

Nomina Corporate Partner Chart No 2 Limited

Annual Report and Financial Statements 31 December 2022



Company Registration No. 09642334

Nomina Corporate Partner Chart No 2 Limited

Contents

	Page No
Company Information	2
Strategic Report	3
Directors' Report	4
Independent Auditor's Report	5
Profit and Loss Account	7
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Shareholders' Equity	9
Statement of Cash Flows	10
Notes to the Financial Statements	11

Nomina Corporate Partner Chart No 2 Limited

Company Information

Directors M J Tottman (appointed 31 July 2023)
D P T Granter
C Malvezzi-Campeggi
Nomina Plc

Secretary Hampden Legal Plc

Company number 09642334

Registered office 40 Gracechurch Street
London
EC3V 0BT

Statutory Auditors PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus
Canary Wharf
London
E14 4HD

Nomina Corporate Partner Chart No 2 Limited

Strategic Report

The Directors present their Strategic Report for the year ended 31 December 2022.

Business review and future developments

The Company participates as a corporate partner on LLP members of Lloyd's.

The results for the period reflect the Company's share of the profits or losses of the LLP for the relevant years of account, Note 9.

Key performance indicators

The Directors monitor the performance of the Company by reference to the key performance indicators of the underlying LLPs, as shown in the paragraph below and in Note 5.

Other performance indicators

As a result of the nature of this Company as the partner of Lloyd's LLP members the majority of its activities are carried out by the syndicates in which the LLPs participate. The Company is not involved directly in the management of the syndicate's activities, including employment of syndicate staff, as these are the responsibility of the relevant managing agent. Each managing agent will also have responsibility for the environmental activities of each syndicate, although by their nature insurers do not produce significant environmental emissions. As a result, the Directors of the Company do not consider it appropriate to monitor and report any performance indicators in relation to staff or environmental matters.

Financial risk management objectives and policies

As a corporate member of Lloyd's the majority of the risks to this Company's future cash flows arise from its participation in the results of Lloyd's syndicates. As detailed in Note 5, these risks are mostly managed by the managing agent of the syndicate. The Company's role in managing this risk is limited to selection of syndicate participations and monitoring performance of the syndicates. The Company is also directly exposed to these risks, but they are not considered material compared to the syndicate risk for the assessment of the assets, liabilities, financial position and profit or loss of the Company.

Approved by the Board on 28 September 2023 and signed on its behalf by:



Mark Tottman, for and on behalf of Nomina Plc
Director

Nomina Corporate Partner Chart No 2 Limited

Directors' Report

The Directors present their Report together with the audited Financial Statements of the Company for the year ended 31 December 2022.

Principal activities

The Company is a corporate partner in Chart Capital LLP, a limited liability partnership ("LLP") member of Lloyd's, with ownership participation in capacity and member's yearly share of the result of the LLP, as disclosed in Note 9.

Results and dividends

The results for the year are set out on page 7 of the Financial Statements. No dividends were paid in the period (2021: £nil).

Directors

The Directors who served at any time during the period were as follows:

J R H Evans (resigned 31 July 2023)
D P T Granter
C Malvezzi-Campeggi
Nomina Plc

Directors' Responsibilities Statement

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

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 those 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 United Kingdom 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 to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for: such internal control as they determine necessary to enable the preparation of Financial Statements that are free from material misstatements, whether due to fraud or error; and safeguarding the assets of the Company, complying with laws and regulations, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

- i. PKF Littlejohn LLP has signified its willingness to continue in office as auditor.
- ii. Disclosure of information to the Auditor:

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

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Board on 28 September 2023 and signed on its behalf by:



Mark Tottman for and on behalf of Nomina Plc
Director

Nomina Corporate Partner Chart No 2 Limited

Independent Auditor's Report

Independent Auditor's Report to the Members of Nomina Corporate Partner Chart No 2 Limited

Opinion

We have audited the Financial Statements of Nomina Corporate Partner Chart No 2 Limited (the "Company") for the year ended 31 December 2022 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Shareholders' Equity, the Statement of Cash Flows and notes to the 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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the 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.

Conclusions relating 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 other information comprises the information included in the Annual Report, other than the Financial Statements and our auditor's report thereon. The Directors are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Nomina Corporate Partner Chart No 2 Limited

Independent Auditor's Report (continued)

Matters on which we are required to report by exception

In the 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 Directors' Report.

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 specified 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 Directors' Responsibilities Statement, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the 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.

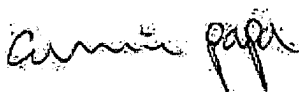
Auditor's responsibilities for the audit of the Financial Statements

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 our 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.



