

OS AA01

Statement of details of parent law and other
information for an overseas company



Companies House

☒ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law

☒ What this form is NOT for
You cannot use this form to
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with accounting requirement

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23/05/2013

#67

COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of
overseas company ①

RSA Overseas (No.3) Limited

UK establishment
number

B R 0 0 8 1 0 2

→ Filling in this form

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state

Part 2 Statement of details of parent law and other
information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited

Legislation ②

Companies Act 1963 - 2012
International Standards on Auditing (UK & Ireland)

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box

☐ No Go to Section A3

☒ Yes Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3

③ Please insert the name of the
appropriate accounting organisation
or body

Name of organisation
or body ③

International Standards on Auditing (UK & Ireland)
Irish Accounting Standards

A3 Accounts

Accounts


Have the accounts been audited? Please tick the appropriate box

☐ No Go to Section A5

☒ Yes Go to Section A4

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A4 Audited accounts	
Audited accounts	<p>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</p> <p>Please tick the appropriate box</p> <p><input type="checkbox"/> No Go to Part 3 'Signature'</p> <p><input checked="" type="checkbox"/> Yes Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'</p>
Name of organisation or body ^①	<p>International Standards on Auditing (UK & Ireland) issued by the Auditing Practices Board</p>
A5 Unaudited accounts	
Unaudited accounts	<p>Is the company required to have its accounts audited?</p> <p>Please tick the appropriate box</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes</p>
Part 3 Signature	
<p>I am signing this form on behalf of the overseas company</p>	
Signature	<p>Signature</p> <p>X  X</p> <p>For and on behalf of Roysun Limited Secretary</p> <p>This form may be signed by Director, Secretary, Permanent representative</p>

OS AA01

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Patricia Springett

Company name

Group Secretariat

Address

RSA Insurance Group plc
9th Floor

One Plantation Place

30 Fenchurch Street

Post town

London

County/Region

Postcode

EC3M 3BD

Country

United Kingdom

DX

Telephone

0207 111 7000



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register
- ☐ You have completed all sections of the form, if appropriate
- ☐ You have signed the form



Important information

Please note that all this information will appear on the public record



Where to send

You may return this form to any Companies House address

England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

101141/180

Registered Number: 325128

RSA OVERSEAS (No.3) LIMITED

Annual Report and Accounts for the year ended 31 December 2011



LD6

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23/05/2013 #76
COMPANIES HOUSE

RSA OVERSEAS (No.3) LIMITED ♦

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RSA OVERSEAS (No.3) LIMITED

Company information

Directors

I A Craston

R J Clayton

Secretary and Registered Office

Roysun Limited
First Floor
Fitzwilton House
Wilton Place
Dublin 2

Solicitors

William Fry
Fitzwilton House
Wilton Place
Dublin 2

Principal Bankers

HSBC Bank Plc
Level 24
8 Canada Square
London
E14 5HQ

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
London

RSA OVERSEAS (No.3) LIMITED

Directors' report for the year ended 31 December 2011

The directors present their annual report on the affairs of the Company and the audited financial statements for the year ended 31 December 2011

Business review and principal activity

The principal activity of the Company is to hold and administer loans to group undertakings

The results for the Company show a profit on ordinary activities before tax of £4,185,014 (2010 £4,560,593) The shareholder funds of the Company were £155,789,961 as at 31 December 2011 (31 December 2010 £152,610,946)

Future outlook

There is not expected to be any change to the business in the foreseeable future

Dividends

The directors do not recommend payment of a dividend in respect of the year ended 31 December 2011 (31 December 2010 £nil)

Principal risks and uncertainties

The Company's principal risks and uncertainties are integrated within and managed together with the principal risks of the RSA Insurance Group (the Group). The principal risks and uncertainties of the Group, which include those of the UK business, and hence the Company, are set out in the estimation techniques, risks, uncertainties and contingencies on pages 89 to 92, and in the risk framework on pages 30 to 33 of the 2011 Annual Report & Accounts of the Group, which do not form part of this report

Financial risk management

The Company is a subsidiary of RSA Insurance Group plc and its management of risk is set at Group level

