Company Registration Number: 7777027

Kemah Lime Street Capital Limited

Revised Annual Accounts
31 December 2019

Contents:

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Kemah Lime Street Capital Limited
Company Information

Directors	D R Hatch APCL Corporate Director No.1 Limited
Company Secretary	Argenta Secretariat Limited
Registered Office	5th Floor, 70 Gracechurch Street London EC3V 0XL
Auditors	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD

Kemah Lime Street Capital Limited
Strategic Report

The Directors submit their Strategic Report for the Company for the year ended 31 December 2019.

Business Review

The Company continues to write insurance business in the Lloyd's Insurance market as a Lloyd's Corporate Capital Member.

The Financial Statements incorporate the annual accounting results of the Syndicates on which the Company participates for the 2017, 2018 and 2019 years of account, as well as any 2016 and prior run-off years. The 2017 year closed at 31 December 2019 with a result of £(11,466) (2016 - £9,593). The 2018 and 2019 open underwriting accounts will normally close at 31 December 2020 and 2021 respectively.

Results and Dividends

The results for the year are set out on pages 8 to 9 of the Financial Statements. Dividends totalling £Nil were paid in the year (2018 - £Nil).

Financial Risk Management Objectives and Policies

The Company 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 Company 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 Company.

Hedge accounting is not used by the Company.

Key Performance Indicators

	2019	2018
Capacity (youngest underwriting year)	£ 648,551	£ 677,576
Gross premium written as a % of capacity	111.1%	95.0%
Underwriting profit of latest closed year:		
as a % of capacity	-2.0%	-5.4%
Run-off years of account movement	£ -	£ 1
Combined ratio	97.7%	103.8%

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

Principal Risks and Uncertainties

Brexit

The UK left the EU on 31 January 2020 and negotiations in respect of the EU-UK Trade and Cooperation Agreement ("the Agreement") concluded on 24 December 2020, with the Agreement becoming effective from 1 January 2021. The Agreement consists of a Free Trade Agreement, a close partnership on citizens' security and an overarching governance framework. From 1 January 2021, UK financial services firms no longer have passporting rights allowing them to sell their services into the EU from their UK base without the need for additional regulatory clearances. In preparation for this, on 25 November the English High Court sanctioned a Part VII transfer of all policies insuring EEA risks from the syndicates to Lloyd's Insurance Company, Brussels. The Directors are monitoring the implications of the Part VII transfer along with general market conditions to identify whether it is appropriate to make any changes to the current strategy of the Company.

Coronavirus

In March 2020, the World Health Organisation declared Coronavirus (Covid-19) to be a global pandemic. Consideration has been given to the potential risks and uncertainties which may occur, however it is too early to assess the full impact on market conditions. As the Company participates on multiple syndicates they are regarded as having mitigated the potential effect as far as possible due to underwriting diversified risks.

Approved by the Board on 13 April 2021
and signed on its behalf by:

D R HATCH
Director

Kemah Lime Street Capital Limited
Report of the Directors

The Directors submit their Report together with the audited Financial Statements of the Company for the year ended 31 December 2019.

Revised annual accounts: revision by replacement

These revised accounts replace the original annual accounts for the financial year ended 31 December 2019, and are now the statutory accounts for Kemah Lime Street Capital Limited for that financial year.

These accounts have been prepared to 31 December 2019, the same date as the original annual accounts and, not to the date of this revision. Therefore they do not deal with any events between these dates.

The accounts have been revised in respect of a transaction which was incorrectly recorded. This affected other charges in the Statement of Comprehensive Income and cash at bank in the Statement of Financial Position. The value of this adjustment is £195,756 which was previously shown as a bank overdraft which was erroneous.

Principal Activities

The principal activity of the Company is that of trading as a Lloyd's Corporate Capital Member. The Company continues to underwrite for the 2021 year of account.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, Report of the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Accounting 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 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; 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 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

The Directors who served at any time during the year and to the date of this report were as follows:

D R Hatch
APCL Corporate Director No.1 Limited

Auditors

Mazars LLP have signified their willingness to act and continue to be appointed as the Company's auditors.

In the case of each of the persons who are Directors at the time this report is approved, the following applies:

a) So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and

b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board on 13 April 2021
and signed on its behalf by:

D R HATCH

Director

Kemah Lime Street Capital Limited
Independent Auditor's Report

Independent auditor's report to the members of Kemah Lime Street Capital Limited

Opinion

We have audited the revised Financial Statements of Kemah Lime Street Capital Limited (the 'Company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the revised Financial Statements, including a summary of significant accounting policies. 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). These revised Financial Statements replace the original financial statements approved by the Directors on 4 August 2020.

The revised financial statements have been prepared in accordance with The Companies (Revision of Defective Accounts and Reports) Regulations 2008 and as such do not consider events which have taken place after the date on which the original financial statements were approved.

In our opinion, the Financial Statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 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 revised Financial Statements section of our report. We are independent of the company 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 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.

Emphasis of matter – Revision of the Financial Statements

We draw attention to the basis of preparation note on page 14 of the revised financial statements, which details that the accounts have been revised in respect of a transaction which was incorrectly recorded. Our opinion is not modified in this respect.

Conclusions relation to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Directors have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

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.

Other information (continued)

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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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 specific by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities set out on page 3, 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 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.

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.

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

Use of the audit report

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.

Andrew Goldsworthy (Apr 14, 2021 13:12 GMT+1)

Andrew Goldsworthy (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St. Katharine's Way
London E1W 1DD

14/04/2021

Kemah Lime Street Capital Limited
Statement of Comprehensive Income
Technical Account – general business
For the year ended 31 December 2019

	Note		2019 £		2018 £
Premiums					
Gross premiums written	1		720,568		643,368
Outward reinsurance premiums	1		(185,367)		(147,706)
Net premiums written			535,201		495,662
Change in the provision for unearned premiums					
Gross provision	1		(24,197)		(38,737)
Reinsurers' share	1		10,779		11,076
Earned premiums, net of reinsurance			521,783		468,001
Allocated investment return transferred from the non-technical account			20,907		4,732
Other technical income, net of reinsurance			-		-
Claims paid					
Gross amount	1	(379,703)		(332,130)	
Reinsurers' share	1	101,802		76,337	
Net claims paid		(277,901)		(255,793)	
Change in provision for claims					
Gross amount	1	(66,817)		(37,982)	
Reinsurers' share	1	40,021		(945)	
Change in net provision for claims		(26,796)		(38,927)	
Claims incurred, net of reinsurance			(304,697)		(294,720)
Changes in other technical provisions, net of reinsurance			(1,343)		(2,091)
Net operating expenses	1,2		(205,255)		(190,961)
Other technical charges, net of reinsurance	1		-		-
Balance on the technical account for general business			31,395		(15,039)

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Kemah Lime Street Capital Limited
Statement of Comprehensive Income
Non Technical Account
For the year ended 31 December 2019

	Note	2019 £	2018 £
Balance on technical account for general business		31,395	(15,039)
Investment income	3	25,562	7,990
Allocated investment return transferred to the general business technical account		(20,907)	(4,732)
Other income		66,947	383
Other charges, including value adjustments		(28,251)	(9,256)
Profit/(loss) on ordinary activities before taxation	4	74,746	(20,654)
Tax on profit/(loss) on ordinary activities	5	(12,551)	2,926
Profit/(loss) for the financial year		62,195	(17,728)
Other comprehensive income/(expenditure):			
Currency translation differences		1,575	(1,550)
Tax on other comprehensive income/(expenditure)		(272)	248
Total comprehensive income/(expenditure)	10	63,498	(19,030)

All amounts relate to continuing operations.

