

4 Risk management

This section summarises the financial and insurance risks the group is exposed to either directly at its own corporate level or indirectly via its participation in the Lloyd's syndicates.

Risk background

The syndicate's activities expose it to a variety of financial and non-financial risks. The managing agent is responsible for managing the syndicate's exposure to these risks and, where possible, introducing controls and procedures that mitigate the effects of the exposure to risk. Each year, the managing agent prepares a Lloyd's Capital Return ("LCR") for the syndicate, the purpose of this being to agree capital requirements with Lloyd's based on an agreed assessment of the risks impacting the syndicate's business, and the measures in place to manage and mitigate those risks from a quantitative and qualitative perspective. The risks described below are typically reflected in the LCR, and, typically, the majority of the total assessed value of the risks concerned is attributable to insurance risk.

The insurance risks faced by a syndicate include the occurrence of catastrophic events, downward pressure on pricing of risks, reductions in business volumes and the risk of inadequate reserving. Reinsurance risks arise from the risk that the reinsurer fails to meet their share of a claim. The management of the syndicate's funds is exposed to risks of investments, liquidity, currency and interest rates leading to financial loss. The syndicate is also exposed to regulatory and operational risks including its ability to continue to trade. However, supervision by Lloyd's provides additional controls over the syndicate's management of risks.

The group manages the risks faced by the syndicates on which it participates by monitoring the performance of the syndicates it supports. This commences in advance of committing to support a syndicate for the following year, with a review of the business plan prepared for each syndicate by its managing agent. In addition, quarterly reports and annual accounts together with any other information made available by the managing agent are monitored and if necessary enquired into. If the group considers that the risks being run by the syndicate are excessive it will seek confirmation from the managing agent that adequate management of the risk is in place and, if considered appropriate, will withdraw from the next underwriting year. The group relies on advice provided by the members' agent which acts for it, who are specialists in assessing the performance and risk profiles of syndicates. The group also mitigates its risks by participating across several syndicates.

The directors do not consider the group to be a financial institution under FRS 102, on the basis that the group itself does not undertake the business of effecting or carrying out insurance contracts. Therefore there is no requirement to discuss financial risks arising from syndicate investment activities. The analysis below provides details of the financial risks the group is exposed to from syndicate insurance activities as required by FRS 103.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

Syndicate risks

i Liquidity risk

The syndicates are exposed to daily calls on their available cash resources, principally from claims arising from its insurance business. Liquidity risk arises where cash may not be available to pay obligations when due, or to ensure compliance with the syndicate's obligations under the various trust deeds to which it is party.

The syndicates aim to manage their liquidity position so that they can fund claims arising from significant catastrophic events, as modelled in their Lloyd's realistic disaster scenarios ("RDS").

ii Credit risk

Credit ratings to syndicate assets emerging directly from insurance activities, excluding cash at bank and financial investments, which are neither past due nor impaired are as follows:

	AAA £	AA £	A £	BBB or lower £	Not rated £	Total £
2022						
Deposits with ceding undertakings	-	-	7,551	-	4	7,555
Reinsurers share of claims outstanding	64,574	365,166	702,460	1,218	56,818	1,190,236
Reinsurance debtors	13,876	12,892	31,784	727	2,547	61,826
Insurance debtors	-	-	-	-	566,232	566,232
Total	78,450	378,058	741,795	1,945	625,601	1,825,849
2021	£	£	£	£	£	£
Deposits with ceding undertakings	-	-	12,296	-	7	12,303
Reinsurers share of claims outstanding	23,691	279,227	537,881	17,747	65,122	923,668
Reinsurance debtors	997	14,738	36,009	5,742	6,073	63,559
Insurance debtors	-	-	-	-	441,121	441,121
Total	24,688	293,965	586,186	23,489	512,323	1,440,651

Syndicate assets emerging directly from insurance activities, excluding cash at bank and financial investments, past their due date or impaired are as follows:

	Less than 3 months £	Between 3 and 6 months £	Between 6 months and 1 year £	Greater than 1 year £	Impaired £	Total past due or impaired £
2022						
Deposits with ceding undertakings	-	-	-	-	-	-
Reinsurers share of claims outstanding	-	-	-	-	-	-
Reinsurance debtors	49,209	2,251	933	50	-	52,443
Insurance debtors	34,130	13,200	16,756	10,005	-	74,091
Total	83,339	15,451	17,689	10,055	-	126,534
2021	£	£	£	£	£	£
Deposits with ceding undertakings	-	-	-	-	-	-
Reinsurers share of claims outstanding	-	-	-	-	(110)	(110)
Reinsurance debtors	25,636	3,897	1,097	736	(3)	31,363
Insurance debtors	24,726	7,772	11,747	10,695	-	54,940
Total	50,362	11,669	12,844	11,431	(113)	86,193

iii Interest rate and equity price risk

Interest rate risk and equity price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rates and market prices respectively.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

iv Currency risk

The syndicates' main exposure to foreign currency risk arises from insurance business originating overseas, primarily denominated in US dollars. Transactions denominated in US dollars form a significant part of the syndicates' operations. This risk is, in part, mitigated by the syndicates maintaining financial assets denominated in US dollars against its major exposures in that currency.

The tables below provides details of syndicate assets and liabilities by currency:

	GBP £	USD £ converted	EUR £ converted	CAD £ converted	Other £ converted	Total £ converted
2022						
Total assets	605,857	3,938,941	194,953	402,794	80,744	5,223,289
Total liabilities	(705,922)	(4,013,649)	(236,181)	(317,890)	(34,249)	(5,307,891)
Surplus/(deficiency) of assets	(100,065)	(74,708)	(41,228)	84,904	46,495	(84,602)
2021						
Total assets	593,626	3,058,353	167,118	349,322	74,355	4,242,774
Total liabilities	(727,273)	(3,140,944)	(199,428)	(271,178)	(109,387)	(4,448,210)
Surplus/(deficiency) of assets	(133,647)	(82,591)	(32,310)	78,144	(35,032)	(205,436)

Group risks

i Investment, credit, liquidity and currency risks

The significant risks faced by the group are with regard to the investment of the available funds within its own custody. The elements of these risks are investment risk, credit risk, liquidity risk, currency risk and interest rate risk. The main liquidity risk would arise if a syndicate had inadequate liquid resources for a large claim and sought funds from the group to meet the claim. In order to minimise investment, credit and liquidity risk the group's funds are invested in readily realisable short term deposits. The syndicates can distribute their results in Sterling, US Dollars or a combination of the two. The group is exposed to movements in the US Dollar between the financial reporting date and the distribution of the underwriting profits and losses, which is usually in the May following the closure of the year of account. The group does not use derivative instruments to manage risk and, as such, no hedge accounting is applied.

ii Regulatory risks

The group is subject to continuing approval by Lloyd's to be a member of a Lloyd's syndicate. The risk of this approval being removed is mitigated by monitoring and fully complying with all requirements in relation to membership of Lloyd's. The capital requirements to support the proposed amount of syndicate capacity for future years are subject to the requirements of Lloyd's. A variety of factors are taken into account by Lloyd's in setting these requirements including market conditions and syndicate performance and although the process is intended to be fair and reasonable, the requirements can fluctuate from one year to the next, which may constrain the volume of underwriting the group is able to support.

iii Operational risks

As there are relatively few transactions actually undertaken by the group there are only limited systems and operational requirements of the group and therefore operational risks are not considered to be significant. Close involvement of all directors in the group's key decision making and the fact that the majority of the group's operations are conducted by syndicates, provides control over any remaining operational risks.

iv Principal risks related to farming activities

There are many risks facing the group with the world commodities market ever changing in terms of both demand and prices for produce. The success of the group is also highly dependent on the growing conditions for each cropping year as to the yields achieved and therefore produce available for sale from that year's harvest. The group utilises the services of an agronomist to achieve the best possible yields from the cereals grown.

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iv Principal risks related to farming activities (continued)

The group also has to address many financial risks associated with an agricultural business. The principal financial risks of the influence of exchange rates on basic payment scheme payments, shifts in the wheat futures price and nitrogen fertiliser costs all need to be taken into consideration. A risk of low grain prices is one facing all arable farmers and whilst ultimately, the global price is out of farmers' hands the risk is managed by monitoring the cost of production and use of forward selling and contracts to obtain a better price.

