



# STARSTONE

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Part of the Enstar Group

**StarStone Finance Limited**

**Annual Report & Accounts**

**For the year ended 31 December 2022**

**Company Number 06438941**

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# STARSTONE FINANCE LIMITED

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## STARSTONE FINANCE LIMITED

OFFICERS AND DIRECTORS  
For the year ended 31 December 2022

### Directors

Shaun Holden  
Siobhan Hextall

### Company Secretary

Siobhan Hextall

### Company Number

06438941

### Registered Office

8<sup>th</sup> Floor One Creechurch Place  
London  
England, United Kingdom  
EC3A 5AY

### Independent Auditors

PricewaterhouseCoopers LLP  
7 More London Riverside  
London  
SE1 2RT  
United Kingdom

The Directors present their report and the audited financial statements for the year ended 31 December 2022.

#### **Principal activities**

The principal activity of StarStone Finance Limited ("the Company") is of a private investment holding company. All the Ordinary Shares of the Company are owned by StarStone Insurance Bermuda Limited ("SIBL"), a company incorporated under the laws of Bermuda.

The activities of the Company are winding down and as a result the financial statements are not prepared on a going concern basis.

#### **Results and performance management**

The results of the Company for the year, as set out on page 9, show a loss after tax of USD 41,885 (2021: profit of USD 570,106). The loss after tax is due to audit expenses incurred by the Company in 2022. The Company generated no income during the year.

Due to the nature of the Company's activities, the Directors do not deem it necessary to use key performance indicators.

#### **Key Developments in the year**

On 21 March 2022, Torus Business Solutions Private Limited ("Torus India"), with whom the Company had a 0.01% holding, provided approval for the distribution of INR 86,212,520 to its two shareholders (namely the Company and StarStone Insurance Services Limited), which will be remitted in the proportion of their shareholding. Torus India has been in voluntary liquidation since 30 September 2016 when a Liquidator was appointed. The distribution of funds was effected on 23 May 2022. The carrying value of Torus India was Nil and the gain on disposal was immaterial.

#### **Strategy and future outlook**

The Company holds preference shares in StarStone Insurance SE ("SISE") and is exploring options to dispose of this and liquidate the Company.

#### **Russia sanctions**

The Russian invasion of Ukraine and the resulting impact on global commodity markets has increased commodity inflation rates, disrupted supply chains and generated significant insurance losses. In response, many countries have established comprehensive sanctions regimes increasing both geopolitical tension between NATO and Russia and market volatility. Given the activities of the Company, it has no significant direct impacts from this event but will continue to monitor for, and respond to, all changes in the global sanctions regime, updating the procedures accordingly.

#### **Covid-19**

The Company has continued to manage the risks associated with COVID-19 in line with the requirements of its risk management policies, focusing on potential impacts on operational risk, investment risk, credit risk and liquidity risk. Given the activities of the Company, the impact on the financial position to date has been limited.

## **Brexit**

The Company holds preference shares of SISE, a Liechtenstein regulated insurer. From 1 January 2021, the SISE UK Branch operated within the UK Temporary Permissions Regime ("TPR") following the end of the post-Brexit transition period on 31 December 2020. The Branch is regulated in the UK by the Prudential Regulation Authority ("PRA") and the Financial Conduct Authority ("FCA"). The TPR allowed EEA-based firms to operate in the UK for a limited period while seeking full authorisation. The UK Branch continued to operate under the TPR during 2022 and filed an application to transition to the Supervised Run-Off Regime ("SROR") with the PRA and the FCA in the second half of 2022. The application to transition to the SROR was approved with an effective date of 1 January 2023.

## **Principal risks and uncertainties**

The principal risks and uncertainties facing the Company are as follows:

### **Subsidiary / Investment Performance risk**

The Company's principal risk is the risk of non-performance of its subsidiaries or investments. This risk is monitored on a regular basis by the directors of the Company.

### **Group risk**

Group risk is the risk of loss to the Company arising from its membership of Enstar Group. Group risk is mitigated through the monitoring of Enstar Group's financial strength and business strategy developments.

