

MS Amlin Investments Limited

Annual Report and Financial Statements

31 December 2016

Registered Number: 3562457

Registered office:

The Leadenhall Building
122 Leadenhall Street
London
EC3V 4AG



Contents

	Page
Directors and officers	2
Strategic report	3
Directors' report	4
Independent auditor's report to the members of MS Amlin Investment Limited	6
Statement of financial position	8
Notes to the financial statements	9

Directors and officers

Directors

P C Horncastle
J le T Illingworth

Registered office

The Leadenhall Building
122 Leadenhall Street
London
EC3V 4AG

Independent auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Strategic report for the year ended 31 December 2016

The directors present their strategic report for the year ended 31 December 2016.

Business review and principal activities

The Company is, through intermediate holding companies, a wholly owned subsidiary of MS Amlin plc. The ultimate parent company is MS&AD Insurance Group Holdings, Inc. ("MSI").

The principal activity of the Company was to invest a portfolio of assets which supported the underwriting activities of other subsidiaries of MS Amlin plc. The Company ceased trading in July 2008.

As the Company has ceased trading and the directors do not intend to acquire a replacement trade, the directors have not prepared the financial statements on a going concern basis. The effect of this is explained in note 10.

On 20 February 2017 MS Amlin plc put the Company up for sale. This decision was taken as part of the MS Amlin plc Group simplification plan designed to simplify its group structure.

The financial performance and position of the Company is discussed in the Directors report.

Key performance indicators

The directors of the Company do not believe that key performance indicators are necessary to understand the development, performance or position of the Company's business.

Principal risks, uncertainties and financial risk management

The principal risk to the Company is that of intercompany risk. The Company is potentially exposed to bad debt on the balance due from its immediate parent, however the likelihood of this occurring is considered remote.

The directors do not believe there are any other principal risks or uncertainties connected with this Company.

Approved by the Board and signed by order of the Board.



P C Horncastle
Director
08 August 2017

Directors' report for the year ended 31 December 2016

The directors present their report and the audited financial statements for the year ended 31 December 2016. Principal risk and management objectives are discussed on page 3 of the Strategic report under Principal risks, uncertainties and financial risk management.

Results and Dividends

The result for 2016 was £nil (2015: £nil). No interim or final dividends were paid during the year (2015: £nil).

The Statement of financial position on page 8 of the financial statements shows that the net assets of the Company at 31 December 2016 were £149,029,054 (2015: £149,029,054).

Directors

The current directors of the Company at the date of approval of these financial statements are shown on page 2. During the year and up to the date of signing the following changes to the Board of directors occurred:

<u>Name</u>	<u>Date of Resignation</u>	<u>Date of Appointment</u>
P C Horncastle		27 April 2017
S R McMurray	31 January 2016	
J M Mansell (Secretary)	23 June 2016	
A J Patterson	31 March 2017	

Directors' indemnity

Between 2008 and the date of this report, MS Amlin plc has made qualifying third party indemnity provisions for the benefit of the directors of the Company. These indemnities were in force during the financial year and also at the date of approval.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including, Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the company's shareholders in writing about disclosure exemptions, if any, of FRS 101 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. As explained in note 9, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis

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

Directors' report for the year ended 31 December 2016 (continued)

Disclosure of information to the auditor

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


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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Independent auditor

During the current year PricewaterhouseCoopers LLP resigned as auditor of the Company and was replaced by KPMG LLP. In accordance with Section 487 of the Companies Act 2006, the auditor will be deemed reappointed and KPMG LLP will therefore continue in office.

Approved by the Board and signed by order of the Board.



P C Horncastle
Director
08 August 2017

Independent auditor's report to the members of MS Amlin Investments Limited

Report on the financial statements

We have audited the financial statements of MS Amlin Investments Limited for the year ended 31 December 2016 set out on pages 8 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Emphasis of matter – non-going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 10 to the financial statements concerning the Company's ability to continue as a going concern and which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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.

