

# ALM REPORT AND ACCOUNTS 2020

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## Annual Report 2020

ALM Limited is a Company limited by Guarantee | Registered in England No. 01698399

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### Directors

A C Lovell, DL (Chair)  
Sir Adam Ridley (Deputy Chair)  
M W Johnson (Deputy Chair)  
P Kelly (Treasurer)  
D J L F Anderson  
J V C L Barratt  
R C Daum  
Lady Davies of Stamford  
M E McL Deeny  
N J Hanbury  
W D Johns-Powell (from 28 April)  
J W Kininmonth  
Sir Henry Studholme, Bt, DL

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### Officers

Chief executive: B A Schofield  
Company secretary: A C Armitage  
Administrator and PA: N Salvo

Bankers: Coutts & Co  
440 Strand  
London  
WC2R 0QS

Registered Office: 22 Bevis Marks  
London  
EC3A 7JB

From 28 May 2021: The Lloyd's Building  
One Lime Street  
London  
EC3M 7HA



## Annual Report 2020

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Annual Report 2020  
DIRECTORS' REPORT

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The directors present their report and the financial statements for the year ended 31 December 2020.

It seems wrong not to begin by giving some thought to the COVID-19 pandemic. So our thoughts go out to those of our members, family and friends who have seen tragedy or other difficult circumstances. One suspects there is not one person reading this who has not been affected in some way, for example through loss or illness of a loved one, or through knowing someone working on the front line of medical or other necessary support services.

These last few months have seen the busiest year for the ALM for several years. We have markedly increased our contact with our members, increased our influence with the decision-makers at Lloyd's and achieved real benefits for all Names.

#### **FINANCIAL RESULT**

The result for 2020 shows a loss of (£58,461) (2019 – loss of £197,911). Our capital and reserves now stand at £725,899.

The loss for 2020 is higher than we would have wished, although within our budget for the year. However, the loss is much smaller than that sustained in 2019, and in 2021 we expect it be lower again as a result of further cost savings. The fact that we were only able to hold a couple of physical events in 2020 made a slight improvement to our result – physical events usually make a small loss, because of the fixed costs incurred in holding them. The fact remains that our income has dropped from £469,454 in 2017 to £318,556 in 2020 – a loss of c 33% in four years. Between 2019 and 2020 the number of individual members dropped by 45 or so – an impact of about £20,000 (though this has been offset to some extent by virtue of increased support in 2020 and 2021 by associate membership of some managing agents, investment advisers and managers).

#### **INCREASED CONTACT WITH MEMBERS**

In 2020, we sent 40 eBulletins (generally just one page) with bite-sized updates on Lloyd's and general market developments; six Newsletters with detailed and informative articles; and one Lloyd's Market Results and Prospects book reviewing Lloyd's performance and its future plans. We held: one live seminar and one lunch debate (pre-lockdown); five webinars and two virtual conferences bringing senior Lloyd's executives and other leading market figures to our members; and 12 meetings/discussion groups.



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DIRECTORS' REPORT

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### **INCREASED INFLUENCE WITH LLOYD'S**

The private capital representative on the Council, our Board member Jeff Barratt, has open access to everyone at Lloyd's. He chairs the Members' agents committee (a sub-committee of the Lloyd's Market Association (LMA) which represents managing agents) which is the principal contact point for private capital with the Corporation. Belinda Schofield has regular meetings with key players in Lloyd's, with the Chief Executive of the LMA and with other participants in the market. The ALM's participation, with the Members' agents and the HPG, in the Third Party Capital Group (also chaired by Jeff Barratt), a sub-committee of the LMA, with the Members' agents and the HPG enables the ALM to work closely with all those representing private capital interests in Lloyd's and ensure its members' voice is heard in the debate on the various changes within Lloyd's.