### **Liquidity risk**

Liquidity risk is the risk of loss to the Company arising from the Company having insufficient liquid assets to meet all cashflow commitments as and when they fall due. This is mitigated by the monitoring of the Company's banking facilities to ensure it will always have sufficient funds to meet liabilities when they fall due.

### **Operational risk**

This is the risk that error caused by people, processes or systems lead to losses to the entities. This risk is mitigated through a system of documented, monitored and tested controls.

On behalf of the Board



**Siobhan Hextall**  
Director

27 June 2023

**DIRECTORS' REPORT**  
**For the year ended 31 December 2022**

The Directors present their report and the audited financial statements for the year ended 31 December 2022.

**Share capital**

The share capital of the Company as at 31 December 2022 consists of 13 Ordinary shares of USD 1.00 each (2021: 13 Ordinary shares of USD 1.00 each).

**Dividends**

No dividend was declared or paid for the year ended 31 December 2022.

**Directors**

The names of the Directors in place during the year and the current Directors are listed on page 1.

**Indemnity insurance**

A policy of indemnity insurance cover to the benefit of the Directors of the Company has been in force during the year ended 31 December 2022 and at the date of this report.

**Going concern**

The Company is exploring options to dispose of the preference shares in SISE and will have limited activity going forward. As a result, the Directors have not prepared the financial statements on a going concern basis.

**Statement of disclosure of information to the auditors**

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

- 1) So far as each of them is aware, there is no information relevant to the audit of the Company's financial statements for the year ended 31 December 2022, of which the auditors is unaware; and
- 2) Having made enquiries of the fellow Directors of the Company and the Company's auditors, each Director has taken all steps that he is obliged to take as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors is aware of that information.

**Independent Auditors**

KPMG LLP ceased to be auditors of the Company for the audit of the accounts for the year ended 31 December 2022. In accordance with section 485(2A) of the Companies Act 2006, the Board has appointed PricewaterhouseCoopers LLP ("PwC") as the auditors for the year ended 31 December 2022.

On behalf of the Board



**Siobhan Hextall**  
Director

27 June 2023

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**For the year ended 31 December 2022**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

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

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 year. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are also 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.

# Independent auditors' report to the members of Starstone Finance Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, Starstone Finance Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

**AUDITOR'S REPORT**  
**For the year ended 31 December 2022**

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

**Strategic Report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

**Responsibilities for the financial statements and the audit**

**Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 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 company or to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 auditors' 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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to risk of fraud through management override of control. Audit procedures performed by the engagement team included:

- Discussions with management and internal audit, including consideration of known or suspected instances of fraud or non-compliance with laws and regulations;
- Reviewing relevant meeting minutes;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Identifying and testing journal entries, in particular journals that appear to be posted outside the normal patterns or risk criteria.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**AUDITOR'S REPORT**  
For the year ended 31 December 2022

**Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



John Hawley (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
30 June 2023

**STARSTONE FINANCE LIMITED**  
 (Registered number 06438941)  
**STATEMENT OF COMPREHENSIVE INCOME**  
 For the year ended 31 December 2022

	Notes	Year ended 31 December 2022 USD	Year ended 31 December 2021 USD
Administrative expenses	4	(41,885)	(61,185)
Other operating income		-	567,258
(Loss) / profit before tax		(41,885)	506,073
Tax on profit	5	-	64,033
(Loss) / profit for the financial year		<b>(41,885)</b>	<b>570,106</b>

All of the amounts above are in respect of discontinued operations.

There are no components of other comprehensive income to be reported in the years presented.

The notes on pages 12 to 18 form part of these financial statements.

