KERSEY SPECIALTY LIMITED

(formerly Kersey Upstream Limited)

Annual report and financial statements
Registered number 11197968

For the period from 9 February 2018 to 31 December 2018

KERSEY SPECIALTY LIMITED
Annual report and financial statements
For the period from 9 February 2018 to 31 December 2018

Directors and officers

DIRECTORS

P Calnan

R Patel

COMPANY SECRETARY

Callidus Secretaries Limited

REGISTERED NUMBER

11197968

REGISTERED OFFICE

54 Fenchurch Street,

London,

England, EC3M 3JY

INDEPENDENT AUDITORS

KPMG LLP
15 Canada Square
London
E14 5GL

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Strategic report

The Directors present their Strategic report for the period from 09 February to 31 December.

Principal activity

Kersey Specialty Limited ("the Company") is an Appointed Representative of Fidelis Underwriting Limited, a fellow group undertaking. The Company is an underwriting agency specialising in insurance and reinsurance in the energy market.

The Company was incorporated on the 9th of February 2018 and commenced trading on 1 September 2018.

The Company changed its name to Kersey Specialty Limited on 16 August 2018.

Business review

Kersey Specialty Limited (the "Company") made a profit after tax for the period ended 31 December 2018 of £58,000.

The Company's preferred measure of profitability is earnings before interest, tax, depreciation and amortisation ("EBITDA").

The reconciliation between the statutory basis of reporting and EBITDA is below:

	2018
	£000
EBITDA	58
Depreciation and amortisation	-
Profit before tax	58

Strategic report

Principal risks and uncertainties

The Company's operations are exposed to cyclical factors that affect the insurance market and therefore the level of premiums written, and commissions earned. The Company operates in a highly competitive market and faces competition from other insurance intermediary underwriters.

The Company is not directly exposed to any ultimate underwriting losses on business written but participates in underwriting profits by way of a profit commission which may vary significantly year on year. The Company is reliant on third party underwriting capital, the Company is exposed to potential changes in underwriting policy and practice by its capital providers.

The Company conducts its business whilst being fully aware of the risks arising from non-compliance with either local or international regulations and operates within a business framework which seeks to minimise the risk of financial crime (including bribery and corruption) occurring.

The Company is heavily dependent on its IT systems for delivery of its functions. The Company believes its IT systems and those systems provided by third parties are reliable and well protected, notwithstanding that they require regular updating and maintenance to ensure ongoing suitability.

The Company's success is reliant upon attracting and retaining key staff. The Company maintains contracts of employment and, where possible, succession planning processes.

Following the United Kingdom referendum result to exit the EU on 23 June 2016, the impact on market conditions, currency values and the wider economic environment is volatile, but the Directors are satisfied that the Company is sufficiently positioned to manage risks and react to market developments. The Company is in a position to make this statement on the back of the following actions and plans:

- The Company entered into a separate Binding Authority Agreement with its primary capacity provider's new Irish insurer Branch from 1 January 2019 to be able to underwrite EEA (excluding UK) insurance domiciled risks (Reinsurance placement authorisations being assumed to be unaffected by Brexit).
- The Company's primary capacity provider will be sanctioned to transfer non-UK EEA insurance policies to their Irish insurer via a Part VII transfer under the Financial Services and Markets Act 2000. The anticipated legal transfer will take place on 29 March 2019, following the anticipated High Court hearing, planned for 27 March 2019.

These provisions are effective up to 29 March 2019 and will continue during any Transition Period in the event of a negotiated exit of the UK from the EU that allows Financial Services Passporting arrangements to continue.

No agreed exit of the UK from the EU and no Transition Period: appropriate arrangements have been designed and will be implemented to enable the Company to continue to service their clients with the assistance of the Irish insurer.

Extension to the exit date of the UK from the EU: it is anticipated that passporting rights will be un-affected during any extension enabling existing arrangements to remain in operation.

This mix of arrangements being in place should enable the Company to continue trading across all of their existing markets, whatever may or may not arise as a result of Brexit.

Strategic report

Financial risk management

A portion of the Company's income, expenses, assets and liabilities are denominated in currencies other than the Company's functional currency of pound sterling. As a result, movement in exchange rates may affect the pound sterling value of those items. Where possible the Company will endeavour to match foreign currency assets with liabilities of similar maturities. However, given the relative insignificant value per transaction and short time frame between inception and settlement of liabilities/assets, the Company does not consider it economically viable to enter into financial instruments to hedge the foreign exchange risk where there is a net exposure.