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

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

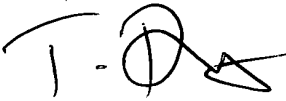
Independent auditor's report to the members of MS Amlin Investment Limited
(continued)

Report on the financial statements

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Timothy Butchart (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

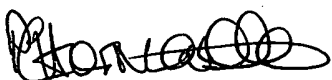
Chartered Accountants
15 Canada Square
London
E14 5GL
09 August 2017

Statement of financial position
As at 31 December 2016

	Note	2016 £'000	2015 £'000
Current assets			
Debtors	7	<u>149,029</u>	<u>149,029</u>
Net current assets		<u>149,029</u>	<u>149,029</u>
Capital and reserves			
Called up share capital	8	<u>149,029</u>	<u>149,029</u>
Total equity		<u>149,029</u>	<u>149,029</u>

The accompanying notes are an integral part of these financial statements.

The financial statements on pages 8 to 10 were approved and authorised for issue by the Board of Directors. They were signed on its behalf by:



P C Horncastle
 Director

Registered Number: 3562457

08 August 2017

Notes to the financial statements for the year ended 31 December 2016

1 General information

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AG.

2 Basis of preparation

The financial statements have been prepared under the historical cost convention modified by the revaluation of financial assets and liabilities measured at fair value through profit or loss, and in accordance with FRS 101 and with the Companies Act 2006.

The following FRS 101 exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - I. paragraph 79(a)(iv) of IAS 1;
 - II. paragraph 118(e) of IAS 38 Intangible Assets;
- The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 of IAS 1 Presentation of Financial Statements.
- The requirements of IAS 7 Statement of Cash Flows.
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- The requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures with regard to key management personnel.
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets

New and amended standards adopted by the company

No standards adopted by the Company that became effective in the year had a material impact on the Company. The Company did not early adopt any standards or interpretations.

Statement of profit or loss and Statement in changes in equity

No Statement of profit or loss or Statement of changes in equity is presented with these financial statements because the Company has not received income, incurred expenditure or recognised any gains or losses or made changes to capital and reserves during either the year under review or the preceding financial year.

Going Concern

Until July 2008 the company's principal activity was to invest a portfolio of assets which supported the underwriting activities of other subsidiaries of MS Amlin plc. However, from that date the directors took the decision to cease trading. As the directors do not intend to acquire a replacement trade, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 10.

3 Loans and receivables

Loans and receivables are initially recognised at fair value and subsequently measured at amortised cost using an effective interest rate.

4 Critical accounting judgements and estimation uncertainty

There is no historical experience of critical estimates and judgements and there is no expectation of future events that mean that this will not continue in the future.

Notes to the financial statements for the year ended 31 December 2016 (continued)**5 Directors' emoluments and employee information**

The Company had no employees and no directors' fees have been paid in either the current or preceding years.

The directors are also directors or employees of other companies within the MS Amlin Group and their emoluments are paid by a fellow subsidiary, MS Amlin Corporate Services Limited (formerly Amlin Corporate Services Limited). No recharge is made to the Company as it is not practicable to allocate their total emoluments between services as directors or employees of individual MS Amlin Group companies.

6 Profit on ordinary activities before taxation

Auditor's remuneration (relating to audit fees only) of £2,500 (2015: £863) was borne by MS Amlin plc, the Company's ultimate parent company.

7 Debtors

	2016 £'000	2015 £'000
Amounts owed by parent company	<u>149,029</u>	<u>149,029</u>

Amounts owed by parent company are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

8 Called up share capital

	2016 £'000	2015 £'000
Allotted and fully paid		
149,029,054 (2015: 149,029,054) ordinary share of £1.00	<u>149,029</u>	<u>149,029</u>

9 Ultimate parent company

The Company's immediate parent company is MS Amlin plc, a company incorporated in Great Britain and registered in England and Wales, which is the smallest group in which the results of the Company are consolidated. The Company's ultimate parent company and controlling party is MS & AD Insurance Group Holdings, Inc, a company incorporated in Japan and the largest group in which the results of the Company are consolidated. The consolidated financial statements of MS Amlin plc and MS & AD Insurance Group Holdings, Inc are available to the public and may be obtained from the Company Secretary at The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AG, which is also the immediate parent company address. The ultimate parent company address is Tokyo Sumitomo Twin Building (West Tower), 27-2, Shinkawa 2-chome, Chuo-ku, Tokyo, Japan.

10 Subsequent events

On 20 February 2017 MS Amlin plc put the Company up for sale. As the Company is no longer trading, and is not expected to do so in the foreseeable future, the directors have not prepared the financial statements on a going concern basis.

This decision does not affect the presentation of the financial statements because no statement of profit and loss has been prepared and all assets are already classified as current and recoverable within one year.