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Kemah Lime Street Capital Limited
Statement of Financial Position
As at 31 December 2019

		31 December 2019			31 December 2018		
	Note	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Assets							
Intangible assets	6	-	3,488	3,488	-	4,884	4,884
Investments							
Other financial investments	7	493,523	-	493,523	519,734	-	519,734
Deposits with ceding undertakings		49	-	49	47	-	47
		493,572	-	493,572	519,781	-	519,781
Reinsurers' share of technical provisions							
Provision for unearned premiums	8	62,606	-	62,606	53,544	-	53,544
Claims outstanding	8	304,833	-	304,833	291,263	-	291,263
Other technical provisions		542	-	542	2,219	-	2,219
		367,981	-	367,981	347,026	-	347,026
Debtors							
Amounts falling due within one year	7	259,231	21,841	281,072	226,599	18,855	245,454
Amounts falling due after one year	7	26,270	6,380	32,650	22,799	9,740	32,539
		285,501	28,221	313,722	249,398	28,595	277,993
Other assets							
Cash at bank and in hand		33,698	379,190	412,888	33,609	380,054	413,663
Other		42,784	-	42,784	36,298	-	36,298
		76,482	379,190	455,672	69,907	380,054	449,961
Prepayments and accrued income							
Accrued interest		801	-	801	833	-	833
Deferred acquisitions costs	8	87,284	-	87,284	83,176	-	83,176
Other prepayments and accrued income		10,240	-	10,240	10,099	-	10,099
		98,325	-	98,325	94,108	-	94,108
Total assets		1,321,861	410,899	1,732,760	1,280,220	413,533	1,693,753

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Kemah Lime Street Capital Limited
Statement of Financial Position
As at 31 December 2019

	Note	31 December 2019 Syndicate Participation £	Corporate £	Total £	31 December 2018 Syndicate Participation £	Corporate £	Total £
Liabilities and shareholders' funds							
Capital and reserves							
Called up share capital	9	-	100	100	-	100	100
Capital redemption		-	-	-	-	-	-
Capital contribution		-	-	-	-	-	-
Share premium account		-	-	-	-	-	-
Profit and loss account	10	(73,245)	107,867	34,622	(96,052)	67,176	(28,876)
Shareholders' funds – attributable to equity interests		(73,245)	107,967	34,722	(96,052)	67,276	(28,776)
Technical provisions							
Provision for unearned premiums	8	317,685	-	317,685	301,932	-	301,932
Claims outstanding	8	909,956	-	909,956	912,250	-	912,250
Other technical provisions		-	-	-	848	-	848
Provisions for other risks							
Deferred taxation	11	-	-	-	-	-	-
Other		-	-	-	-	-	-
Deposit received from reinsurers		3,172	-	3,172	3,062	-	3,062
Creditors							
Amounts falling due within one year	7	121,124	295,879	417,003	125,238	338,179	463,417
Amounts falling due after one year	7	24,027	-	24,027	17,847	-	17,847
		145,151	295,879	441,030	143,085	338,179	481,264
Accruals and deferred income		19,142	7,053	26,195	15,095	8,078	23,173
Total liabilities		1,321,861	410,899	1,732,760	1,280,220	413,533	1,693,753

Approved and authorised for issue by the Board of Directors on 13 April 2021
and signed on its behalf by:

D R HATCH
Director

Company registration number: 7777027

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Kemah Lime Street Capital Limited
Statement of Changes in Equity
For the year ended 31 December 2019

	Called up share capital £	Capital redemption reserve £	Share premium account £	Profit and loss account £	Capital contribution reserve £	Total £
Opening balance	100	-	-	(9,846)	-	(9,746)
Loss for the year	-	-	-	(17,728)	-	(17,728)
Other comprehensive expenditure	-	-	-	(1,302)	-	(1,302)
Total comprehensive expenditure	-	-	-	(19,030)	-	(19,030)
Proceeds from the issue of shares	-	-	-	-	-	-
Movement in reserves	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
As at 31 December 2018	100	-	-	(28,876)	-	(28,776)
Profit for the year	-	-	-	62,195	-	62,195
Other comprehensive income	-	-	-	1,303	-	1,303
Total comprehensive income	-	-	-	63,498	-	63,498
Proceeds from the issue of shares	-	-	-	-	-	-
Movement in reserves	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
As at 31 December 2019	100	-	-	34,622	-	34,722

Called up share capital represents the nominal value of shares that have been issued.

Capital redemption reserve records the nominal value of shares repurchased by the Company.

The share premium account records the amount above the nominal value received for shares issued, less transaction costs.

The profit and loss account represents cumulative profits and losses of the Company.

Capital contribution reserve relates to contributions to the equity capital of the Company.

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Kemah Lime Street Capital Limited
Statement of Cash Flows
For the year ended 31 December 2019

	2019 £	2018 £
Operating activities		
Profit/(loss) on ordinary activities before tax	74,746	(20,654)
(Profit)/loss attributable to Syndicate transactions	(21,232)	53,125
Profit - excluding Syndicate transactions	53,514	32,471
Adjusted for:		
Increase in debtors	(1,102)	(9,740)
(Decrease)/increase in creditors	(37,506)	44,754
Loss on disposal of intangible assets	(66,947)	(383)
Amortisation of Syndicate capacity	(31,961)	1,395
Realised/unrealised gains on investments	-	-
Investment income	(4,655)	(3,258)
Corporation and overseas taxes paid	(17,166)	(1,130)
Net cash (outflow)/inflow from operating activities	(105,823)	64,109
Investing activities		
Investment income	4,655	3,258
Purchase of Syndicate capacity	33,357	-
Proceeds from sale of Syndicate capacity	66,947	1,303
Purchase of financial investments	-	-
Proceeds from sale of financial investments	-	-
Net cash inflow from investing activities	104,959	4,561
Financing activities		
Issue of shares	-	-
Share issue expenses	-	-
Capital contribution/redemption	-	-
Equity dividends paid	-	-
Net cash inflow from financing activities	-	-
Net cash (decrease)/increase in cash and cash equivalents	(864)	68,670
Effect of exchange rates on cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	380,054	311,384
Cash and cash equivalents at the end of the year	379,190	380,054
Consisting of:		
Cash at bank and in hand	379,190	380,054
Cash equivalents	-	-
	379,190	380,054

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

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Basis of preparation of Financial Statements

General information

The Company is a private company limited by shares and incorporated in England, United Kingdom.

The Financial Statements have been presented in Pounds Sterling ("Sterling") as this is the Company's functional currency, being the primary economic environment in which the Company operates.

Revised annual accounts: revision by replacement

These revised accounts replace the original annual accounts for the financial year ended 31 December 2019, and are now the statutory accounts for Kemah Lime Street Capital Limited for that financial year.

These accounts have been prepared to 31 December 2019, the same date as the original annual accounts and, not to the date of this revision. Therefore they do not deal with any events between these dates.

The accounts have been revised in respect of a transaction which was incorrectly recorded. This affected other charges in the Statement of Comprehensive Income and cash at bank in the Statement of Financial Position. The value of this adjustment is £195,756 which was previously shown as a bank overdraft which was erroneous.

Basis of preparation

These Financial Statements have been prepared in accordance with FRS 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland,* FRS103 *Insurance Contracts* and applicable legislation, as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 ("SI 2008/410"). These Financial Statements have been prepared under the historical costs convention as modified for certain financial instruments held at fair value.

Recognition of insurance transactions

The Company recognises its proportion of all the transactions undertaken by the Lloyd's Syndicates in which it participates ("the Syndicates") in aggregation with the transactions undertaken by the Company at entity level ("the Corporate").

The Financial Statements are prepared using the annual basis of accounting. Under the annual basis of accounting, a result is determined at the end of each accounting period reflecting the profit and loss from providing insurance coverage during that period and any adjustments to the profit or loss of providing insurance cover during earlier accounting periods.

For each such Syndicate, the Company's proportion of the underwriting transactions, investment return and operating expenses has been reflected within the Company's profit and loss account. Similarly, its proportion of the Syndicate's assets and liabilities has been reflected in its balance sheet (under the column heading "Syndicate Participation"). The Syndicate's assets are held subject to trust deeds for the benefit of the Company's insurance creditors.

The proportion referred to above is calculated by reference to the Company's participation as a percentage of the Syndicate's total capacity.