The Company's principal financial assets are bank balances and cash as well as trade and other receivables. The amounts presented in the financial statements are net of allowances for doubtful receivables. An allowance is made where there is an identified loss event. The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties.

Director's report

The directors present their first report and the financial statements for the period from 09 February 2018 to 31 December 2018.

Results and dividends

The profit for the period, after taxation, amounted to £58,000.

No dividends were declared in the period.

Directors

The directors who served during the period were as follows:

PC Calnan	(appointed 9 February 2018, resigned 28 March 2018)
P Calnan	(appointed 28 March 2018)
R Patel	(appointed 16 August 2018)

Going concern

Having considered the principal risks and uncertainties facing the Company, the expected future profitability and cash flows of the Company, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Future developments

The directors do not foresee any future developments for the Company other than to cement its position in the insurance market and expand its activity as an underwriting agent.

Matters covered in the Strategic report

The following information has been included in the Strategic report on pages 3 to 5 and incorporated into this report by reference:

- Principal activity
- Principal risks and uncertainties
- Financial risk management

Directors' report

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- that directors have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

KPMG LLP were appointed auditors on 20 December 2018, and will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

By order of the Board

MICHAEL GLOVER

For and on behalf of

Callidus Secretaries Limited

Secretary

Directors' report

Directors' responsibilities statement

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

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

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Kersey Specialty Limited

Opinion

We have audited the financial statements of Kersey Specialty Limited ("the Company") for the period ended 31 December 2018 which comprise the Income Statement, Statement of Changes in Equity and Statement of Financial Position and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model, including the impact of Brexit, and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Independent auditor's report to the members of Kersey Specialty Limited

Strategic report and directors' report

The directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 8, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of Kersey Specialty Limited

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Rajan Thakrar (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

20 March 2019

Income Statement

For the period from 09 February 2018 to 31 December 2018

	Note	2018
		£000
Revenue	3	329
Administrative expenses		(271)
Profit before taxation	4	**58**
Tax on profit	7	-
Profit after taxation		**58**

KERSEY SPECIALTY LIMITED
Annual report and financial statements
For the period from 9 February 2018 to 31 December 2018
Notes to the financial statements

Statement of Financial Position

As at 31 December 2018

	Note	2018
		£000
Non-current assets		
Tangible fixed assets	8	1
		1
Current assets		
Debtors: amounts falling due within one year	9	337
Cash at bank and in hand	10	389
		726
Creditors: amounts falling due within one year	11	(419)
Net current assets		**307**
Total assets less current liabilities		**308**
Creditors: amounts falling due more than one year	12	(250)
Net assets		**58**
Capital and reserves		
Share capital	13	-
Profit and loss account	14	58
Total Shareholders' fund		**58**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29th March 2019.

P Calnan Paul Calnan

Director

Company Number: 11197968

Statement of Changes in Equity

For the period from 09 February 2018 to 31 December 2018

	Note	Share capital £000	Profit and loss account £000	Total £000
Profit for the period		-	58	58
Share capital issued on incorporation	13	-	-	-
As at 31 December 2018		-	58	58

Accounting policies

The Company is a private company limited by shares and is incorporated and registered under the laws of England and Wales. The principal place of business is 34 Lime Street, London, EC3M 7AT.

The nature of the Company's operations and its principal activities are set out in the Strategic report on pages 3 to 5.

a) Basis of presentation

The principal accounting policies applied in the preparation of these financial statements are set out below. The financial statements have been prepared on a going concern bases, under the historical cost convention.

The financial statements have been prepared in accordance with applicable United Kingdom generally accepted accounting standards including Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102"), issued by the Financial Reporting Council and the Companies Act 2006.

b) Financial reporting standard 102 - reduced disclosure exemptions

The Company meets the definition of a qualifying entity and has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102.