The Company invests its available resources in financial assets. The management of financial risk is undertaken in accordance with policies established by the parent company to ensure financial risk is properly managed at Group level. In addition, the investment policy at Company level is expected to ensure that the Company is able to meet its obligations. The Company has an exposure to an unlisted security whose value is determined by valuation of future cash flows which may vary significantly from those included in the valuation. The Company has limited other exposures to price risk, credit risk, liquidity risk and cash flow risk with other Group companies and the directors expect the debts to be settled in full as they fall due or on demand as applicable. The Company is not party to any arrangements for which hedge accounting is used

Key performance indicators

The directors of the Group manage the Group's operations on a divisional basis as described in the Annual Report & Accounts of the Group. For this reason the Company's directors believe that analysis using key performance indicators (KPIs) for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. Financial KPIs are detailed in the Annual Report & Accounts of the Group (which do not form part of this report) within the Group CEO review on pages 1 to 15 and the regional business reviews on pages 18 to 25. This document also includes non-financial KPIs which are detailed in the regional business reviews on pages 18 to 25, the corporate responsibility report on pages 34 to 37 and the directors and corporate governance report on pages 44 to 56

Books of account

To ensure that proper books and accounting records are kept in accordance with section 202 of the Companies Act, 1990, the directors ensure the use of appropriate systems and procedures and the employment of competent persons. During the year to 31 December 2011 the books of account were kept at St Marks Court, Chart Way, Horsham, West Sussex, RH12 1XL

Directors

The names of the current directors, who served throughout the year, are listed on page 1. The directors' interests are disclosed in note 14 to the accounts

The directors' responsibilities statement appears on page 3 and is incorporated by reference into this report

Auditor

Deloitte LLP have confirmed their willingness to continue in office as auditor of the Company and a resolution for their reappointment will be proposed at the 2012 Annual General Meeting

By order of the Board



I A Craston
Director

21 September 2012



R J Clayton
Director

21 September 2012

RSA OVERSEAS (No.3) LIMITED

Directors' responsibilities statement

Irish company law requires the directors to prepare financial statements for each financial period that 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 Irish accounting standards have been followed, subject to any material departures being 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 confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Company and to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and to comply with the Irish Companies Acts, 1963 to 2012. 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.

Independent auditor's report to the member of RSA Overseas (No.3) Limited

We have audited the financial statements of RSA Overseas (No 3) Limited for the year ended 31 December 2011, which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein

This report is made solely to the company's member, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's member 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 member, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

The directors are responsible for preparing the financial statements, as set out in the Directors' responsibilities statement in accordance with applicable law and accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland)

Our responsibility, as independent auditors, is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2012. We also report to you whether in our opinion proper books of account have been kept by the company, whether, at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the company, and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the company's balance sheet and profit and loss account are in agreement with the books of account

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it. Our responsibilities do not extend to other information

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we evaluated the overall adequacy of the presentation of information in the financial statements

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of affairs of the company as at 31 December 2011 and of its profit for the year then ended, and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2012

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The company's balance sheet and its profit and loss account are in agreement with the books of account

In our opinion the information given in the Directors' Report is consistent with the financial statements

The net assets of the company, as stated in the balance sheet, are more than half the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 December 2011 a financial situation which, under Section 40(1) of the Companies (Amendment) Act, 1983, would require the convening of an extraordinary general meeting of the company



Mark McQueen (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
25 September 2012

RSA OVERSEAS (No.3) LIMITED

Profit and loss account for the year ended 31 December 2011

	Notes	2011 GBP	2010 GBP
Interest receivable	6	4,187,622	4,551,331
Operating (expense)/income		(2,636)	9,262
Foreign exchange gains		28	-
Profit on ordinary activities before taxation		4,185,014	4,560,593
Taxation on profit on ordinary activities	7	(1,005,999)	(1,190,033)
Profit for the financial year		3,179,015	3,370,560

All figures relate to continuing operations

There have been no recognised gains or losses in either reporting period other than those recorded in the profit and loss account. Accordingly, no statement of total recognised gains and losses is presented

The notes on pages 7 to 10 form an integral part of these accounts

The financial statements were approved by the Board of Directors and are signed on its behalf by