### **BENEFITS FOR NAMES**

The following summarises some of the ALM's key achievements for Names during 2020 and into 2021:

- a. Jeff Barratt was appointed for a further term as the private capital representative on the Council of Lloyd's, continuing to provide a voice for Names on Lloyd's governing body.
- b. Michael Deeny and Jeff Barratt fought successfully to retain strong representation from capital providers and insurance specialists on the revamped Council of Lloyd's in particular ensuring a balance between elected and appointed members on Council.
- c. Marcus Johnson earned the trust of the Lloyd's CFO and others and has had real influence on the recent consultation on the proposed changes to the Membership and Underwriting Requirements (M&URs). As a result, the Strategic Asset Allocation will be based on syndicate assets as well as the member's FAL, meaning that the risk of members having to sell equities and replace them with bonds has disappeared for 99% of members.
- d. Marcus and Belinda have also been able to influence many other points in the M&URs consultation. The positive relationship which the ALM has fostered with the new team at Lloyd's has enabled the ALM to put these additional points to Lloyd's in a constructive manner for further consideration by Lloyd's.



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DIRECTORS' REPORT

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- e. Sir Adam Ridley brokered a meeting with the Financial Secretary to the Treasury at which he and Paul Kelly were able to put the case for more favourable interpretation of Business Property Relief limits (for Inheritance Tax) and of relief for losses.
- f. The ALM, working with Members' agents and the LMA, was able to marshal and prioritise arguments when debating the acceptability of Luxembourg and Irish trust funds in members' Funds at Lloyd's and this issue was largely resolved.

### **LOOKING FORWARD – AND CHANGES FOR THE ALM**

The ALM will continue to be involved in discussions regarding the changes in and implementation of the M&URs, the new portal for Funds at Lloyd's, and potential future structures for private capital investment in Lloyd's. In addition, Lloyd's has recently announced plans to establish an investment platform. The ALM has already fed back to Lloyd's some concerns about whether this is an appropriate idea at all for Lloyd's Names.

In 2020 we welcomed David Johns-Powell to the board. We will propose a special resolution at the AGM on 24 June, to adopt new articles of association, to shorten and simplify them and to bring them into line with modern practice.

Our lease at 22 Bevis Marks expires at about the time members receive this. The executive team will continue to work from home for the foreseeable future. In due course, we hope to have a desk facility available somewhere in or near the Lloyd's building. Our registered office and postal address with effect from 28 May 2021 will be Lloyd's, ie The Lloyd's Building, One Lime Street, London EC3M 7HA. There is no charge to the ALM for this – for which the ALM extends its thanks to Lloyd's.

We will be changing the look of ALM News, starting with the June issue. This year LMRP will comprise two parts, the first to be issued at the end of May (reviewing Lloyd's and market results) and the second in September (focussing on the upcoming auction and syndicate choice season). This will ensure members receive information in a more timely and topical manner.

The website has also been re-designed. Most members will by now have seen the new site which went live earlier this month. This provides a much fresher and more modern look, and a much improved function for booking and paying for events. We will continue with the refresh of the website throughout the year.

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DIRECTOR'S REPORT

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DIRECTORS' REPORT

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We hope to hold our autumn conference physically, at Haberdashers' Hall, on Wednesday 6 October. Meeting in person with our members and friends has always been an important part of our activity – however there must remain some doubt as to whether this will be allowed, or prudent.

Finally, thanks are due to all those who have supported us last year and this, especially our loyal members (individual and corporate), but also organisations who have provided speakers at our various events or supported us in other ways, and individuals who have spoken at events or written articles for our publications.

