

# Markel Europe Limited

## Unaudited Annual Report and Financial Statements for the year ended 31 December 2019

Registered Number 7068110



# Markel Europe Limited

## Annual Report and Financial Statements

### for the year ended 31 December 2019

## Contents

Directors and Administration	1
Strategic Report	2
Directors' Report	3
Statement of Directors' Responsibilities	5
Statement of Comprehensive Income	6
Statement of Changes in Equity	7
Statement of Financial Position	8
Notes to the Financial Statements	9

## Directors and Administration

### Board of Directors

Andrew J Davies

William D Stovin

### Company Secretary

Lara S Teesdale

### Registered Office

20 Fenchurch Street

London

EC3M 3AZ

### Registered Number

Registered number is 7068110

### Lawyer

Norton Rose Fulbright LLP, London

## Strategic Report

The Directors submit their Strategic Report of Markel Europe Limited ("the Company") for the year ended 31 December 2019.

### Principal activity

The principal activity of the Company has been that of an insurance agent service company in Sweden. The Company acted as a service company for Markel Syndicate 3000 until 24th April 2017.

### Results and performance

The result for the year ended 31 December 2019 is set out on page 6. Dividends declared and paid during the year were £Nil (2018, £Nil).

The members have not required the Company to obtain an audit of its Financial Statements for the year in question in accordance with section 476 of the Companies Act 2006. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

### Principal risks and uncertainties

The Company's continuing performance depended on its appointment as service company to Syndicate 3000. As Syndicate 3000 decided to end that service company relationship, the Directors have decided to liquidate the Company on a yet to be determined future date, expected within 12 months of the date of this report.

The Company does not carry on business on its own behalf and therefore has no material exposure to credit risk, market risk, liquidity risk or interest risk.

### Business environment and future prospects

The Company has been dependent upon the strategy of Syndicate 3000 continuing to undertake business in Europe through a service company. As noted above, the appointment of the Company by Syndicate 3000 has ended.

### Going concern

The Financial Statements of the Company have been prepared on a non-going concern basis.

It is the Directors' intention to liquidate the Company, and consequently, the Financial Statements of the Company have been prepared on a non-going concern basis. Further details of this assessment can be found in note 1a) to these Financial Statements.

By order of the Board,



**Andrew J Davies**

Director  
London

17 September 2020

## Directors' Report

The Directors submit the Annual Report and Financial Statements of the Company for the year ended 31 December 2019.

### Dividends

The Directors do not recommend payment of a dividend (2018, £Nil).

### Directors

The Directors who served during 2019 and up to the date of this report were as follows:

Simon C Barrett	(appointed 3 December 2019, resigned 31 July 2020)
Andrew J Davies	(resigned 3 December 2019, re-appointed 1 August 2020)
William D Stovin	

No Director has any interest in the shares of the Company.

### Carbon policy

As set out in the "Markel Style", the Company has a commitment to its communities, which we recognise includes environmental responsibilities. Our goal is to minimise our environmental impact whilst still adhering to our other Company principles as expressed in the Markel Style and our Company profile.

Through the development of best practices in our business, the Company aims to use no more consumables than are necessary and recycle the maximum of those we do use. The Directors also believe that embedding environmental awareness throughout the organisation will be best achieved through a continuous programme of employee education.

### Events since the reporting date

On March 11, 2020, COVID-19, a novel coronavirus outbreak, was declared a pandemic by the World Health Organization. This pandemic has caused unprecedented social and economic disruption, increased volatility of capital markets and intervention by various governments and central banks around the world. The Directors have considered the impact of COVID-19 on the Financial Statements of the Company, with no impact expected.

### Political and charitable contributions

The Company made no political or charitable contributions during the year (2018, £Nil).

## Audit Exemption

For the financial year ended 31 December 2019, the Company was entitled to exemption from audit under the Companies Act 2006, (section 480 relating to dormant companies) and the members have not required the Company to obtain audit of its Financial Statements for the year in question in accordance with section 476 of the Companies Act 2006.