- The requirements of Section 7 Statement of Cash Flows; and paragraph 3.17(d), and
- The requirement of Section 33 Related Party Transactions paragraph 33.7

The Company has taken advantage of the exemption from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Fidelis Insurance Holdings Limited, includes the Company's cash flow in its consolidated financial statements which become publicly available on the Bermuda Monetary Authority's website.

c) Revenue

Revenue consists principally of insurance commissions associated with the placement of insurance and reinsurance contracts. Insurance commissions that do not require further services to be rendered are recognised on the effective commencement or renewal dates of the related policies. However, when it is probable that further services will be required to be rendered during the life of the policy, income recognition is deferred and recognised over the period during which the policy is in force. Any adjustments to commissions arising from premium additions or reductions are recognised as and when they are notified by third parties.

Profit commission arising from the placement of insurance contracts is recognised when the right to such profit commission is established through a contract, but only to the extent that a reliable estimate of the amount due can be made. Due to the volatile nature of the underlying variables profit commission is recognised when the amount has been agreed with counterparties.

d) Tangible fixed assets

Tangible fixed assets under the historic cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method, as follows:

Computer equipment - 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Income Statement.

e) Operating leases

Rentals paid under leases are charged to the profit or loss on a straight-line basis over the period of the lease.

f) Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Short term debtors are measured at the transaction price, less impairment. Short term creditors are measured at the transaction price.

Financial assets that are measured at costs are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

The impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

g) Foreign currency translation

Functional and presentation currency

The Company maintains its accounting records using the currency of the primary economic environment in which it operates (the "functional currency"), Pounds Sterling ("GBP"), and presents its financial statements in GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using periodic rates.

At each period end foreign currency monetary items are translated at the rate of exchange at the balance sheet date. Non-monetary items measured at historical costs are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are translated using the exchange rate where fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the Income Statements within administrative expenses.

h) Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognised in the Statement of Changes in Equity.

i) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction from the proceeds.

j) Employee benefits

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the holiday entitlement.

Defined contribution pension plan

The Company operates a defined contribution pension plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

k) Taxation

Taxation expense for the period comprises of current and deferred tax recognised in the period. Tax is recognised in the Income Statement.

Current tax is the amount of income tax payable in respect of the taxable profit for the period and is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax arises from timing differences that are differences between taxable profits and total income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

l) Insurance assets and liabilities

The Company acts as an underwriting agent and underwrites risks on behalf of insurers and as such, is not liable as principals for the amounts arising from such transactions. Accordingly, receivables arising from insurance transactions are not included as assets of the Company, other than the receivable for fees and commissions earned on the transaction, which is recognised within debtors. No recognition of the insurance transaction occurs until the Company receives cash in respect of premiums, at which time, a corresponding liability is established in favour of the insurer or the client and is recognised as an insurance payable.

Fiduciary cash arising from insurance transactions is included within insurance cash. Insurance cash balances represent funds held in separately designated bank accounts through which insurance transactions for premiums, commissions and other deductions are processed.

Insurance creditors represents corresponding monies collected from premiums due to insurers net of deductions, and outstanding commission and fees due to the Company.

m) Cash at bank and in hand

Cash at bank and in hand consists of cash held in banks and other short-term, highly liquid investments with original maturity dates of three months or less.

2. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the entity's accounting policies

No judgements have been made in applying the entities accounting policies that would have a significant effect on the amounts recognised in these financial statements.

(b) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The only estimate and assumption that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is accrued profit commission.

The Company is entitled to profit commission arising from the intermediation of insurance risks on behalf of capital provider under certain contracts. The profit commission earned by the Company is dependent upon the underlying profitability of the book of business written, which given the tail of claims arising may not be payable to the Company for a period of time following completion of the contract on which profit commission is earned. Due to the unexpired risk on those contracts, the uncertain assessment of any final losses, including an assessment of any IBNR, and the impact of any loss deficit clauses, the directors are not able to reliably estimate profit commission due at 31 December 2018 and have therefore not recognised such income.

3. Revenue

Revenue is wholly attributable to the Company's principal activity of operating as an insurance underwriting agent and represents commission and profit commission.

Revenue by geographical market:

	2018
	£000
Commission and fees from the UK	13
Commission and fees from within the EU (excluding the UK)	45
Commission and fees from outside the EU	271
	329

4. Profit before taxation

Profit before taxation is stated after charging:

	2018 £000
Depreciation of tangible fixed assets	-
Fees payable to the Company's auditor for the audit of the Company's annual accounts	4
Exchange differences	(2)

5. Employees

Staff costs, including directors' remuneration, were as follows:

	2018 £000
Wages and salaries	67
Social security costs	9
Pension costs	5
	81

The average number of employees, including directors, during the period was as follows:

	2018
Underwriter	1
	1

6. Directors remuneration

	2018
	£000
Director's emoluments	67
Company contributions to defined contribution pension scheme	5
	72

The highest paid director received remuneration of £67,000.