The Company has delegated sole management and control of its underwriting through each Syndicate to the managing agent of the Syndicate ("the Managing Agent") and it has further undertaken not to interfere with the exercise of such management and control. The Managing Agents of the Syndicates are therefore responsible for determining the insurance transactions to be recognised by the Company.

Sources of data

The information used to compile the technical account and the "Syndicate" balance sheet is based on returns prepared for this purpose by the Managing Agents of the Syndicates ("the Returns"). These Returns have been subjected to audit by the Syndicate auditors and are consistent with the audited annual reports to Syndicate members.

The format of the Returns is established by Lloyd's. Lloyd's collates this data at a Syndicate level analysing it into corporate member level results which reflects the relevant data in respect of all the Syndicates in which the Company participates.

Kemah Lime Street Capital Limited
Notes to the Revised Financial Statements
For the year ended 31 December 2019

Accounting policies

i Going concern

As at 31 December 2019 the Company had net assets of £34,722 (2018: net liabilities of £28,776). The Directors consider the Company to be a going concern and have prepared the Financial Statements on that basis. The Company is continuing to underwrite at Lloyd's for the 2021 year of account.The Directors have considered the impact of Coronavirus (Covid-19) and believe that, due to participating on multiple syndicates and thus diversifying their risk, it will not impact on the Company's ability to continue as a going concern.

ii Premiums

Premiums written comprise the total premiums receivable for the whole period of cover provided by the contracts incepting during the financial year, together with any adjustments arising in the year to such premiums receivable in respect of business written in prior years. Premiums are shown gross of commission payable to intermediaries and exclude insurance premium tax. Gross premiums written may include "reinsurance to close" premiums receivable (see vii below). Outward reinsurance premiums may include "reinsurance to close" premiums payable (see vii below). Premiums written by a Syndicate may also include the reinsurance of other Syndicates on which the Company participates. No adjustments have been made to gross premiums written or outward reinsurance premiums (or to gross and reinsurers' claims) to remove this inter - Syndicate reinsurance. Unearned premiums represent the proportion of premiums written in the year that relate to the unexpired terms of policies in force at the balance sheet date, calculated on the basis of established earnings patterns or time apportionment as appropriate.

iii Claims incurred

Claims incurred include the costs of claims handling expenses. Recoverable amounts arising out of subrogation or salvage are deducted from the cost of claims. Claims incurred comprise amounts paid or provided in respect of claims occurring during the year to 31 December, together with the amount by which settlement or reassessment of claims from prior years differ from the provision at the beginning of the year.

iv Provision for claims outstanding

Claims outstanding comprise amounts set aside for claims notified and claims incurred but not yet reported (IBNR). Provision is made for claims incurred but not paid in respect of events up to 31 December. The provision is based on the Returns and reports from the Managing Agents and the Company's licensed adviser or Members' Agent. When appropriate, statistical methods have been applied to past experience of claims frequency and severity.

The two most critical assumptions with regards to claims provisions are that the past is a reasonable predictor of the likely level of claims development, and that the rating and other models used for current business are fair reflections of the likely level of ultimate claims to be incurred. The Directors consider the provision for gross claims and related reinsurance recoveries, as based on the Returns to be fairly stated. However, ultimate liability will vary as a result of subsequent information and events, and this may result in significant adjustments to the amounts provided. Adjustments to amounts of claims provisions established in prior years are reflected in the Financial Statements for the period in which the adjustments are made.

v Unexpired risk provision

A provision for unexpired risk is made by the underlying Syndicates where claims, related expenses and deferred acquisition costs, likely to arise after the end of the financial period in respect of contracts concluded before that date, are expected to exceed the unearned premiums and premiums receivable under these contracts, after the deduction of any acquisition costs deferred.

vi Deferred acquisition costs

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

Accounting policies (continued)

vii Reinsurance to close

A reinsurance to close is a particular type of reinsurance contract entered into by Lloyd's Syndicates. Under it, underwriting members (the reinsured members) who are members of a Syndicate for a year of account (the closed year), agree with underwriting members who comprise that or another Syndicate for a later year of account (the reinsuring members) that the reinsuring members will indemnify, discharge or procure the discharge, of the reinsured members against all known and unknown liabilities of the reinsured members arising out of insurance business undertaken through that Syndicate and allocated to the closed year in consideration of:

(1) a premium; and
(2) either

(a) the assignment, or agreement to assign, to the reinsuring members of all the rights of the reinsured members arising out of, or in connection with, that insurance business (including without limitation the right to receive all future premiums, reinsurances and other monies receivable in connection with that insurance business); or

(b) an agreement by the reinsured members that the reinsuring members shall collect on behalf of the reinsured members the proceeds of all such rights and retain them for their own benefit so far as they are not applied in discharges of the liabilities of the reinsured members.

Where the reinsurance to close is between members on successive years of account of the same Syndicate, the Managing Agent has a duty to ensure both sets of members are treated equitably and to set the reinsurance to close with the intention that neither a profit nor a loss accrues to either group of members. To the extent that the Company participates on successive years of account of the same Syndicate and there is a reinsurance to close between those years, the Company has offset its share of the reinsurance to close received against its share of the reinsurance to close paid.

If the Company has increased its participation from one year of account to the next, the reinsurance to close paid is eliminated, as a result of this offset, leaving an element of the reinsurance to close received. This reflects the fact that the Company has assumed a greater proportion of the business of the Syndicate. If the Company has reduced its participation from one year of account to the next, the reinsurance to close received is eliminated, leaving an element of the reinsurance to close paid. This reflects the reduction in the Company's exposure to risks previously written by the Syndicate. The reinsurance to close is technically a reinsurance contract and, as such, the payment of a reinsurance to close does not remove from members of that year of account ultimate responsibility for claims payable on risks they have written. If the reinsuring members under the reinsurance to close become insolvent and the other elements of the Lloyd's chain of security also fail, the reinsured members remain theoretically liable for the settlement of any outstanding claims. However, payment of a reinsurance to close is conventionally accepted as terminating a reinsured member's participation on a Syndicate year of account and it is treated for accounts purposes as settling all the Company's outstanding gross liabilities in respect of the business so reinsured.

viii Financial instruments

The Company has chosen to apply the provisions of Section 11 *Basic Financial Instruments and Section* 12 *Other Financial Instruments* in full.

The Company holds both basic and non-basic financial instruments. The Company's financial instruments comprise of cash and cash equivalents, trade and other debtors, trade and other creditors and investments in a variety of basic and non-basic financial instruments, through both the Corporate and through the Syndicates.

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument.

Basic financial instruments are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment in the case of financial assets. Amounts that are receivable/payable within one year are measured at the undiscounted amount of the cash expected to be received/settled. Financial instruments subsequently measured at amortised cost include cash, debtors and creditors.

Accounting policies (continued)

viii Financial instruments (continued)

Where a financial instrument constitutes a financing transaction, it is initially measured at the present value of the future payments, discounted at a market rate of interest, and subsequently measured at amortised cost using the effective interest rate method.

All other financial instruments are measured at fair value through profit or loss, except for investments in equity instruments that are not publicly traded, and whose fair value cannot otherwise be measured reliably, which are measured at cost less impairment.

At the end of each reporting year, the Company assesses whether there is objective evidence that any financial asset may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in the profit and loss.

Investment income is initially recorded in the non-technical account. All investment income arising on Syndicate participations is allocated to the technical account.

Interest income is recognised as it accrues using the effective interest method.