5 Class of business	Gross written premiums	Gross premiums earned	Gross claims incurred	Operating expenses	Reinsurance balance
	£	£	£	£	£
2022					
Direct					
Accident and health	58,829	53,996	(22,660)	(24,364)	(3,407)
Motor - third party liability	5,100	4,455	(1,214)	(1,681)	(73)
Motor - other classes	35,283	35,510	(14,396)	(13,868)	(1,682)
Marine, aviation and transport	260,719	228,578	(157,205)	(78,317)	37,540
Fire and other damage to property	759,337	720,035	(346,165)	(206,363)	(76,117)
Third party liability	483,298	474,367	(309,822)	(152,907)	(937)
Credit and suretyship	52,946	50,761	(22,571)	(15,633)	(3,646)
Other	4,227	2,853	(1,278)	(1,699)	142
Total direct	1,659,739	1,570,555	(875,311)	(494,832)	(48,180)
Reinsurance business					
Reinsurance balance	713,382	684,497	(530,159)	(130,027)	(34,328)
Total	2,373,121	2,255,052	(1,405,470)	(624,859)	(82,508)
2021	£	£	£	£	£
Direct					
Accident and health	56,059	55,310	(16,300)	(24,237)	(4,130)
Motor - third party liability	3,613	2,899	(968)	(1,066)	(49)
Motor - other classes	28,391	28,885	(8,709)	(12,161)	(4,689)
Marine, aviation and transport	182,880	169,887	(63,128)	(63,246)	(14,452)
Fire and other damage to property	631,650	640,518	(335,393)	(192,903)	(74,779)
Third party liability	420,981	432,963	(289,728)	(142,326)	(4,899)
Credit and suretyship	43,576	39,774	(26,397)	(13,434)	(5,494)
Other	1,034	1,020	(464)	(707)	1
Total direct	1,368,184	1,371,256	(741,087)	(450,080)	(108,491)
Reinsurance business					
Reinsurance balance	576,303	579,002	(391,190)	(103,767)	(54,829)
Total	1,944,487	1,950,258	(1,132,277)	(553,847)	(163,320)

Any open year loss provisions, stop loss premiums and stop loss recoveries have been allocated across the classes of business by reference to the gross premiums written.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Geographical analysis

	2022 £	2021 £
Direct gross premiums written in:		
United Kingdom	1,657,927	1,360,701
EU member states	2,122	769
The rest of the world	(310)	6,714
Total	1,659,739	1,368,184

7 Technical provisions

Movement in claims outstanding

	Gross £	Reinsurance £	2022 Net £	Gross £	Reinsurance £	2021 Net £
At 1 January	(3,024,837)	363,368	(2,661,469)	(2,793,476)	336,093	(2,457,383)
Movement in technical account	(398,854)	171,731	(227,123)	(128,616)	55,148	(73,468)
Other movements	(165,299)	(131,707)	(297,006)	(102,745)	(27,873)	(130,618)
At 31 December	(3,588,990)	403,392	(3,185,598)	(3,024,837)	363,368	(2,661,469)

Movement in unearned premiums

	Gross £	Reinsurance £	2022 Net £	Gross £	Reinsurance £	2021 Net £
At 1 January	(847,544)	153,348	(694,196)	(860,149)	159,374	(700,775)
Movement in technical account	(118,069)	13,448	(104,621)	5,771	(7,652)	(1,881)
Other movements	(86,508)	19,799	(66,709)	6,834	1,626	8,460
At 31 December	(1,052,121)	186,595	(865,526)	(847,544)	153,348	(694,196)

Movement in deferred acquisition costs

	2022 Net £	2021 Net £
At 1 January	211,746	222,348
Movement in deferred acquisition costs	20,404	(8,334)
Other movements	14,599	(2,268)
At 31 December	246,749	211,746

Included within other movements are foreign exchange movements in restating the opening balances and the effect of prior years' technical provisions being reinsured to close, to the extent where the company's syndicate participation portfolio has changed between years of account.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Technical provisions (continued)

Assumptions, changes in assumptions and sensitivity

The majority of the risks to the group's future cash flows arise from its participation in the results of Lloyd's syndicates and are mostly managed by the managing agents of the syndicates. The group's role in managing these risks, in conjunction with the group's members' agent, is limited to a selection of syndicate participations and monitoring the performance of the syndicates and their managing agents.