Carmine Papa (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
28 September 2023

15 Westferry Circus
Canary Wharf
London
E14 4HD

Nomina Corporate Partner Chart No 2 Limited
Profit and Loss Account
For the year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover		99,501	122,898
Administrative expenses		-	(200)
Impairment (charge) / reversal on investment	9	-	-
Operating profit / (loss)	6	99,501	122,698
Investment income net of investment expenses	7	-	-
Profit / (loss) before taxation		99,501	122,698
Tax on profit / (loss)	8	(25,203)	(23,123)
Profit / (loss) for the financial year		74,298	99,575

Statement of Comprehensive Income

	2022 £	2021 £
Profit/(loss) for the financial year	74,298	99,575
Other comprehensive income:	-	-
Currency translation differences	-	-
Tax on other comprehensive income	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the financial year	74,298	99,575

All amounts relate to continuing operations.

The Notes are an integral part of these Financial Statements.

Nomina Corporate Partner Chart No 2 Limited
Balance Sheet
As at 31 December 2022

	Notes	2022 £	2021 £
Fixed Assets			
Investments in associates	9	1,106,509	1,106,509
Current assets			
Debtors	10	43,939	74,377
Cash at bank and in hand		-	-
		43,939	74,377
Creditors: amounts falling due within one year	11	(1,407,697)	(1,512,433)
Net current assets / (liabilities)		(1,363,758)	(1,438,056)
Total assets less current liabilities		(257,249)	(331,547)
Provision for other risks and charges			
Deferred taxation	12	-	-
Net assets / (liabilities)		(257,249)	(331,547)
Capital and reserves			
Share capital	13	100	100
Profit and loss account		(257,349)	(331,647)
Total shareholders' funds		(257,249)	(331,547)

The Financial Statements were approved and authorised for issue by the Board of Directors on 28 September 2023 and signed on its behalf by:



Mark Tottman for and on behalf of Nomina Plc
Director

Company registration number: 09642334

The Notes are an integral part of these Financial Statements.

Nomina Corporate Partner Chart No 2 Limited
Statement of Changes in Shareholders' Equity
For the year ended 31 December 2022

Note	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 January 2021	100	-	(431,222)	(431,122)
Total comprehensive income for the year:				
Profit/(loss) for the financial year	-	-	99,575	99,575
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	99,575	99,575
Transactions with owners:				
Dividends paid	-	-	-	-
Proceeds from issue of shares	-	-	-	-
Total transactions with owners	-	-	-	-
At 31 December 2021	100	-	(331,647)	(331,547)
At 1 January 2022	100	-	(331,647)	(331,547)
Total comprehensive income for the year:				
Profit/(loss) for the financial year	-	-	74,298	74,298
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	74,298	74,298
Transactions with owners:				
Dividends paid	-	-	-	-
Proceeds from issue of shares	-	-	-	-
Total transactions with owners	-	-	-	-
At 31 December 2022	100	-	(257,349)	(257,249)

The Notes are an integral part of these Financial Statements.

Nomina Corporate Partner Chart No 2 Limited
Statement of Cash Flows
For the year ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Profit/(loss) before tax		99,501	122,698
Adjustments for:			
(Increase)/decrease in debtors		-	-
Increase/(decrease) in creditors		(99,501)	(122,698)
Impairment charge / (reversal) on investments	9	-	-
Investment income		-	-
Income tax paid		-	-
Net cash inflow/(outflow) from operating activities		<u>-</u>	<u>-</u>
Cash flows from investing activities			
Investment income		-	-
Purchase of investments		-	-
Net cash inflow/(outflow) from investing activities		<u>-</u>	<u>-</u>
Cash flows from financing activities			
Equity dividends paid		-	-
Issue of shares		-	-
Net cash inflow/(outflow) from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		<u>-</u>	<u>-</u>
Cash and cash equivalents at beginning of year		-	-
Foreign exchange translation adjustment		-	-
Cash and cash equivalents at end of year		<u>-</u>	<u>-</u>
Cash and cash equivalents comprise:			
Cash at bank and in hand		-	-
Other financial investments		-	-
Cash and cash equivalents		<u>-</u>	<u>-</u>

The Notes are an integral part of these Financial Statements.

Nomina Corporate Partner Chart No 2 Limited

Notes to the Financial Statements

For the year ended 31 December 2022

1. General information

The Company is a private company limited by shares that was incorporated in England and Wales and whose registered office is 40 Gracechurch Street, London, EC3V 0BT. The Company acts as a corporate partner on limited liability partnerships who participates in insurance business as underwriting members of various syndicates at Lloyd's.