Dividend income receivable is recognised when the rights to receive the distributions have been established.

ix Derivative financial instruments

The Company uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Company does not hold or issue derivative financial instruments for speculative purposes. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately.

x Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above. Overdrafts are reported separately in creditors.

xi Derecognition of financial assets

A financial asset or, when applicable, a part of a financial asset is derecognised when:

- The rights to the cash flows from the asset have expired; or
- The Company retains the right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay. In that case, the Company also recognises an associated liability.

xii Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if, and only if there is a currently enforceable legal right to offset the recognised amounts; and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies (continued)

xiii Net operating expenses

Operating expenses are recognised when incurred. They include the Company's share of Syndicate operating expenses, the remuneration payable to Managing Agents (and the Company's Members' Agent/licensed adviser) and the direct costs of membership of Lloyd's.

xiv Foreign currencies

Transactions in United States Dollars, Canadian Dollars and Euros are translated at the rates of exchange ruling at the date the transaction is processed or at an appropriate average rate. Unless otherwise stated, transactions in currencies other than United States Dollars, Canadian Dollars and Euros are translated at the rate of exchange ruling at the date the transaction is processed. Monetary assets and liabilities are retranslated into Sterling at the rate of exchange at the balance sheet date. Non-monetary assets and liabilities at the balance sheet date are maintained at the rate of exchange ruling when the contract was entered into, except for non-monetary assets and liabilities arising out of insurance contracts which are treated as monetary items in accordance with FRS 103 *Insurance Contracts* ("FRS 103"). Exchange differences arising on translation to the functional currency are dealt with through the non-technical account in the profit and loss account.

xv Intangible assets

Intangible assets include purchased rights to participate on Syndicates. The purchase cost is capitalised and amortised on a straight line basis over the useful life of the rights which is five years.

xvi Insurance contracts – product classification

Insurance contracts are those contracts when the Company (the insurer/reinsurer) has accepted significant insurance risk from another party (the policyholder/reinsured) by agreeing to compensate the policyholder if a specified uncertain future event (the re/insured event) adversely affects the policyholder. As a general guideline, the Company determines whether it has significant insurance risk, by comparing benefits paid with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire.

Any separable embedded derivatives within an insurance contract are separated and accounted for in accordance with sections 11 and 12 of FRS102 unless the embedded derivative is itself an insurance contract (i.e. the derivative is not separated if the policyholder benefits from the derivative only when the insured event occurs).

xvii Taxation

The Company is taxed on its share of the underwriting results declared by Syndicates and these are deemed to accrue evenly over the calendar year in which they are declared. The Syndicate results included in these Financial Statements (excluding any losses on open years of account) are only declared for tax purposes in the calendar year following closure of the year of account. HM Revenue & Customs agrees the taxable results of Syndicates at a Syndicate level on the basis of computations submitted by the Managing Agent. At the date of approval of these Financial Statements, the Syndicate taxable results of this year have not been agreed. Any adjustments that may be necessary to the tax provision as a result of HM Revenue & Customs agreement of Syndicate taxable results will be reflected in the Financial Statements of subsequent periods.

xviii Deferred taxation

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. 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 give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the Financial Statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the Financial Statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Accounting policies (continued)

xviii Deferred taxation (continued)

Deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

xix Critical accounting judgements and key sources of estimated uncertainty

In applying the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Directors' 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.

The management and control of each Syndicate is carried out by the managing agent of that Syndicate, and the Company looks to the managing agent to implement appropriate policies, procedures and internal controls to manage each Syndicate. The critical accounting judgements and key sources of estimation uncertainty set out below therefore relate to those made by the Directors in respect of the Corporate only, and do not include estimates and judgements made in respect of the Syndicates.

Critical accounting judgements

The critical judgements that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the statutory Financial Statements are discussed below.

Assessing indicators of impairment
In assessing whether there have been any indicators of impairment assets, the Directors have considered 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.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment review
The impairment of the Syndicate Assets is performed by the Syndicate themselves. The Directors perform an impairment review when indications of impairment arise.

Recoverability of receivables
The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the Directors consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

Determining the useful life of purchased Syndicate capacity
The Directors have assessed the useful life of syndicate capacity to be five years. This is on the basis that the Directors consider this to be the life over which value is created from the investment made.

1. Class of Business

2019	Gross Premiums Written £	Gross Premiums Earned £	Gross Claims Incurred £	Net Operating Expenses £	Reinsurance Balance £	Total £
Direct Insurance						
Accident and health	21,981	23,458	(13,608)	(10,590)	(1,418)	(2,158)
Motor – third party liability	1,433	1,474	(869)	(456)	(81)	68
Motor – other classes	29,185	40,905	(25,278)	(12,449)	(1,466)	1,712
Marine, aviation and transport	63,413	63,246	(31,272)	(21,181)	(5,689)	5,104
Fire and other damage to property	233,235	215,784	(126,157)	(63,777)	(25,428)	422
Third party liability	182,796	172,954	(109,308)	(56,709)	(4,801)	2,136
Credit and suretyship	24,362	23,968	(14,198)	(6,804)	(1,189)	1,777
Legal expenses	892	811	(274)	(421)	(60)	56
Assistance	-	-	-	-	-	-
Miscellaneous	551	1,049	(872)	(359)	(1)	(183)
	557,848	543,649	(321,836)	(172,746)	(40,133)	8,934
Reinsurance	162,720	152,722	(124,684)	(32,509)	7,368	2,897
Total	720,568	696,371	(446,520)	(205,255)	(32,765)	11,831

2018	Gross Premiums Written £	Gross Premiums Earned £	Gross Claims Incurred £	Net Operating Expenses £	Reinsurance Balance £	Total £
Direct Insurance						
Accident and health	23,389	24,639	(11,997)	(10,459)	(524)	1,659
Motor – third party liability	1,652	1,746	(877)	(556)	(200)	113
Motor – other classes	52,202	54,043	(15,531)	(16,804)	(19,109)	2,599
Marine, aviation and transport	57,384	56,247	(29,967)	(21,045)	(5,869)	(634)
Fire and other damage to property	189,737	176,562	(108,798)	(55,328)	(25,539)	(13,103)
Third party liability	162,857	143,798	(84,832)	(52,368)	(4,197)	2,401
Credit and suretyship	18,300	16,472	(7,826)	(4,936)	(1,790)	1,920
Legal expenses	653	673	(214)	(443)	4	20
Assistance	-	-	-	-	-	-
Miscellaneous	5,528	5,110	(2,958)	(1,914)	(479)	(241)
	511,702	479,290	(263,000)	(163,853)	(57,703)	(5,266)
Reinsurance	131,666	125,341	(107,112)	(27,108)	(3,535)	(12,414)
Total	643,368	604,631	(370,112)	(190,961)	(61,238)	(17,680)

All insurance business is underwritten in the United Kingdom in the Lloyd's insurance market. Consequently all insurance contracts are deemed to be concluded in the United Kingdom.

2. Net Operating Expenses

	2019	2018
	£	£
Acquisition costs	192,968	172,773
Change in deferred acquisition costs	(4,516)	(8,953)
Administrative expenses	33,469	34,032
Reinsurance commissions and profit participations	(27,377)	(21,004)
Personal expenses	10,711	14,113
	205,255	190,961

3. Investment Income

	2019	2018
	£	£
Financial instruments held at fair value through profit or loss:		
Interest and dividend income	12,456	10,443
Realised gains and losses	2,373	(798)
Unrealised gains and losses	6,845	(4,168)
Other	-	-
	21,674	5,477
Financial instruments held at amortised cost:		
Interest	4,655	3,258
Other	-	-
	4,655	3,258
Investment management expenses, including interest	(767)	(745)
	(767)	(745)
	25,562	7,990

4. Profit/(loss) on Ordinary Activities before Taxation

	2019	2018
	£	£
Operating profit/(loss) is stated after charging:		
Directors' remuneration	-	-
Amortisation of Syndicate capacity	(31,961)	1,395
Profit on disposal of intangible fixed assets	(66,947)	(383)
Loss/(profit) on exchange	6,433	(3,676)

The Company has no employees and no staff costs are met by the Company.

The Directors are considered to be the key management personnel of the Company.

The auditors charge a fixed fee to Argenta Private Capital Limited of £365 for the provision of the statutory audit, they also provide non-audit services through an outsourcing arrangement of approximately £515.