The amounts carried by the group arising from insurance contracts are calculated by the managing agents of the syndicates and derived from accounting information provided by the managing agents and reported upon by the syndicate auditors.

The key assumptions underlying the amounts carried by the group arising from insurance contracts are:

- i The net premiums written calculated by the managing agent are an accurate assessment of the premiums payable as a result of the risks contractually committed to up to the financial reporting date.
- ii The net unearned premiums calculated by the managing agent are an accurate assessment of the net premiums written that reflect the exposure to risks arising after the financial reporting date, including appropriate allowance for anticipated losses in excess of the unearned premium.
- iii The claims reserves calculated by the managing agents are an accurate assessment of the ultimate liabilities in respect of claims relating to events up to the financial reporting date.
- iv The potential ultimate result of run-off year results has been accurately estimated by the managing agents.
- v The values of investments and other assets and liabilities are correctly stated at their realisable values at the financial reporting date.

There have been no changes to these assumptions in 2022

The amounts carried by the group arising from insurance contracts are sensitive to various factors as follows:

- i A 5% increase/decrease in net earned premium (with claims incurred assumed to change pro-rata with premium) will increase/decrease the group's pre-tax profit/loss by £38,354 (2021: £32,733).
- ii A 5% increase/decrease in the managing agents' calculation of gross claims reserves will decrease/increase the group's pre-tax profit/loss by £179,450 (2021: £151,242).
- iii A 5% increase/decrease in the managing agents' calculation of net claims reserves will decrease/increase the group's pre-tax profit/loss by £159,280 (2021: £133,073).

Claims development - gross		At end of underwriting year £	After 12 months £	After 24 months £	After 36 months £	Profit/loss on RITC received £
Underwriting pure year	2022	893,218	-	-	-	-
	2021	772,748	1,362,087	-	-	-
	2020	785,712	1,330,583	1,347,582	-	-

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Technical provisions (continued)

Claims development - net	At end of underwriting year £	After 12 months £	After 24 months £	After 36 months £	Profit/loss on RITC received £
Underwriting pure year					
2022	615,672	-	-	-	-
2021	532,506	946,804	-	-	-
2020	545,138	946,939	952,668	-	-

8 Investment return

The following return on investments relate to investments held at fair value.

	2022 £	2021 £
Investment income	24,278	22,251
Dividend income	5,851	3,331
Interest on cash at bank	11,550	4,313
Other interest and similar income	(98)	279
Investment income	41,581	30,174
Realised gain on investments	24,638	5,823
Realised loss on investments	(14,928)	(6,524)
Unrealised gain on investments	6,813	55,018
Unrealised loss on investments	(137,616)	(28,209)
Total investment income	(79,512)	56,282
Investment expenses and charges - technical account	(1,508)	(1,239)
Total investment return	(81,020)	55,043

9 Net operating expenses

	2022 £	2021 £
Acquisition costs	463,453	406,316
Administrative expenses	150,412	144,192
Loss on exchange	10,994	3,339
Total	624,859	553,847

10 Other income

	2022 £	2021 £
Profit on sale of syndicate participation rights	64,646	-
Income from farming activities	187,755	94,452
Total	252,401	94,452

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

11 Profit on ordinary activities before taxation

2022
£

2021
£

This is stated after charging:

Auditor's remuneration - audit	3,620	4,860
Auditor's remuneration - other (see note 12)	15,200	14,686
Amortisation of syndicate capacity	976	6,714
Amortisation of other intangible fixed assets	1,765	1,765
Depreciation of tangible fixed assets	2,520	3,872

The group has no employees.