I A Craston
Director
21 September 2012



R J Clayton
Director
21 September 2012

RSA OVERSEAS (No.3) LIMITED**Balance sheet**
as at 31 December 2011

	Notes	2011 GBP	2010 GBP
Loans to group undertakings	8	167,887,242	163,459,973
Current assets			
Debtors	9	798,005	1,034,549
Cash at bank and in hand		<u>2,906</u>	<u>2,906</u>
		798,911	1,037,455
Creditors: amounts falling due within one year	10	(12,896,192)	(11,886,482)
Net current liabilities		(12,097,281)	(10,849,027)
Total assets less current liabilities		155,789,961	152,610,946
Capital and reserves			
Called up share capital	11	433	433
Capital contribution	12	104,742,242	104,742,242
Profit and loss account	13	<u>51,047,286</u>	<u>47,868,271</u>
Shareholder funds	13	155,789,961	152,610,946

The notes on pages 7 to 10 form an integral part of these accounts

The financial statements were approved by the Board of Directors and are signed on its behalf by



I A Craston
Director
21 September 2012



R J Clayton
Director
21 September 2012

RSA OVERSEAS (No.3) LIMITED

Notes to the accounts

1 Financial statements

The financial statements of the Company have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2012. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board. The format of the financial statements has been adapted from that of the Companies (Amendment) Act 1986 to more clearly reflect the operations of the Company. The financial statements have been prepared under the historical cost convention, modified by the revaluation of certain financial assets, on a going concern basis.

A summary of the major accounting policies, which have been applied consistently throughout the year and the preceding period, is set out below:

(a) Interest receivable

Interest receivable is accounted for on an accruals basis.

(b) Translation of foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at rates ruling at the balance sheet date. Transactions denominated in foreign currencies are translated into sterling using the cumulative average rate for the financial period. The resulting exchange differences are included within the profit and loss account.

(c) Taxation

Current tax, based on profits and income for the period, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

(d) Loans to group undertakings

Loans to group undertakings are carried at cost less impairment.

2. Exchange rates

	2011 Cumulative Average	2011 End of Period	2010 End of Period
The rates of exchange used in these accounts in respect of the major overseas currencies are			
<i>United States Dollar</i>	1.60	1.55	1.57

3 Auditor's remuneration

Fees payable to the auditor for the audit of the Company's annual accounts were £4,500 (2010: £4,500) which were borne by a parent company, Royal & Sun Alliance Insurance plc. Details of non-audit fees payable to auditors are disclosed in the RSA Insurance Group plc 2011 Annual Report & Accounts.

4 Directors' emoluments

None of the directors received any emoluments from the Company during the period (2010: £nil). All the directors receive remuneration from Royal & Sun Alliance Insurance plc as employees of that company, and it is not appropriate, because of the non-executive nature of their services, to make an apportionment of their emoluments in respect of the Company.

5 Employees and staff costs

The Company did not employ anyone during the period (2010: nil). All administrative duties are performed by employees of Royal & Sun Alliance Insurance plc at no cost to the Company (2010: £nil).

6 Interest receivable

	2011 GBP	2010 GBP
Interest receivable from group undertakings	4,187,622	4,551,331

RSA OVERSEAS (No.3) LIMITED

Notes to the accounts (continued)

7. Taxation

The charge for taxation in the profit & loss account comprises

	2011 GBP	2010 GBP
Current tax		
UK corporation tax	1,010,479	1,190,034
Adjustments in respect of prior periods	(4,480)	(1)
Total current tax	1,005,999	1,190,033
Tax charge	1,005,999	1,190,033

The UK corporation tax for the current year is based on a rate of 26.5% (2010: 28%). The rate of corporation tax has reduced from 28% to 26% effective 1 April 2011, and as a result a composite rate of 26.5% has been used in the accounts.

Factors affecting the current tax charge

The current tax charge for the year is less than 26.5% (2010: less than 28%) due to the items set out in the reconciliation below:

	2011 GBP	2010 GBP
Profit on ordinary activities before tax	4,185,014	4,560,593
Tax at 26.5% (2010: 28%)	1,108,736	1,276,966
Factors affecting charge		
Fiscal adjustments	(98,257)	(86,932)
Adjustment to tax charge in respect of previous periods	(4,480)	(1)
Current tax charge for the year/period	1,005,999	(1,190,033)

Deferred Tax

There were no deferred tax assets or liabilities at 31 December 2011 or 2010.