2. Statement of compliance

These Financial Statements have been prepared in accordance with United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The Directors do not consider the Company to be a financial institution under FRS 102.

Basis of preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost basis of accounting, as modified by the revaluation of certain financial instruments measured at fair value through profit or loss.

The preparation of Financial Statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in Note 4.

Going concern

The Directors have considered the appropriateness of preparing these Financial Statements on a going concern basis. The Directors are of the opinion that the Company has adequate resources to meet its operational obligations for the foreseeable future. Accordingly, the going concern concept has been adopted in the preparation of these Financial Statements.

Turnover

Turnover represents the Company's share of the profit or loss generated by its percentage partnership in the LLP. This share of the profit or loss of the LLP for the financial year is allocated to each Member of the Partnership in accordance with their respective profit shares for the relevant year(s) of accounts.

Investment return

Investment return comprises all investment income, realised investment gains and losses, movements in unrealised gains and losses, net of investment expenses and charges.

Realised and unrealised gains and losses are measured by reference to the original cost of the investment if purchased in the year, or if held at the beginning of the year by reference to the fair value at that date.

Investments in associates – LLP corporate member

The Company's investments in associates, which are LLP corporate members, are held at cost less accumulated impairment losses.

Investments are reviewed for impairment and where there is such an indication, the recoverable amount of the investment is compared to its carrying amount. If the recoverable amount is estimated to be lower than the carrying amount, then the resulting impairment loss is recognised through the profit and loss account.

If an impairment loss is subsequently reversed, then the carrying amount of the investment is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined, had no impairment loss been recognised in the prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

Nomina Corporate Partner Chart No 2 Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

3. Summary of significant accounting policies (continued)

Taxation

The Company is taxed on its results including its share of profit or loss generated by its percentage ownership in the LLP, where the LLP's underwriting results are declared by the syndicates. These are deemed to accrue evenly over the calendar year in which they are declared. The syndicate results included in these Financial Statements are only declared for tax purposes in the calendar year following the normal closure of the year of account. No provision is made for corporation tax in relation to open years of account. However, full provision is made for deferred tax on underwriting results not subject to current corporation tax.

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

Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the Balance Sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax assets and liabilities have not been discounted.

Foreign currency translation

The presentation and functional currency of the Company is Pound Sterling, which is the currency of the primary economic environment in which it operates.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Profit and Loss Account.

Cash and cash equivalents and Statement of Cash Flows

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

Debtors

Debtors are financial assets initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Creditors

Creditors are financial liabilities and are recognised initially at fair value, net of directly attributable transaction costs. Creditors are subsequently stated at amortised cost, using the effective interest method.

Share capital

Ordinary share capital is classified as equity. The difference between fair value of the consideration received and the nominal value of the share capital being issued, is taken to the share premium account. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of taxes, from the proceeds.

Dividend distributions to shareholders

Dividend distributions to the Company's shareholders are recognised in the Financial Statements in the period in which the dividends are approved by the shareholders. These amounts are recognised in the Statement of Changes in Shareholders' Equity.

Nomina Corporate Partner Chart No 2 Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

4. Key accounting judgements and estimation uncertainties

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

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

Assessing indicators of impairment:

In assessing whether there have been any indicators of impairment assets, the Directors consider both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability.

Recoverability of receivables:

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

5. Risk management

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

Risk background

The majority of the risks to this Company's future cash flows arise from its share in the LLPs participation in the results of Lloyd's syndicates. As detailed below, these risks are mostly managed by the managing agent of the syndicate. This Company's role in managing this risk is limited to selection of syndicate participations and monitoring performance of the syndicates.

Syndicate risks

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

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

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

Nomina Corporate Partner Chart No 2 Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

5. Risk management

Company risks

i. Investment, Credit and Liquidity risks

The significant risks faced by the Company are with regard to the investment of the available funds within its own custody. The elements of these risks are investment risk, credit risk, interest rate risk and currency risk. The main liquidity risk would arise if a syndicate had inadequate liquid resources for a large claim and sought funds from the Company to meet the claim. In order to minimise investment, credit and liquidity risk the Company's funds are invested in readily realisable short term deposits. The Company does not use derivative instruments to manage risk and, as such, no hedge accounting is applied.

ii. Currency risks

The syndicates can distribute their results in Pound Sterling, US dollars or a combination of the two. The Company is exposed to movements in the US dollar between the Balance Sheet date and the distribution of the underwriting profits and losses, which is usually in the May following the closure of a year of account.

iii. Regulatory risks

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

iv. Operational risks

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

6. Operating profit / (loss)

2022
£

2021
£

Operating profit / (loss) is stated after charging:

Auditors' remuneration:

Auditors' remuneration for the audit of the Financial Statements

-

-

Audit fees of £1,375 were incurred by Nomina Plc (Company Director), (Note 14).