12 Auditor's remuneration - other

2022
£

2021
£

Taxation compliance services	2,000	2,000
Other non-audit services	13,200	12,686
Total	15,200	14,686

13 Group intangible assets

	Syndicate Participation Rights £	Storage Space £	BPS Entitlements £	Total
Cost				
At 1 January 2022	30,998	18,945	6,545	56,488
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2022	30,998	18,945	6,545	56,488
Amortisation				
At 1 January 2022	30,022	10,131	1,636	41,789
Charge for the year	976	947	818	2,741
Impairment losses	-	-	-	-
Disposals	-	-	-	-
At 31 December 2022	30,998	11,078	2,454	44,530
Net book value				
At 31 December 2022	-	7,867	4,091	11,958
At 31 December 2021	976	8,814	4,909	14,699

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

14 Group tangible assets

	Freehold property £	Buildings and improvements £	Tenant improvements £	Plant and machinery £	Total £
Cost					
At 1 January 2022	682,970	66,204	15,520	28,547	793,241
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2022	682,970	66,204	15,520	28,547	793,241
Amortisation					
At 1 January 2022	-	24,624	5,661	26,338	56,623
Charge for the year	-	1,324	310	886	2,520
Disposals	-	-	-	-	-
At 31 December 2022	-	25,948	5,971	27,224	59,143
Net book value					
At 31 December 2022	682,970	40,256	9,549	1,323	734,098
At 31 December 2021	682,970	41,580	9,859	2,209	736,618

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

15 Investments: financial investments

The group

At market value

		£	Syndicate £	Corporate £	Total £
2022					
Shares and other variable yield securities	- level 1	25,561			
	- level 2	123,434			
	- level 3	12,459	161,454	229,805	391,259
Debt securities and other fixed income securities	- level 1	365,741			
	- level 2	1,308,151			
	- level 3	-	1,673,892	720,694	2,394,586
Participation in investment pools	- level 1	8,656			
	- level 2	1,071			
	- level 3	285	10,012	-	10,012
Loans guaranteed by mortgage	- level 1	166			
	- level 2	-			
	- level 3	1,101	1,267	-	1,267
Other loans	- level 1	9,173			
	- level 2	-			
	- level 3	61,013	70,186	-	70,186
Total			1,916,811	950,499	2,867,310
2021					
Shares and other variable yield securities	- level 1	34,471			
	- level 2	158,432			
	- level 3	14,294	207,197	256,740	463,937
Debt securities and other fixed income securities	- level 1	298,597			
	- level 2	1,000,986			
	- level 3	135	1,299,718	729,853	2,029,571
Participation in investment pools	- level 1	34,146			
	- level 2	1,029			
	- level 3	247	35,422	-	35,422
Loans guaranteed by mortgage	- level 1	113			
	- level 2	-			
	- level 3	751	864	-	864
Other loans	- level 1	7,165			
	- level 2	-			
	- level 3	47,785	54,950	-	54,950
Total			1,598,151	986,593	2,584,744

The corporate investments held include £950,499 (2021: £986,593) at market value in respect of Lloyd's deposits that are held in accordance with the constraints detailed in note 25.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Investments: financial investments (continued)

The group (continued)

The group uses the following hierarchy for determining and disclosing the fair value of financial investments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets

Level 2: prices based on recent transactions in identical assets

Level 3: prices determined using a valuation technique

None of the above investments are valued at amortised cost.

<i>At cost</i>	Syndicate £	Corporate £	2022 Total £	2021 Total £
Shares and other variable yield securities	160,818	99,999	260,817	303,127
Debt securities and other fixed income securities	1,747,382	589,933	2,337,315	1,803,760
Participation in investment pools	10,184	-	10,184	34,705
Loans guaranteed by mortgage	1,256	-	1,256	2,196
Other	66,037	-	66,037	52,201
Total	1,985,677	689,932	2,675,609	2,195,989

The company

	2022 £	2021 £
Interests in subsidiaries	810,000	810,000
Interests in associates	-	-
Other fixed asset investments	-	-
Total	810,000	810,000

Investments in subsidiaries

At 31 December 2022 the group and the parent company had interests in the following subsidiaries:

Subsidiaries	Type of shares held	Proportion held (%)	Registered office	Nature of business
Holywell (Wren) Limited	Ordinary	100%	5th Floor 70 Gracechurch Street London EC3V 0XL	Corporate member of Lloyd's
Dewhirst Holywell Enterprises Limited	Ordinary	100%	Holywell House Brancepeth Durham DH7 8EH	Arable farming company

Dewhirst Holywell Enterprises Limited, a wholly owned subsidiary registered in the United Kingdom, registration number 03503310, is exempt from the requirements of the Companies Act 2006 ("The Act") relating to the audit of the accounts under section 479A of The Act.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