5. Taxation

Analysis of charge in year	**2019** £	**2018** £
Current tax:		
UK corporation tax on profit/(loss) of the year	11,252	8,675
Adjustment in respect of previous period	(283)	(1,363)
	10,969	7,312
Foreign tax	378	1,403
Total current tax	11,347	8,715
Deferred tax:		
Origination and reversal of timing differences	1,476	(13,863)
Change in tax rate	-	1,974
Total tax charge/(credit)	12,823	(3,174)

Factors affecting tax charge for period

The tax assessed for the period is different to the standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%). The differences are explained below:

	2019 £	2018 £
Profit/(loss) on ordinary activities before tax	74,746	(20,654)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018 – 19.00%)	14,202	(3,924)
Effects of:		
Difference in current and deferred tax rates	(64)	1,974
Deferred tax asset unrecognised	-	-
Foreign tax	306	1,136
Expenses and income not deductible for tax purposes	-	-
Other corporation computation adjustments for Lloyds corporate members	(1,338)	-
Prior period adjustments	(283)	(1,363)
Other adjustments	-	(997)
Total tax charge/(credit) for the period	12,823	(3,174)

The results of the Company's participation on the 2017, 2018 and 2019 years of account and any calendar year movement on 2016 and prior run-offs, will not be assessed to tax until the year ended 31 December 2020, 2021 and 2022 respectively being the year after the calendar year result of each run-off year or the normal date of closure of each year of account.

The current UK corporation tax rate is 19%, and will continue to be 19% in 2020.

6. Intangible Assets

	Total £
Purchased Syndicate Capacity	
Cost	
At 1 January 2019	118,874
Additions	(33,357)
Disposals	-
At 31 December 2019	85,517
Amortisation	
At 1 January 2019	113,990
Charge	(31,961)
Disposals	-
At 31 December 2019	82,029
Net Book Value	
At 31 December 2019	3,488
At 31 December 2018	4,884

7. Financial Instruments and Financial Risk Management

7.1 Financial Investments

Other financial investments – Syndicate participation

	2019 Market Value £	2018 Market Value £
Shares and other variable yield securities and units in unit trusts	70,363	70,089
Debt securities and other fixed income securities	382,609	401,104
Participation in investment pools	27,124	33,425
Loans with credit institutions	246	736
Derivative financial instruments	133	254
Other investments	1,723	537
Deposits with credit institutions	1,648	3,272
Other	9,677	10,317
	493,523	519,734

Other financial investments – Corporate

Shares and other variable yield securities and units in unit trusts	-	-
Debt securities and other fixed income securities	-	-
Other investments	-	-
	-	-

7. Financial Instruments and Financial Risk Management (continued)

7.2 Debtors

	Syndicate Participation	Corporate	2019 Total	Syndicate Participation	Corporate	2018 Total
	£	£	£	£	£	£
Amounts falling due within one year:						
Arising out of direct insurance operations	140,469	-	140,469	134,575	-	134,575
Arising out of reinsurance operations	92,634	-	92,634	71,849	-	71,849
Other Debtors:						
Amounts due from group undertakings	-	-	-	-	-	-
Other	26,128	21,841	47,969	20,175	18,855	39,030
Total Amounts falling due within one year	259,231	21,841	281,072	226,599	18,855	245,454
Amounts falling due after one year:						
Arising out of direct insurance operations	2,778	-	2,778	4,050	-	4,050
Arising out of reinsurance operations	13,038	-	13,038	11,063	-	11,063
Other Debtors:						
Amounts due from group undertakings	-	-	-	-	-	-
Other	10,454	6,380	16,834	7,686	9,740	17,426
Total Amounts falling due after one year	26,270	6,380	32,650	22,799	9,740	32,539
	285,501	28,221	313,722	249,398	28,595	277,993

7.3 Funds at Lloyd's

The amount of Funds at Lloyd's is represented in the balance sheet as:

	Syndicate Participation	Corporate	2019 Total	Syndicate Participation	Corporate	2018 Total
	£	£	£	£	£	£
Cash	-	378,313	378,313	-	375,454	375,454
Investments	-	-	-	-	-	-
	-	378,313	378,313	-	375,454	375,454

Funds at Lloyd's represents assets deposited with the Corporation of Lloyd's (Lloyd's) to support the Company's underwriting activities as described in the Accounting Policies. The Company has entered into a Lloyd's Deposit Trust Deed which gives Lloyd's the right to apply these monies in settlement of any claims arising from the participation on the Syndicates. These monies 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 Company's liabilities in respect of its underwriting.

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7. Financial Instruments and Financial Risk Management (continued)

7.4 Creditors

	Syndicate Participation £	Corporate £	2019 Total £	Syndicate Participation £	Corporate £	2018 Total £
Amounts falling due within one year:						
Arising out of direct insurance operations	16,508	-	16,508	18,026	-	18,026
Arising out of reinsurance operations	83,969	-	83,969	67,760	-	67,760
Amounts owed to credit institutions	-	-	-	-	-	-
Other creditors:						
Corporation tax	-	11,253	11,253	-	17,072	17,072
Directors' loan accounts	-	9,488	9,488	-	321,106	321,106
Third party funds	-	275,138	275,138	-	-	-
Other creditors	20,647	-	20,647	39,452	1	39,453
Amount due to group undertakings	-	-	-	-	-	-
Total Amounts falling due within one year	121,124	295,879	417,003	125,238	338,179	463,417
Amounts falling due after one year:						
Arising out of direct insurance operations	129	-	129	197	-	197
Arising out of reinsurance operations	23,380	-	23,380	17,566	-	17,566
Amounts owed to credit institutions	-	-	-	-	-	-
Other creditors:						
Corporation tax	-	-	-	-	-	-
Directors' loan accounts	-	-	-	-	-	-
Third party funds	-	-	-	-	-	-
Other creditors	518	-	518	84	-	84
Amount due to group undertakings	-	-	-	-	-	-
Total Amounts falling due after one year	24,027	-	24,027	17,847	-	17,847
	145,151	295,879	441,030	143,085	338,179	481,264

7. Financial Instruments and Financial Risk Management (continued)

7.5 Classification of Financial Instruments

The tables below set out the Company's financial instruments by classification.

Other financial investments – Syndicate participation

	At fair value through profit or loss	At amortised cost	2019 Total	At fair value through profit or loss	At amortised cost	2018 Total
	£	£	£	£	£	£
Financial assets						
Investments	493,523	346	493,869	519,734	-	519,734
Deposits with ceding undertakings	-	49	49	-	47	47
Insurance debtors	-	143,247	143,247	-	138,625	138,625
Reinsurance debtors	-	105,672	105,672	-	82,912	82,912
Other debtors	-	36,582	36,582	-	27,861	27,861
Cash at bank and in hand	-	33,698	33,698	-	33,609	33,609
Other assets	42,784	-	42,784	36,298	-	36,298
	536,307	319,594	855,901	556,032	283,054	839,086
Financial liabilities						
Borrowings	-	-	-	-	-	-
Derivative financial instruments	318	-	318	313	-	313
Insurance creditors	-	16,637	16,637	-	18,223	18,223
Reinsurance creditors	-	107,349	107,349	-	85,326	85,326
Amounts owed to credit institutions	-	-	-	-	-	-
Other creditors	-	-	-	-	-	-
	318	123,986	124,304	313	103,549	103,862

Other financial investments – Corporate

	At fair value through profit or loss	At amortised cost	2019 Total	At fair value through profit or loss	At amortised cost	2018 Total
	£	£	£	£	£	£
Financial assets						
Investments	-	-	-	-	-	-
Other debtors	-	28,221	28,221	-	28,595	28,595
Cash at bank and in hand	-	379,190	379,190	-	380,054	380,054
Other assets	-	-	-	-	-	-
	-	407,411	407,411	-	408,649	408,649
Financial liabilities						
Other creditors	-	295,879	295,879	-	338,179	338,179
	-	295,879	295,879	-	338,179	338,179

7. Financial Instruments and Financial Risk Management (continued)

7.5 Classification of Financial Instruments (continued)

The table below sets out details of the Company's derivative financial instruments.