7. Investment income net of investment expenses

2022

2021

£

£

Bank interest receivable

-

-

Investment income

-

-

Unrealised gains/(losses) on investments at fair value through profit or loss

-

-

-

-

Nomina Corporate Partner Chart No 2 Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

8. Taxation	2022	2021
	£	£
Analysis of charge in the year		
Current tax:		
UK corporation tax on profits of the year	-	5,235
Prior year adjustments	(5,236)	(2,388)
Total current tax	<u>(5,236)</u>	<u>2,847</u>
Deferred tax:		
Origination and reversal of timing difference (Note 12)	30,439	20,276
Change in tax rate	-	-
Total deferred tax	<u>30,439</u>	<u>20,276</u>
Tax charge/(credit) on profit/(loss)	<u>25,203</u>	<u>23,123</u>

Factors affecting tax charge for the year

The tax assessed for the year is based on the standard rate of corporation tax in the UK as explained below:

	2022	2021
	£	£
Profit / (loss) before tax	99,501	122,698
Profit/(loss) multiplied by standard rate of corporation tax in the UK of 19% (2021:19.00%)	<u>18,905</u>	<u>23,313</u>
Group relief	-	-
Permanent differences	-	-
Expenses not deductible	-	-
Prior year adjustments	-	-
Rate change adjustments	6,298	(190)
Total tax charge / (credit) for the year	<u>25,203</u>	<u>23,123</u>

The results of the Company's participation on the 2020, 2021 and 2022 years of account and the calendar year movement on 2018 and prior run-offs will not be assessed to tax until the year ended 31 December 2023, 2024 and 2025 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.

9. Investments in associates

The Company's investments in associates are stated at cost less any impairment. All associates are limited liability partnership members at Lloyd's.

Associate	Country of registration	2022	2021
		£	£
Chart Capital LLP	England and Wales	1,106,509	1,106,509
		<u>1,106,509</u>	<u>1,106,509</u>

As at 31 December 2022 there was a reversal of an impairment loss of £nil which reinstates the cost of investment to its carrying amount above and it is credited to the Profit and Loss Account of the year (2021: £nil).

Nomina Corporate Partner Chart No 2 Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

9. Investments in associates (continued)

The below percentages relate to the percentage share in capacity and the member's yearly share of the result of the LLP for the respective years of account.

Associate	Year of Account	2022 %	2021 %
Chart Capital LLP	2017	45	45
	2018	45	45
	2019	45	45
	2020	45	45
	2021	45	45
	2022	45	45

10. Debtors

	2022 £	2021 £
Due within one year:		
Deferred tax asset (Note 12)	43,939	74,377
Amounts due from shareholders (Note 14)	-	-
Amounts due from the LLP investment (Note 14)	-	-
Other debtors	-	-
	<u>43,939</u>	<u>74,377</u>

11. Creditors: amounts falling due within one year

	2022 £	2021 £
Corporation tax	-	5,235
Payable to shareholders (Note 14)	1,093,566	1,086,980
Payable to the LLP investment (Note 14)	314,131	420,218
Other creditors	-	-
Accruals and deferred income	-	-
	<u>1,407,697</u>	<u>1,512,433</u>

12. Deferred taxation assets / (liabilities)

	2022 £	2021 £
Opening balance - net	74,378	94,654
Prior period adjustment	-	-
Profit and loss account movement during the period	(30,439)	(20,276)
Closing balance - net	<u>43,939</u>	<u>74,377</u>

The above net deferred tax position as at the year end is analysed as follows:

	2022 £	2021 £
Deferred tax asset (Note 10)	43,939	74,377
Deferred tax liability	-	-
Net deferred tax balance	<u>43,939</u>	<u>74,377</u>

The provision for deferred taxation is in respect of the timing difference arising on the taxation in the Company of its shares in the LLP investment's underwriting result. Deferred tax assets are shown within Debtors (Note 10).

Nomina Corporate Partner Chart No 2 Limited

Notes to the Financial Statements (continued) For the year ended 31 December 2022

13. Share capital	2022	2021
	£	£
Allotted and called up and unpaid		
Ordinary £1 shares	100	100

14. Related party transaction

Related party transactions are disclosed in Notes 6, 10 and 11.

In addition, the Company's investment in the LLP is supported by guarantees deposited with Lloyd's by the Company's ultimate controlling parties, in relation to the LLP's underwriting activities, amounting to £1,088,965. (2021: £1,602,219).

15. Ultimate controlling party

The Company is controlled by D P T Granter.