15 Investments: financial investments (continued)

The company (continued)

Investments in subsidiaries £

Cost

At 1 January 2022

810,000

Additions

-

Disposals

-

At 31 December 2022

810,000

Accumulated impairment

At 1 January 2022

-

Charge for the year

-

Impairment losses

-

Disposals

-

At 31 December 2022

-

Net book value

At 31 December 2022

810,000

At 31 December 2021

810,000

Current asset investments

2022
£

2021
£

Shares and other variable yield securities

-

-

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

16 Group debtors arising out of direct insurance and reinsurance operations

	Syndicate £	Corporate £	2022 Total £	2021 Total £
The following amounts are due after one year:				
Direct insurance operations	14,109	-	14,109	19,084
Reinsurance operations	16,173	-	16,173	14,674
Total	30,282	-	30,282	33,758

17 Other debtors

	The company		The group			
	2022 Total £	2021 Total £	Syndicate £	Corporate £	2022 Total £	2021 Total £
Deferred tax	-	-	-	-	-	-
Other	354,708	334,434	586,152	58,220	644,372	493,736
Total	354,708	334,434	586,152	58,220	644,372	493,736

Group corporate other debtors includes £Nil (2021: £Nil) due to the group after more than one year.

Group syndicate other debtors includes £101,479 (2021: £83,956) due to the group after more than one year.

18 Cash at bank

	Syndicate £	Corporate £	2022 Total £	2021 Total £
Lloyd's deposit	176,865	353,024	529,889	506,677
Cash at bank and in hand	143,558	783,403	926,961	820,780
Total	320,423	1,136,427	1,456,850	1,327,457

Any Lloyd's deposit is held in accordance with the constraints detailed in note 25.

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

19 Share capital

	2022	2021
	£	£
<i>Allotted, called up and fully paid</i>		
450,000 Ordinary shares of £1.00 each	450,000	450,000

20 Taxation

	2022	2021
	£	£
<i>Analysis of charge in year</i>		
<i>Current tax</i>		
UK Corporation Tax on profits of the period	2,878	1,926
Adjustments in respect of prior years	6,526	2,742
Foreign tax	1,496	596
Total current tax	10,900	5,264
<i>Analysis of charge in year</i>		
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	55,967
Changes in tax rates	-	-
Adjustment to the estimated recoverable amounts of deferred tax assets arising in prior years	-	-
Other items	-	-
Total deferred tax	-	55,967
Tax on profit on ordinary activities	10,900	61,231

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

20 Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower (2021 - higher) than the standard rate of Corporation Tax in the UK of 19.00%. The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before taxation	117,423	11,245
Profit on ordinary activities before taxation multiplied by the standard rate of Corporation Tax in the UK of 19.00%.	22,310	2,137
<i>Effects of:</i>		
Income/expenses not taxable/allowable	(797)	(305)
Timing differences arising from the taxation of the underwriting results	(21,773)	60,536
Timing differences arising from the taxation of syndicate participation movements	-	-
Tax losses carried forward	6,417	-
Changes in tax rates	1,035	(1,027)
Adjustments to tax charge in respect of prior periods	6,526	2,742
Foreign tax paid	1,496	(2,878)
Other adjustments	(4,314)	26
Total tax charge for the period	10,900	61,231

Factors that may affect future tax charges

The group has trading losses of £46,635 (2021 - £Nil) available to carry forward to offset against future trading profits.

	2022 £	2021 £
<i>Provision for deferred tax</i>		
At 1 January	-	(55,967)
Charge to the profit and loss account	-	55,967
Released or utilised in the year	-	-
At 31 December	-	-

Full provision has been made for all timing differences apart from the recovery of taxation losses against future trading profits, which cannot be prudently anticipated at this time.

The deferred tax asset is no longer being recognised to reflect the uncertainty of being able to recover taxation losses against future trading profits.

The deferred tax asset not provided for in respect of Corporation Tax losses, and deferred tax losses not yet assessable to Corporation Tax, amounted to £54,065 (2021 - £60,298).