	2019 Notional amount £	2019 Fair value £	2018 Notional amount £	2018 Fair value £
Foreign exchange forward contracts	6,673	119	6,529	254
Interest rate future contracts	5,868	14	463	-
Foreign exchange options	-	-	-	-
Equity options	-	-	-	-
Foreign exchange contract for difference	-	-	-	-
Other	-	-	-	-
	12,541	133	6,992	254

7.6 Financial Instruments held at fair value through profit or loss

The assets and liabilities carried at fair value through profit or loss have been categorised between the three levels of the fair value hierarchy that reflects the observability and significance of inputs used when establishing the fair value. The categorisation of these instruments is based on the lowest level input that is significant to the fair value measurement in its entirety.

Level (a) in the fair value hierarchy consists of assets and liabilities valued using unadjusted quoted prices in.active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis.

Level (b) in the fair value hierarchy consists of assets and liabilities that do not have directly quoted market prices available from active markets. Instead the price of a recent transaction for an identical asset or liability is used, provided that there has not been a significant change in economic circumstances or a significant lapse of time since the recent transaction.

Level (c) in the fair value hierarchy consists of those types of assets and liabilities for which fair values cannot be obtained directly from quoted market prices in active markets or in a recent transaction. These assets and liabilities are measured using a valuation technique to estimate what the transaction price would have been in an arm's length transaction.

7. Financial Instruments and Financial Risk Management (continued)

7.6 Financial Instruments held at fair value through profit or loss (continued)

The tables below set out Company's financial instruments held at fair value through profit or loss by level of hierarchy.

Other financial investments – Syndicate participation

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2019						
Financial assets						
Shares and other variable yield securities and units in unit trusts	21,999	46,340	2,024	70,363	-	70,363
Debt securities and other fixed income securities	90,732	291,877	-	382,609	-	382,609
Participation in investment pools	20,986	5,400	738	27,124	-	27,124
Loans and deposits with credit institutions	2,010	1,261	-	3,271	346	3,617
Overseas deposits	24,582	26,340	1,539	52,461	-	52,461
Derivatives	133	-	-	133	-	133
Other investments	-	-	-	-	-	-
Financial assets classified as held for sale	-	-	-	-	-	-
	160,442	371,218	4,301	535,961	346	536,307
Financial liabilities						
Borrowings	-	-	-	-	-	-
Derivative liabilities	318	-	-	318	-	318
Financial liabilities classified as held for sale	-	-	-	-	-	-
	318	-	-	318	-	318

7. Financial Instruments and Financial Risk Management (continued)

7.6 Financial Instruments held at fair value through profit or loss (continued)

Other financial investments – Syndicate participation (continued)

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2018						
Financial assets						
Shares and other variable yield securities and units in unit trusts	27,373	42,678	38	70,089	-	70,089
Debt securities and other fixed income securities	89,119	311,985	-	401,104	-	401,104
Participation in investment pools	26,457	4,912	2,056	33,425	-	33,425
Loans and deposits with credit institutions	3,264	744	537	4,545	-	4,545
Overseas deposits	24,367	20,587	1,654	46,608	-	46,608
Derivatives	253	1	-	254	-	254
Other investments	-	7	-	7	-	7
Financial assets classified as held for sale	-	-	-	-	-	-
	170,833	380,914	4,285	556,032	-	556,032
Financial liabilities						
Borrowings	-	-	-	-	-	-
Derivative liabilities	292	21	-	313	-	313
Financial liabilities classified as held for sale	-	-	-	-	-	-
	292	21	-	313	-	313

Other financial investments – Corporate

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2019						
Financial assets						
Shares and other variable yield securities and units in unit trusts	-	-	-	-	-	-
Debt securities and other fixed income securities	-	-	-	-	-	-
Other investments	-	-	-	-	-	-
	-	-	-	-	-	-

7. Financial Instruments and Financial Risk Management (continued)

7.6 Financial Instruments held at fair value through profit or loss (continued)

Other financial investments – Corporate (continued)

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2018						
Financial assets						
Shares and other variable yield securities and units in unit trusts	-	-	-	-	-	-
Debt securities and other fixed income securities	-	-	-	-	-	-
Other investments	-	-	-	-	-	-
	-	-	-	-	-	-

7.7 Financial Risk Management

The Company is a financial institution and therefore provides the following disclosures in respect of the financial instruments it holds.

The Company is exposed to the following financial risks in the course of its operating and financing activities:

- Credit risk
- Liquidity risk
- Interest rate risk
- Equity price risk; and
- Currency risk

The management and control of each Syndicate is carried out by the managing agent of that Syndicate, and the Company looks to the managing agent to implement appropriate policies, procedures and internal controls to manage each Syndicate, including those in respect of financial risk management. The following qualitative risk management disclosures made by the Directors therefore relate to the Corporate only. The quantitative disclosures are made in respect of both the Corporate and the Syndicates.

Kemah Lime Street Capital Limited
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7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

Credit risk

Credit risk is the risk that a counterparty to the Company's financial instruments will cause a loss to the Company through failure to perform its obligations. The key areas of exposure to credit risk for the Company result through its reinsurance programme, investments, bank deposits and policyholder receivables.

The Company manages credit risk at the Corporate level by ensuring that investments and cash and cash equivalent deposits are placed only with highly rated credit institutions. At the Corporate level the Company did not hold any collateral as security against its receivables, or have any other credit enhancements at the reporting dates.

The carrying amount of the Company's financial assets represents the Company's maximum exposure to credit risk.

The tables below show the credit quality of financial assets that are neither past due nor impaired.

Syndicate participation	**AAA** £	**AA** £	**A** £	**BBB or lower** £	**Not rated** £	**Total** £
2019						
Shares and other variable yield securities and units in unit trusts	9,648	2,484	23,884	3,892	30,455	70,363
Debt securities and other fixed income securities	73,980	138,849	103,753	56,344	9,683	382,609
Participation in investment pools	2,595	22,688	810	286	745	27,124
Loans secured with credit institutions	1,318	-	651	-	-	1,969
Deposits with credit institutions	1	-	943	-	704	1,648
Overseas deposits	22,615	7,340	5,144	4,259	13,103	52,461
Derivative investments	10	-	-	123	-	133
Other investments	-	-	-	-	-	-
Deposits with ceding undertakings	-	-	-	-	49	49
Reinsurers share of claims outstanding	19,596	58,048	212,051	568	14,570	304,833
Reinsurance debtors	281	4,465	15,951	674	6,135	27,506
Cash at bank and in hand	-	740	24,258	4,164	4,536	33,698
Insurance debtors	-	-	-	-	-	-
Other debtors	-	-	-	-	-	-
	130,044	234,614	387,445	70,310	79,980	902,393

7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

Syndicate participation	AAA £	AA £	A £	BBB or lower £	Not rated £	Total £
2018						
Shares and other variable yield securities and units in unit trusts	10,346	3,682	19,573	4,688	31,800	70,089
Debt securities and other fixed income securities	84,864	134,977	116,549	50,662	14,052	401,104
Participation in investment pools	2,496	28,015	618	220	2,076	33,425
Loans secured with credit institutions	729	7	-	-	537	1,273
Deposits with credit institutions	-	-	2,588	-	684	3,272
Overseas deposits	18,872	7,505	3,780	3,816	12,635	46,608
Derivative investments	-	-	220	33	1	254
Other investments	-	-	-	-	7	7
Deposits with ceding undertakings	-	-	-	-	47	47
Reinsurers share of claims outstanding	21,514	54,797	196,315	319	18,318	291,263
Reinsurance debtors	598	3,192	11,267	-	2,275	17,332
Cash at bank and in hand	327	467	24,389	4,865	3,561	33,609
Insurance debtors	-	-	-	-	-	-
Other debtors	-	-	-	-	-	-
	139,746	232,642	375,299	64,603	85,993	898,283

The tables below show the ageing and impairment of financial assets by class of instruments.