8. Loans to group undertakings

	2011 GBP	2010 GBP
Loans to group undertakings	167,887,242	163,459,973

Loans to group undertakings consist of unsecured loan balances of £89.5m with Royal Insurance Holdings plc (31 December 2010: £87.1m) and £78.4m with Royal & Sun Alliance Insurance plc (31 December 2010: £76.3m). Both loans are repayable on demand.

The loan with Royal Insurance Holdings plc bears interest at a rate of 3 month LIBOR + 1.8%. The loan with Royal & Sun Alliance Insurance plc bears interest at a rate of 3 month LIBOR + 1.0%.

9. Debtors

Amounts falling due within one year

	2011 GBP	2010 GBP
Amounts due from group undertakings	796,005	1,034,549
	796,005	1,034,549

10. Creditors, amounts falling due within one year

	2011 GBP	2010 GBP
Amounts due to group undertakings	11,889,693	10,696,449
Corporation tax	1,005,999	1,190,033
Accrued expenses	500	-
	12,896,192	11,886,482

RSA OVERSEAS (No.3) LIMITED

Notes to the accounts (continued)

11 Share capital

	2011 GBP	2010 GBP
Authorised.		
1,000,000 (2010 1,000,000) ordinary shares of AUD \$1 each	393,472	393,472
Allotted, issued and fully paid up:		
1,100 (2010 1,100) ordinary shares of AUD \$1 each	433	433

12 Capital contribution

The Company received a non-refundable capital contribution of AUD \$266.2m from RSA Overseas Holdings BV on 22 March 2000. This was translated to GBP £104,742,242 as at 16 May 2003.

13. Movements in shareholder funds

	Share capital GBP	Capital contribution GBP	Profit and loss account GBP	2011 GBP	2010 GBP
Shareholder funds at 1 January	433	104,742,242	47,868,271	152,610,946	149,240,386
Profit for the financial period	-	-	3,179,015	3,179,015	3,370,560
Shareholder funds at 31 December	433	104,742,242	51,047,286	155,789,961	152,610,946

14. Directors' interests

The beneficial interests, including family interests, of the directors in office at 31 December 2011 in the share capital of the Company's ultimate parent undertaking RSA Insurance Group plc at 31 December 2011 and at 31 December 2010 were:

	Ordinary shares		Options	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
R J Clayton	51,918	31,150	9,000	8,805
I A Craston	127,077	128,156	49,364	104,890

The directors', secretary's and families' interests in Long Term Incentive Scheme Interests – Long Term Incentive Plan were:

		Share Awards granted during 2011	Share Awards held 31 December 2011
R J Clayton	Deferred	20,179	67,266
	Matching	100,732	335,394
	Performance Shares	21,036	86,845
	Restricted Shares	-	20,446
I A Craston	Deferred	26,159	87,773
	Matching	126,534	396,084
	Performance Shares	42,073	149,002

The directors', secretary's and families' interests in Sharebuild (an HM Revenue and Customs approved Share Incentive Plan) at 31 December 2011 are below:

	Dividend Shares acquired	Partnership Shares acquired	Matching Shares awarded	Sharebuild Shares held at 31 December 2011
R J Clayton	338	2,498	2,498	5,334
I A Craston	270	1,999	1,999	4,268

The directors, secretary and their families held no other interests in any other group companies at 31 December 2011 and 31 December 2010.

RSA OVERSEAS (No.3) LIMITED

Notes to the accounts (continued)

15. Cash flow statement

The Company is a wholly-owned subsidiary of RSA Insurance Group plc and the cash flows of the Company are included in the consolidated cash flow statement of RSA Insurance Group plc. The Company has thus taken advantage of the exemption permitted by FRS 1 (revised 1996) 'Cash flow Statements' and has elected not to prepare its own cash flow statement.

16. Related party transactions

Advantage has been taken of the exemption provided in FRS 8 'Related Party Disclosures' from disclosing details of transactions with RSA Insurance Group plc and its subsidiaries and associated undertakings.

17. Parent companies

The Company's immediate parent company is The Globe Insurance Company Limited, a company incorporated in the United Kingdom.

The Company's ultimate parent company and controlling party is RSA Insurance Group plc, which is incorporated in the United Kingdom and is the parent company of the largest and smallest group to consolidate these financial statements. A copy of that company's accounts can be obtained from 9th Floor, One Plantation Place, 30 Fenchurch Street, London, EC3M 3BD.