**STARSTONE FINANCE LIMITED**  
 (Registered number 06438941)  
**BALANCE SHEET**  
 As at 31 December 2022

	Notes	Year ended 31 December 2022 USD	Year ended 31 December 2021 USD
<b>Fixed Assets</b>			
Investments	6	55,254,795	55,254,795
<b>Current Assets</b>			
Debtors	7	202,151	-
Cash at bank and in hand		1,896,434	2,099,019
		<u>2,098,585</u>	<u>2,099,019</u>
Creditors: amounts falling due within one year	8	(78,989)	(37,538)
<b>Net Current Assets</b>		<u>2,019,596</u>	<u>2,061,481</u>
<b>Total Assets Less Current Liabilities / Net Assets</b>		<u>57,274,391</u>	<u>57,316,276</u>
<b>Capital and Reserves</b>			
Called up share capital	9	13	13
Other reserves	9	106,802,735	106,802,735
Accumulated losses	9	(49,528,357)	(49,486,472)
<b>Total equity</b>		<u>57,274,391</u>	<u>57,316,276</u>

The notes on pages 12 to 18 form part of these financial statements.

The financial statements on pages 9 to 18 were approved by the Board of Directors on 27 June 2023 and signed on its behalf by:



**Siobhan Hextall**  
 Director

27 June 2023

**STARSTONE FINANCE LIMITED**  
(Registered number 06438941)  
**STATEMENT OF CHANGES IN EQUITY**  
For the year ended 31 December 2022

	<b>Called-up Share Capital USD</b>	<b>Other reserves USD</b>	<b>Accumulated losses USD</b>	<b>Total USD</b>
<b>At 1 January 2021</b>	<b>12</b>	<b>102,002,736</b>	<b>(50,056,578)</b>	<b>51,946,170</b>
Allotment of shares	1	4,799,999	-	4,800,000
Profit/(loss) for the financial year	-	-	570,106	570,106
<b>At 31 December 2021</b>	<b>13</b>	<b>106,802,735</b>	<b>(49,486,472)</b>	<b>57,316,276</b>
Loss for the financial year	-	-	(41,885)	(41,885)
<b>At 31 December 2022</b>	<b>13</b>	<b>106,802,735</b>	<b>(49,528,357)</b>	<b>57,274,391</b>

The notes on pages 12 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**1. Basis of preparation**

StarStone Finance Limited (“the Company”) is a private company limited by shares and incorporated and domiciled in the United Kingdom. The financial statements are presented for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the provisions of Section 396 of the Companies Act 2006 and Schedule 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

These separate financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standards 102 (FRS 102) as issued by the Financial Reporting Council.

The presentational and functional currency of these financial statements is US dollars.

The Company’s ultimate parent undertaking, Enstar Group Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Enstar Group Limited are prepared in accordance with US Generally Accepted Accounting Principles (“US GAAP”) and are available to the public. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of FRS 102) and has applied the exemptions available under FRS 102 in respect of the Cash Flow Statement and related notes.

**Going concern**

The Company is exploring options to dispose of the preference shares in SISE and wind up the Company. As a result, the Directors have not prepared the financial statements on a going concern basis.

**2. Use of judgements and estimates**

In preparing these financial statements, the Directors of the Company have made judgements, estimates and assumptions that affect the application of the Company’s accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The Company makes judgements relating to the application of external economic factors when determining the appropriate recoverable values of its investments in group undertakings, and thus the impact of any potential impairment during the year.

The Company makes judgements relating to future taxable profits from affiliated group companies in the same tax group in determining any deferred taxation as described in note 5.

There are no other areas in the statement of comprehensive income or the balance sheet to which material judgement or estimations of uncertainty have been applied.

**3. Summary of significant accounting policies**

The significant accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in these financial statements.

**a) Investments**

The Company has elected to account for investments in group undertakings at cost less any impairments. The Company makes an assessment at each reporting date as to whether there is any indication that investments in group undertakings may be impaired. Similarly, if an assessment indicates that the recoverable amount of an investment that has previously been impaired has increased then an impairment loss will be reversed.

**b) Impairment of investments in group undertakings**

The Company makes an assessment at each reporting date as to whether there is any indication that investments in group undertakings may be impaired. The Company performs impairment tests based on fair value less cost to sell or a value in use calculation.