Syndicate participation	Neither due nor impaired £	Less than 6 months £	Between 6 months and 1 year £	Greater than 1 year £	Impaired £	Total past due or impaired £
2019						
Shares and other variable yield securities and units in unit trusts	70,363	-	-	-	-	70,363
Debt securities and other fixed income securities	382,609	-	-	-	-	382,609
Participation in investment pools	27,124	-	-	-	-	27,124
Loans secured with credit institutions	1,969	-	-	-	-	1,969
Deposits with credit institutions	1,648	-	-	-	-	1,648
Overseas deposits	52,461	-	-	-	-	52,461
Derivative investments	133	-	-	-	-	133
Other investments	-	-	-	-	-	-
Deposits with ceding undertakings	49	-	-	-	-	49
Reinsurers share of claims outstanding	304,904	-	-	-	(71)	304,833
Reinsurance debtors	18,886	8,056	443	123	(2)	27,506
Cash at bank and in hand	33,698	-	-	-	-	33,698
Insurance debtors	128,177	11,277	1,913	1,995	(115)	143,247
Other debtors	259,892	334	13	13	-	260,252
	1,281,913	19,667	2,369	2,131	(188)	1,305,892

7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

Syndicate participation	Neither due nor impaired £	Less than 6 months £	Between 6 months and 1 year £	Greater than 1 year £	Impaired £	Total past due or impaired £
2018						
Shares and other variable yield securities and units in unit trusts	70,089	-	-	-	-	70,089
Debt securities and other fixed income securities	401,104	-	-	-	-	401,104
Participation in investment pools	33,425	-	-	-	-	33,425
Loans secured with credit institutions	1,273	-	-	-	-	1,273
Deposits with credit institutions	3,272	-	-	-	-	3,272
Overseas deposits	46,608	-	-	-	-	46,608
Derivative investments	254	-	-	-	-	254
Other investments	7	-	-	-	-	7
Deposits with ceding undertakings	47	-	-	-	-	47
Reinsurers share of claims outstanding	291,357	-	-	-	(94)	291,263
Reinsurance debtors	11,615	5,508	174	41	(6)	17,332
Cash at bank and in hand	33,609	-	-	-	-	33,609
Insurance debtors	124,241	10,817	1,830	1,912	(175)	138,625
Other debtors	225,006	305	146	-	-	225,457
	1,241,907	16,630	2,150	1,953	(275)	1,262,365

At the Corporate level the Company is not exposed to significant credit risk. Consequently a sensitivity analysis for credit risk has not been presented for the Corporate.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

At the Corporate level the Company manages liquidity by continuously. monitoring forecast and actual cash flows, and by matching the maturity profiles of assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date of which the Company can be required to pay.

Syndicate participation	No stated maturity £	Less than 1 year £	1 to 3 years £	3 to 5 years £	Greater than 5 years £	Total £
2019						
Derivative financial instruments	-	318	-	-	-	318
Deposits received from reinsurers	-	3,172	-	-	-	3,172
Provisions for other risks and charges	-	-	-	-	-	-
Claims outstanding	-	335,167	298,601	157,982	118,206	909,956
Creditors	3	116,131	23,867	2,467	-	142,468
Other	-	-	-	-	-	-
	3	454,788	322,468	160,449	118,206	1,055,914

7. *Financial Instruments and Financial Risk Management (continued)*

7.7 Financial Risk Management (continued)

Syndicate participation	No stated maturity £	Less than 1 year £	1 to 3 years £	3 to 5 years £	Greater than 5 years £	Total £
2018						
Derivative financial instruments	-	313	-	-	-	313
Deposits received from reinsurers	-	3,062	-	-	-	3,062
Provisions for other risks and charges	-	-	-	-	-	-
Claims outstanding	-	331,983	328,554	130,216	121,497	912,250
Creditors	50	119,690	21,104	2,044	-	142,888
Other	-	-	-	-	-	-
	50	455,048	349,658	132,260	121,497	1,058,513

At the Corporate level the Company is not exposed to significant liquidity risk. Consequently a maturity profile has not been presented for the Corporate.

Interest rate risk

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

The Company is exposed to the risk of interest rate fluctuations in respect of cash and cash equivalents and other interest bearing securities.

At the Corporate level the Company manages interest rate risk by maintaining an appropriate mix between fixed and floating rate financial instruments.

The table below shows the impact of changes in interest rates on the profit or loss for the period and on the equity of the Company.

Syndicate participation

	2019 £	2018 £
Impact of 50 basis point increase on profit or loss	(3,772)	(3,602)
Impact of 50 basis point decrease on profit or loss	3,794	3,623
Impact of 50 basis point increase on equity	(3,772)	(3,602)
Impact of 50 basis point decrease on equity	3,794	3,623

At the Corporate level the Company is not exposed to significant cash flow interest rate risk as all of the financial instruments attract fixed rates of interest. Consequently a sensitivity analysis for interest rate risk has not been presented for the Corporate.

Equity price risk

Equity price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices.

The Company is exposed to equity price risk in respect of its equity investments.

At the Corporate level the Company manages equity price risk by maintaining an appropriate mix between equity and debt financial instruments, and by spreading the risk on equity investments across a portfolio of investments.

7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

The table below shows the impact of changes in equity prices on the profit or loss for the period and on the equity of the Company.

Syndicate participation

	2019 £	2018 £
Impact on profit or loss of 5% increase in Stock Market Prices	647	832
Impact on profit or loss of 5% decrease in Stock Market Prices	(649)	(826)
Impact on equity of 5% increase in Stock Market Prices	647	832
Impact on equity of 5% decrease in Stock Market Prices	(649)	(826)

At the Corporate level the Company is not exposed to significant cash flow equity price risk. Consequently a sensitivity analysis for equity price risk has not been presented for the Corporate.

Currency risk

The Company holds both assets and liabilities denominated in currencies other than Sterling, its functional currency. It is therefore exposed to currency risk as the value of the foreign currency assets and liabilities will fluctuate in line with changes in foreign exchange rates.

At the Corporate level the Company manages currency risk by ensuring that exchange rate exposures are managed within approved policy parameters.

The table below considers financial assets and financial liabilities denominated in the currencies of the Company's principal foreign exchange exposures in aggregate.

Net assets and liabilities

		2019		2018
	Syndicate Participation £	Corporate £	Syndicate Participation £	Corporate £
Sterling	(128,311)	11,755	(90,381)	(63,283)
United States Dollar	16,414	92,724	(47,878)	125,674
Euro	34,107	-	13,918	-
Canadian Dollar	7,914	-	23,316	-
Australian Dollar	7,748	-	5,410	-
Japanese Yen	(11,482)	-	(4,308)	-
Other	(4,021)	-	4,522	-

7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

The Company has delegated sole management and control of its underwriting through each Syndicate to the managing agent of the Syndicate and it has further undertaken not to interfere with the exercise of such management and control. The managing agents of the Syndicates are therefore responsible for determining the insurance transactions to be recognised. As such, disclosures in respect of the assumptions and judgements made, and the objectives, policies and processes for managing currency risk arising from assets and liabilities are only presented for the Corporate in these Financial Statements.

The Company's assets are primarily Funds at Lloyd's to support its underwriting. These are held in various currencies but are all either listed investments or cash. As such, any exchange movement would be accounted for in the profit and loss.

	Corporate Profit and loss			
	31 December 2019		31 December 2018	
	Increase	Decrease	Increase	Decrease
Effect of Sterling exchange movement by 10%	£	£	£	£
United States Dollar	8,429	(10,303)	11,425	(13,964)
Euro	-	-	-	-
Canadian Dollar	-	-	-	-
Australian Dollar	-	-	-	-
Japanese Yen	-	-	-	-
Other	-	-	-	-

7.8 Capital Management

Lloyd's capital setting process

In order to meet Lloyd's requirements, each Syndicate is required to calculate its Standard Capital Requirement ("SCR") for the prospective underwriting year. This amount must be sufficient to cover a 1 in 200 year loss, reflecting uncertainty in the ultimate run-off of underwriting liabilities (SCR "to ultimate"). The Syndicate must also calculate its SCR at the same confidence level but reflecting uncertainty over a one year time horizon (one year SCR) for Lloyd's to use in meeting Solvency II requirements. The SCRs of each Syndicate are subject to review by Lloyd's and approval by the Lloyd's Capital and Planning Group.