The value of the Company's contribution paid to a defined contribution pension scheme in respect of the highest paid director amounted to £5,000.

7. Tax on profit

	2018
	£000
Corporation tax	
Current tax on profits for the period	-
Total current tax	-
Deferred tax	
Origination and reversal of timing differences	-
Total deferred tax	-
Tax on profit	-

7. Tax on profit (continued)

Factors affecting tax charge for the period

Tax assessed for the period is lower than the standard rate on corporation tax in the UK of 19%. The differences are explained below

	2018
	£000
Profit on ordinary activities before tax	58
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	11
Effects of:	
Expenses not deductible for tax purposes	1
Group losses surrendered	(12)
Total tax charge for the period	-

Factors that may affect future tax charges

On 18 November 2015, Finance Bill 2015 was enacted reducing the corporate income tax rate from 20% to 19% (effective 1 April 2017) and providing for a further reduction from 19% to 18% (effective 1 April 2020). On 15 September 2016, Finance Bill 2016 reduced the rate to 17% (effective 1 April 2020) replacing the previously enacted 18%. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

8. Tangible fixed assets

	Computer Equipment £000	Total £000
Cost or valuation		
Additions	1	1
At 31 December 2018	**1**	**1**
Depreciation		
Charge for the period	-	-
At 31 December 2018	-	-
Net book value as at 31 December 2018	**1**	**1**

9. Debtors

	2018 £000
Commissions receivable	324
Other debtors	6
Prepayments and accrued income	7
	337

10. Cash at bank and in hand

	2018 £000
Cash at bank and in hand	209
Insurance cash balances	180
	389

Insurance cash balances of £180,000 are held in trust or insurer bank accounts and are not available to the Company for working capital purposes.

11. Creditors: amounts falling due within one year

	2018 £000
Insurance creditors	180
Trade creditors	1
Amount owed to group undertakings	167
Other tax and social security	9
Accruals and deferred income	62
	419

Amounts owed to group undertakings are unsecured, and non-interest bearing. The amounts owed to group undertakings includes a loan from Fidelis Insurance Holdings Limited of £100,000 which is repayable within one year and has a fixed repayment date. All other amounts owed to group undertakings are payable on demand.

12. Creditors: amounts falling due within more than one year

	2018
	£000
Amounts owed to group undertakings	250
	250

Amounts owed to group undertakings include a loan from Fidelis Insurance Holdings Limited that is repayable within two years and a has fixed repayment date. This loan is non-interest bearing.

13. Share capital

	Number	2018
Allocated, called up and fully paid	000's	£000
Ordinary shares of £0.00001 each	1,000	-

At incorporation, the Company allotted 1,000,000 ordinary shares with nominal value of £0.00001 each for total consideration of £10. There are no restrictions on the distribution of dividends and the repayment of capital.

14. Reserves

Profit and loss account

The profit and loss account represents cumulative profit and losses net of dividends and other adjustments.

15. Pension commitments

The Company operates a defined contribution pension plan. The assets of the plan are held separately from those of the Company in an independently administered fund. The pension cost charge for the period is shown in note 5. The amount accrued as at period end was £1,000.

16. Related party transactions

At the period end, the Company's balances with its fellow group undertakings were as follows:

	2018
	£000
Amounts payable	
Fellow group undertakings	417

The amounts payable as at 31 December 2018 includes a loan from Fidelis Insurance Holdings Limited of £350,000 which is payable within two years and has fixed repayment dates.

During the period, the transactions with fellow group undertakings were as follows:

	2018
	£000
Expenses for services received	133
	133

17. Controlling party

The Company's ultimate holding company is Fidelis Insurance Holdings Limited, a company incorporated in Bermuda and whose registered office is Waterloo House, 100 Pitts Bay Road, HM 08. The largest group of which the Company is a member for which group accounts are drawn up is that of Fidelis Insurance Holdings Limited. Copies of the financial statements can be obtained from Bermuda Monetary Authority's website.

18. Post balance sheet events

There have been no material events since the balance sheet date.