The Company recognises the impairment loss, and any reversal of previous impairments, in the Statement of Comprehensive Income.

**c) Cash at bank**

Cash at bank includes cash at bank and short-term deposits with credit institutions. Cash at bank is measured at nominal values.

**d) Financial assets and liabilities**

In applying FRS 102, the Company has chosen to apply the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement (as adopted for use in the EU).

***Classification***

The accounting classification of financial assets and liabilities determines the way in which they are measured and changes in those values are presented in the income statement. Financial assets and liabilities are classified on their initial recognition. Deposits with credit institutions, debtors, and accrued interest are classified as loans and receivables.

***Recognition***

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control of substantially all risks and rewards of the assets. Purchases and sales of investments are recognised and derecognised, as applicable, on the trade date, i.e. the date that the Company commits itself to purchase or sell the investment.

A financial liability is derecognised when its contractual obligations are discharged, cancelled, or expired.

***Measurement***

A financial asset or financial liability is measured initially at fair value plus, for a financial asset or financial liability not at fair value through income statement, transaction costs that are directly attributable to its acquisition or issue.

**3. Summary of significant accounting policies (continued)**

**d) Financial assets and liabilities (continued)**

Loans and receivables and non-derivative financial liabilities are measured at amortised cost using the effective interest method.

**Off-setting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**e) Administrative expenses**

Administrative expenses are charged to the income statement during the year in which they are incurred.

**f) Taxation**

The charge for taxation is based on the profit for the year at rates enacted or substantively enacted by the balance sheet date, taking into account deferred tax.

Deferred tax is provided on timing differences at the reporting date that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax assets are only recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are not discounted.

**g) Interest receivable and payable**

Interest receivable and payable is recognised in the Statement of Comprehensive Income in the year on an accrual basis.

**4. Administrative expenses**

	Year ended 31 December 2022	Year ended 31 December 2021
	USD	USD
Legal and professional fees	41,885	36,855
Other expenses	-	24,330
<b>Total administrative expenses</b>	<b>41,885</b>	<b>61,185</b>

The professional fees include the audit fee for the year ended 31 December 2022 of USD 35,000 (2021: USD 37,905) for the audit of the Company's Annual Accounts. There were no non-audit services provided by the auditors.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**4. Administrative expenses (continued)**

The company employed no staff throughout 2022 and 2021. All staff are seconded from Enstar (EU) Limited, a fellow subsidiary of Enstar Group Limited, at no charge to the Company.

The Directors were all remunerated by Enstar (EU) Limited for their services to the Group as a whole. They were not remunerated for their services as Directors of the Company and the amount of time spent performing their duties is incidental to their roles across the Group. This is consistent with prior years.

**5. Tax on (loss) / profit**

	<b>Year ended 31 December 2022</b>	<b>Year ended 31 December 2021</b>
	<b>USD</b>	<b>USD</b>
<b>a) Analysis of tax credit in the year</b>		
<b>Current tax credit for the year</b>		
UK corporation tax on profit for the year	-	-
Adjustments in respect of prior years	-	(64,033)
	<hr/>	<hr/>
Total current tax credit in the year	-	(64,033)
<b>Deferred tax (credit) / charge for the year</b>		
Origination and reversal of timing differences	-	-
Adjustments in respect of prior years	-	-
	<hr/>	<hr/>
Total deferred tax (credit) / charge in the year	-	-
	<hr/>	<hr/>
<b>Total tax credit</b>	<b>-</b>	<b>(64,033)</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**5. Tax on (loss) / profit (continued)**