Each Syndicate member is liable for its own share of underwriting liabilities on the Syndicate on which it participates but not other members' shares.

Accordingly, the capital requirement that Lloyd's sets for each member operates on a similar basis. Each member's SCR shall thus be determined by the sum of the member's share of the Syndicate SCR "to ultimate".

Over and above this, Lloyd's applies a capital uplift to the member's capital requirement, the ECA. The purpose of this uplift, which is a Lloyd's not a Solvency II requirement, is to meet Lloyd's financial strength, licence and ratings objectives.

Effective 1 January 2016, Lloyd's is subject to the Solvency II capital regime and the Solvency I figures are no longer applicable from that date. Although the capital regime has changed, this has not significantly impacted the solvency capital requirement of the Syndicate, since this has been previously calculated using Solvency II principles.

The Funds at Lloyd's represent the capital which allows the Company to participate on the Syndicates. Refer to Note 7.3 for further information.

8. Insurance Contracts

The following reconciliation shows the movement in the provision for claims outstanding during the year.

	Gross provision £	Reinsurance asset £	2019 Net £	Gross provision £	Reinsurance asset £	2018 Net £
At 1 January	912,250	291,263	620,987	890,149	289,661	600,488
Movements in the year	66,817	40,021	26,796	29,195	(945)	30,140
Exchange differences	(69,111)	(26,451)	(42,660)	(7,094)	2,547	(9,641)
At 31 December	909,956	304,833	605,123	912,250	291,263	620,987

The following reconciliation shows the movement in the provision for unearned premium during the year.

	Gross provision £	Reinsurance asset £	2019 Net £	Gross provision £	Reinsurance asset £	2018 Net £
At 1 January	301,932	53,544	248,388	254,704	40,794	213,910
Movements in the year	24,197	10,779	13,418	38,737	11,076	27,661
Exchange differences	(8,444)	(1,717)	(6,727)	8,491	1,674	6,817
At 31 December	317,685	62,606	255,079	301,932	53,544	248,388

The following reconciliation shows the movement in deferred acquisition costs during the year.

	2019 £	2018 £
At 1 January	83,176	74,520
Movements in the year	4,516	8,953
Exchange differences	(408)	(297)
At 31 December	87,284	83,176

8.1 Risks arising from Insurance Contracts

The Company has delegated sole management and control of its underwriting through each Syndicate to the managing agent of the Syndicate and it has further undertaken not to interfere with the exercise of such management and control. The managing agents of the Syndicates are therefore responsible for determining the insurance transactions to be recognised. As such, disclosures in respect of the assumptions and judgements made, and the objectives, policies and processes for managing risk arising from insurance contracts, are not presented in these Financial Statements.

The development of insurance liabilities provides a measure of the managing agent's ability to estimate the ultimate value of claims. The top half of each table below illustrates how the estimate of total claims outstanding for each accident year has changed at successive year ends. The bottom half of the table reconciles the cumulative claims to the amount appearing in the balance sheet.

8. Insurance Contracts (continued)

8.1 Risks arising from Insurance Contracts (continued)

Claims development - gross

	At end of reporting year	One year later	Two years later	Three years later	Four years later	Five years later	Six years later	Seven years later
2011	164,910	277,323	278,456	280,934	276,498	273,078	267,584	262,639
2012	164,019	247,497	241,392	233,094	229,419	223,701	220,096	218,648
2013	125,475	229,747	228,817	222,119	216,256	211,031	208,937	
2014	120,386	223,035	235,433	224,212	226,585	222,739		
2015	122,137	246,529	261,139	255,497	253,100			
2016	138,821	300,088	318,112	322,231				
2017	263,039	409,047	445,934					
2018	242,421	436,434						
2019	212,516							

	Eight years later	Cumulative payments to date	Estimated balance to pay	Profit/(loss) on RITC received
2010 & prior			51,367	
2011	261,271	245,808	15,463	(10,628)
2012		203,344	15,304	(31,735)
2013		188,899	20,038	(21,532)
2014		188,417	34,322	(49,104)
2015		192,290	60,810	(47,057)
2016		220,593	101,638	(46,389)
2017		267,248	178,686	
2018		191,184	245,250	
2019		25,438	187,078	
			909,956	

Claims development - net

	At end of reporting year	One year later	Two years later	Three years later	Four years later	Five years later	Six years later	Seven years later
2011	138,362	231,292	229,906	225,908	221,244	217,780	215,187	212,960
2012	126,700	206,384	202,288	192,112	187,694	184,967	183,211	182,184
2013	107,154	202,086	199,410	191,885	187,233	185,185	183,303	
2014	100,707	193,066	201,373	192,478	192,693	191,372		
2015	100,570	209,922	222,318	219,982	217,730			
2016	107,992	233,783	254,073	257,642				
2017	154,342	281,401	310,204					
2018	158,708	298,153						
2019	136,300							

8. Insurance Contracts (continued)

8.1 Risks arising from Insurance Contracts (continued)

Claims development – net (continued)

	Eight years later	Cumulative payments to date	Estimated balance to pay	Profit/(loss) on RITC received
2010 & prior			30,735	
2011	211,063	201,648	9,415	(15,152)
2012		169,774	12,410	(30,809)
2013		166,707	16,596	(29,130)
2014		164,079	27,293	(36,925)
2015		170,211	47,519	(34,104)
2016		185,293	72,349	(44,447)
2017		194,542	115,662	
2018		139,595	158,558	
2019		21,713	114,587	
			605,124	

9. Called-up Share Capital

Issued and fully paid	Number of shares			
	At 1 January	Issued during the year	Redeemed during the year	At 31 December
Par value per share				
100 Ordinary £1 shares	100	-	-	100
Total	100	-	-	100

The Ordinary £1 shares each hold one voting right. There are no restrictions on the distribution of dividends and the repayments of capital.

10. Profit and Loss Account

	Syndicate Participation 2019 £	Corporate 2019 £	Total 2019 £	Syndicate Participation 2018 £	Corporate 2018 £	Total 2018 £
Retained loss brought forward	(96,052)	67,176	(28,876)	(41,377)	31,531	(9,846)
Reallocate distribution	(9,592)	9,592	-	(42,901)	42,901	-
Profit/(loss) for the financial year	32,399	31,099	63,498	(11,774)	(7,256)	(19,030)
Equity dividends	-	-	-	-	-	-
Retained profit/(loss) carried forward	(73,245)	107,867	34,622	(96,052)	67,176	(28,876)

11. Deferred Tax

2019

	Syndicate Results £	Tax losses £	Claims Equalisation Reserve £	Other £	Total £
At 1 January	(16,368)	-	2,877	(5,364)	(18,855)
Movement in the year	3,859	-	(2,877)	494	1,476
At 31 December	(12,509)	-	-	(4,870)	(17,379)

2018

	Syndicate Results £	Tax losses £	Claims Equalisation Reserve £	Other £	Total £
At 1 January	(6,915)	-	3,898	(3,949)	(6,966)
Movement in the year	(9,453)	-	(1,021)	(1,415)	(11,889)
At 31 December	(16,368)	-	2,877	(5,364)	(18,855)

The unused tax losses carried forward at the Statement of Financial Position date are £Nil. Unused tax losses are expected to be recoverable against the future profits of the Company and have no expiry date.

The deferred tax balance consists of timing differences relating to the taxation of underwriting results. Deferred tax assets are shown within other debtors (Note 7.2).

12. Related Party Disclosure

During the year the Directors made loans to and from the Company. At the Balance Sheet date the amount due (to)/from the Company was £9,488 (2018: £321,106).

Any related party loans and balances do not attract interest and are repayable on demand.

13. Ultimate Controlling Party

The Company is controlled by Mr G Bell who holds 100% of the issued £100 ordinary share capital.

14. Post Balance Sheet Event Note

In March 2020, the World Health Organisation declared Coronavirus (Covid-19) to be a global pandemic. The full extent of the impact is not yet known, however as the Company participates on multiple syndicates the potential impact is mitigated due to the diverse spread of risks underwritten in them. This is a non-adjusting post balance sheet event.