By order of the Board,

A handwritten signature in black ink, appearing to read 'A. Davies', with a stylized flourish at the end.

**Andrew J Davies**  
Director  
London

17 September 2020

## Statement of Directors' Responsibilities

### in respect of the Strategic Report, the Directors' Report and the financial statements

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## Statement of Comprehensive Income for the year ended 31 December 2019

	Notes	2019 £	2018 £
Turnover		-	-
Administrative expenses	2	-	-
<b>Operating result</b>		-	-
Interest receivable and similar income		-	-
<b>Result on ordinary activities before taxation</b>		-	-
Taxation credit on ordinary activities	4	-	-
<b>Total Comprehensive Income for the year</b>		-	-

The notes on pages 9 to 12 form part of these Financial Statements.



## Statement of Changes in Equity

### for the year ended 31 December 2019

<b>2019</b>	<b>Share Capital £</b>	<b>Comprehensive Income £</b>	<b>Total £</b>
At beginning of the year	1	53,750	<b>53,751</b>
Total Comprehensive Income for the year	-	-	-
At end of the year	1	53,750	<b>53,751</b>

  

<b>2018</b>	<b>Share Capital £</b>	<b>Comprehensive Income £</b>	<b>Total £</b>
At beginning of the year	1	53,750	<b>53,751</b>
Total Comprehensive Income for the year	-	-	-
At end of the year	1	53,750	<b>53,751</b>

The notes on pages 9 to 12 form part of these Financial Statements.

# Statement of Financial Position

## as at 31 December 2019

	Notes	2019 £	2018 £
<b>Assets</b>			
Debtors: due within one year	5	57,011	57,011
<b>Total assets</b>		<b>57,011</b>	<b>57,011</b>
<b>Creditors</b>			
Creditors: amounts falling due within one year	6	(3,260)	(3,260)
<b>Total liabilities</b>		<b>(3,260)</b>	<b>(3,260)</b>
<b>Total assets less liabilities</b>		<b>53,751</b>	<b>53,751</b>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Comprehensive income		53,750	53,750
<b>Equity shareholder's funds</b>		<b>53,751</b>	<b>53,751</b>

The notes on pages 9 to 12 form part of these Financial Statements.

For the year ended 31 December 2019 the Company was dormant and thereby entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit of its Financial Statements for the year in question in accordance with section 476 of the Companies Act 2006. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board of Directors on 17 September 2020 and signed on behalf of the Company by Andrew Davies, Company Director.



**Andrew J Davies**  
Director  
London

17 September 2020

# Notes to the Financial Statements

## 1 Basis of preparation

The Financial Statements have been prepared in compliance with Financial Reporting Standard ("FRS") 102, being the Financial Reporting Standard applicable in the UK and Republic of Ireland as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The Company's ultimate parent undertaking, Markel Corporation includes the company in its consolidated financial statements.

In these Financial Statements, the Company is considered to be a qualifying entity for the purposes of this FRS and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Reconciliation of the number of shares outstanding from the beginning to the end of the period;
- Key Management Personnel compensation; and
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules.

These Financial Statements have been prepared on a break up basis as required by the Standard. A summary of the more important accounting policies that have been applied consistently is set out below.

### a) **Going concern**

The Financial Statements of the Company have been prepared on a non-going concern basis.

It is the Directors' intention to liquidate the Company, and consequently, the Financial Statements of the Company have been prepared on a non-going concern basis. No adjustments were necessary to the amount at which the net assets are included in the Financial Statements.

### b) **Financial assets and liabilities**

In applying FRS 102, the Company has chosen to apply the recognition and measurement provisions of International Accounting Standard ("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 Statement of Comprehensive Income. Financial assets and liabilities are classified on their initial recognition. Subsequent reclassifications are permitted only in restricted circumstances.