**b) Factors affecting the tax credit for the year**

	<b>Year ended 31 December 2022</b>	<b>Year ended 31 December 2021</b>
	<b>USD</b>	<b>USD</b>
<b>(Loss) / profit before tax</b>	<b>(41,885)</b>	<b>506,073</b>
<b>Non-taxable income on disposals</b>	<b>-</b>	<b>(567,258)</b>
<b>Taxable loss before loss utilisation</b>	<b>(41,885)</b>	<b>(61,185)</b>
<b>Group relief</b>	<b>-</b>	<b>61,185</b>
<b>Losses created and not recognised for Deferred Tax</b>	<b>41,885</b>	<b>-</b>
<b>Taxable result after loss utilisation</b>	<b>-</b>	<b>-</b>
<b>Result before tax multiplied by standard rate of corporation tax in the United Kingdom of 19% (2021 – 19%)</b>	<b>-</b>	<b>-</b>
<b>Factors affecting the credit for the year:</b>		
Group relief surrendered for nil consideration	-	-
Gain on disposal of subsidiary not taxable	-	-
Prior year adjustments – payment for group relief prior year	-	(64,033)
<b>Total tax credit</b>	<b>-</b>	<b>(64,033)</b>

**6. Investments**

The following table summarises the Company's investments in group undertakings.

	<b>Year ended 31 December 2022</b>	<b>Year ended 31 December 2021</b>
	<b>USD</b>	<b>USD</b>
Preference shares issued by SISE	50,000,000	50,000,000
Capital contribution in SISE	5,254,795	5,254,795
<b>Total investments in group undertakings</b>	<b>55,254,795</b>	<b>55,254,795</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**6. Investments (continued)**

Details of the Company's investments in group undertakings as at 31 December 2022 are stated below. SISE is domiciled in Liechtenstein.

Subsidiaries and affiliates	Registered Office Address	Principal Activity	Effective ordinary shares held by the Company (%)
StarStone Insurance SE	Zollstrasse 82, 9494 Schaan, Liechtenstein	Specialty insurer and reinsurer	-

On 21 March 2022, Torus Business Solutions Private Limited ("Torus India"), with whom the Company had a 0.01% holding, provided approval for the distribution of INR 86,212,520 to its two shareholders (namely the Company and StarStone Insurance Services Limited), which will be remitted in the proportion of their shareholding. Torus India has been in voluntary liquidation since 30 September 2016 when a Liquidator was appointed. The distribution of funds was effected on 23 May 2022. The carrying value of Torus India was Nil and the gain on disposal was immaterial.

**7. Debtors**

	Year ended 31 December 2022 USD	Year ended 31 December 2021 USD
Amounts owed by group undertakings	202,151	-
	<b>202,151</b>	<b>-</b>

**8. Creditors: amounts falling due within one year**

	Year ended 31 December 2022 USD	Year ended 31 December 2021 USD
Amounts owed to group undertakings	64,278	-
Accruals and deferred income	14,711	37,538
	<b>78,989</b>	<b>37,538</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2022

**9. Capital and reserves**

	Year ended 31 December 2022	Year ended 31 December 2021
	USD	USD
<b>Allotted, Issued &amp; Paid</b>		
13 ordinary shares of USD 1.00 each	13	13
Other reserves	106,802,735	106,802,735
Accumulated losses	(49,528,357)	(49,486,472)
	<u>57,274,391</u>	<u>57,316,276</u>

**10. Related Party Transactions**

Transactions and end year balances with StarStone group undertakings are shown below:

	Year ended 31 December 2022	Balance at 31 December 2022	Year ended 31 December 2021	Balance at 31 December 2021
	Income / (Expense)	Asset / (Liability)	Income / (Expense)	Asset / (Liability)
	USD	USD	USD	USD
<b>Balances of expenses incurred on behalf of StarStone Finance Limited</b>				
Enstar (EU) Limited	-	(24,060)	-	-
StarStone Insurance Services Limited	-	(40,218)	-	-
StarStone Corporate Capital1 Limited	-	202,151	-	-

**11. Ultimate parent company**

The Directors regard StarStone Insurance Bermuda Limited, a company incorporated in Bermuda, as the immediate parent company. Enstar Group Limited is the ultimate parent company and the ultimate controlling party. A copy of the consolidated financial statements of Enstar Group Limited can be obtained from The Secretary, Enstar Group Limited, Windsor Place, 22 Queen Street, Hamilton HM11, Bermuda.