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

21 Other creditors

	The company		The group			
	2022 £	2021 £	Syndicate £	Corporate £	2022 £	2021 £
Other creditors	-	-	64,070	147,820	211,890	166,530
Preference shares	360,000	360,000	-	360,000	360,000	360,000
Corporation tax	-	-	-	12,274	12,274	-
Cash calls	-	-	9,154	(9,154)	-	-
Shareholders' loan account	-	-	-	5,845	5,845	5,138
Total	360,000	360,000	73,224	516,785	590,009	531,668

The Preference shares entitle the holders to a 12% non-cumulative annual dividend on 30 September each year. The holders waived their rights to the dividend payable for the 2022 and 2021 financial years.

22 Group financial liabilities

All financial liabilities are measured at amortised cost except for:

2022	2021
£	£

Amounts due to credit institutions

-	-
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This liability has been disclosed at fair value using a valuation technique. The group uses the following hierarchy for determining and disclosing the fair value of financial liabilities by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical liabilities
- Level 2: prices based on recent transactions in identical liabilities
- Level 3: prices determined using a valuation technique

23 Reconciliation of profit before tax to cash inflow/(outflow) from operating activities

	2022 £	2021 £
Profit before tax	117,423	11,245
Finance costs	499	496
Finance income	21,289	(53,923)
Current year result not distributable in year	(82,484)	(101,934)
Prior year result distributable in year	(38,350)	(45,348)
(Profit)/Loss on sale of syndicate participation rights	(64,646)	-
Decrease in closing stock	10,720	(25,433)
Increase in creditors	64,444	33,382
(Increase)/Decrease in debtors	(23,056)	62,258
Decrease in other assets	-	-
Amortisation of intangible assets	2,741	8,479
Depreciation of tangible assets	2,520	3,872
Exchange gains and losses	(5,676)	(736)
Cash inflow/(outflow) from operating activities	5,424	(107,642)

HOLYWELL WREN HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

24 Analysis of changes in net debt

	At 1 January 2022	Cash flow	Acquisitions	Other non - cash changes	Exchange movement	At 31 December 2022
	£	£	£	£	£	£
Cash and cash equivalents						
Cash	1,039,682	91,069	-	-	5,676	1,136,427
Overdrafts	-	-	-	-	-	-
Cash equivalents	-	-	-	-	-	-
	1,039,682	91,069	-	-	5,676	1,136,427
Borrowings						
Debt due within one year	-	-	-	-	-	-
Debt due after one year	-	-	-	-	-	-
	-	-	-	-	-	-
Total	1,039,682	91,069	-	-	5,676	1,136,427

25 Fund's at Lloyd's

Cash balances of £353,024 (2021: £359,763) detailed in note 18 and investments of £950,499 (2021: £986,593) detailed in note 15 are held within the group's Lloyd's deposit. These balances exclude any amounts held via syndicates.

The Lloyd's deposit represents funds deposited with the Corporation of Lloyd's (Lloyd's) to support the group's underwriting activities as described in the accounting policies. The group has entered into a legal agreement with Lloyd's which gives the Corporation the right to apply these funds in settlement of any claims arising from the group's participation on Lloyd's syndicates. These funds can only be released from the provision of this deed with Lloyd's express permission and only in circumstances where the amounts are either replaced by an equivalent asset or after the expiration of the group's liabilities in respect of its underwriting.

In addition to these amounts, the directors and shareholders also made available to Lloyd's assets amounting to approximately £Nil (2021: £Nil) which are also used by the group to support its Lloyd's underwriting.

26 Controlling party

The ultimate controlling party is I R Dewhirst.

27 Related party transactions

During the year ended 31 December 2022, I R Dewhirst, the ultimate controlling party, introduced capital to the group of £707 (2021 - £120). Included within group creditors at the year end is £5,845 (2021 - £5,138) that is owed to I R Dewhirst. No interest is chargeable on the amount outstanding.

The company has taken advantage of the exemption available in FRS 102 section 33 whereby it has not disclosed transactions with any wholly owned subsidiary undertakings.

28 Reserves

Merger reserve

This reserve records the difference between the fair value of consideration given and the nominal value of shares received in exchange resulting from acquisitions accounted for using the merger accounting method.

Profit and loss account

Profit and loss reserves include all current and prior period retained profits and losses.

29 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.