Financial assets and financial liabilities at fair value through profit and loss comprise financial assets and financial liabilities held for trading and those designated as such on initial recognition. Investments in shares and other variable yield securities, and debt and other fixed income securities are designated as at fair value through profit or loss on initial recognition, as they are managed on a fair value basis in accordance with the Company's investment strategy.

*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 asset. A financial liability is derecognised when its contractual obligations are discharged, cancelled, or expire.

Regular way purchases and sales of financial assets are recognised and derecognised, as applicable, on the trade date, i.e. the date that the Company commits itself to purchase or sell the asset.

*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 profit and loss, transaction costs that are directly attributable to its acquisition or issue.

*Investment Return*

Investment income comprises interest and dividends receivable for the year before investment expenses. Dividends receivable are stated after adding back any withholding taxation deducted at source. Investment expenses are charged to the Statement of Comprehensive Income on an incurred basis.

Realised gains or losses represent the difference between net sales proceeds and purchase price. Unrealised gains and losses on investments represent the difference between the current value of investments at the reporting date and their purchase price. The movement in unrealised investment gains/losses includes an adjustment for previously recognised unrealised gains/losses on investments disposed of in the accounting period.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in fair value, and are used by the Company in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the Statement of Financial Position.

**c) Foreign currencies translation**

The Company's functional currency and presentational currency is sterling. Transactions denominated in currencies other than the functional currency are initially recorded in the functional currency at the exchange rate ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the exchange rate ruling on the reporting date.

Non-monetary assets and liabilities denominated in a foreign currency, measured at fair value, are translated into the functional currency at the date when the fair value was determined.

Exchange differences are recorded in the Statement of Comprehensive Income.

**d) Taxation**

Taxation is charged by reference to the taxable income included in the Statement of Comprehensive Income.

## 2 Operating result

No emoluments were payable to the Directors in respect of their service to the Company for the period ended 31 December 2019 (2018, £Nil).

In 2018 audit fees of £8,500 were paid on the Company's behalf by a fellow Markel Corporation subsidiary, Markel International Services Limited ("MISL"), which is the UK group expense service company. No recharge was made to the Company.

There has been no liquidation provision made following the Directors' decision to wind up the Company. Any costs associated with the winding up will be borne by another group company.

## 3 Information regarding Directors and employees

The Directors' emoluments were paid by an affiliated group expense service company, MISL which makes no recharge to the Company for these costs. The Directors are also Directors of other companies in the group and it is not possible to make an accurate apportionment of the emoluments in respect of each Company of the group that these Directors provide services to. Their emoluments are disclosed in the Financial Statements of Markel International Insurance Company Limited ("MIICL") as the entity where the Directors are considered to spend the majority of their time.

The Company had no employees during the year. Services were provided to the Company by MISL, which makes no recharge to the Company for these services.

## 4 Taxation

No current taxation charge arises in the year (2018, no taxation charge).

## 5 Debtors: amounts falling due within one year

	2019 £	2018 £
Due from fellow subsidiary	57,011	57,011

## 6 Creditors: amounts falling due within one year

	2019 £	2018 £
Amounts due to fellow subsidiary	3,260	3,260
<b>Total</b>	<b>3,260</b>	<b>3,260</b>

## 7 Called up share capital

### Issued and outstanding

	2019 £	2018 £
Ordinary shares of £1.00 each	1	1

## 8 Related party

The Directors have availed of the exemption in FRS 102 "Related party disclosures" which permits qualifying entities of an undertaking not to disclose details of transaction and balances between group entities that are eliminated on consolidation.

## 9 Ultimate holding company

The Company's immediate parent company is Markel Syndicate Management Limited. The Company's ultimate holding company is Markel Corporation, which is incorporated in the USA. Copies of the ultimate holding company's consolidated Financial Statements may be obtained from 4521 Highwoods Parkway, Glen Allen, Virginia 23060, USA. The website address is [www.markelcorp.com](http://www.markelcorp.com).