#### **DIRECTORS' INTERESTS**

The Directors who served during the year were, and their other recent and current Lloyd's related interests are or were, as follows:

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<b>A C Lovell, DL (Chair)</b> (Director since 2006; re-elected 2018)	a Name since 1985, latterly through a Limited Liability Partnership. Member of Lloyd's Council from 2007 to 2016. Member of Lloyd's Capacity Transfer Panel from 2007 to date, and served on various other Lloyd's Committees 2009 to 2016. Founder shareholder of Alpha Insurance Analysts and director 2007 - 2012.
<b>Sir Adam Ridley (Deputy Chair)</b> (Director since 1990; re-elected 2020)	a Name since 1977, latterly through a NameCo. Deputy Chair of the Equitas Trustees and a director of Equitas Group Companies. Member of Lloyd's Council from 1997 to 1999.
<b>M W Johnson (Deputy Chair)</b> (Director since 2000; re-elected 2019)	a Name since 1983, latterly both as an unlimited liability member and through limited liability vehicles. 1% shareholder in Hampden Capital Plc.





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DIRECTORS' REPORT

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**P Kelly (Treasurer)**  
(Director since 1997; re-elected 2019)

a Name since 1986. Converted from a Scottish Limited Partnership to trade through a Limited Liability Partnership from 2007. Member of Lloyd's Council from 1998 to 2004.

**D J L F Anderson**  
(Co-opted 2013)

a Name since 2010, having acquired a Limited Liability Partnership during that year. His corporate finance business, EPL Advisory LLP, advised the Members' agents in connection with Lloyd's Private Capital Initiative during 2012.

**J V C L Barratt**  
(Co-opted 2016)

a Name since 1987, latterly through a NameCo. Member of Lloyd's Council from February 2017. He chairs the LMA Members' Agents Committee and the Working Group set up under that Committee.

**R C Daum**  
(Co-opted 2015)

a Name since 1986; latterly through a NameCo. Founding investor and advisory board member of Insurance Capital Partners LLP. He is also a Committee Member of the High Premium Group.

**Lady Davies of Stamford**  
(Co-opted 2018)

a Name since 1991, latterly through an Limited Liability Partnership. She is also a Committee Member of the High Premium Group.

**M E McL Deeny**  
(Director since 1995; re-elected 2020)

a Name since 1985, latterly through a Limited Liability Partnership. Member of Lloyd's Council from 1996 to 1997 and again from 2009 to 2016. Chair of the Equitas Trustees and a director of the Equitas Group Companies.



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DIRECTORS' REPORT

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**N J Hanbury**  
(Director since 1998; re-elected 2019)

Member of Lloyd's Council from 1999 to 2001 and from 2005 to 2007. CEO and major shareholder of Helios Underwriting PLC, an AIM-listed holding company of wholly-owned corporate members of Lloyd's. Director of HIPCC (Guernsey) Ltd, a protected cell company offering reinsurance products to investors at Lloyd's, and 51% shareholder of its holding company, which he jointly owns with Hampden Capital Plc.

**W D Johns-Powell**  
(Elected 2020)

a Name since 1987, trading both as an unlimited liability member and through a Limited Liability Partnership.

**J W Kininmonth**  
(Director since 2009; re-elected 2018)

an unlimited liability working Name since 1983.

**Sir Henry Studholme, Bt, DL**  
(Director since 2009; re-elected 2018)

a Name since 1986. Converted to a Limited Liability Partnership from 2009.

**P H Swatman**

resigned January 2020.

As members of the Company, the directors have each undertaken to contribute to the assets of the Company a maximum of £1 in the event of winding up.

During the year the Company purchased and maintained liability insurance for its directors and officers, as permitted by section 236 of the Companies Act 2006.



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DIRECTORS' REPORT

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## **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **FINANCIAL RISK MANAGEMENT**

The Company gives appropriate consideration to risk management objectives and policies. Cash flow and liquidity are not an issue, since virtually all income is received in advance. In addition, the Company maintains capital and reserves which are more than sufficient to satisfy its obligations in the event that it were to cease trading. Most expenditure is either the subject of contracts negotiated before the start of each year or is incurred with long-term suppliers.



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DIRECTORS' REPORT

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## OBJECTIVES

The board's firm belief is that the unique strengths of the Lloyd's market will only endure if it maintains its diversity, mutuality and regenerative capacity; and it can only do that if underwriting opportunities remain sufficiently accessible to private capital and its operations are not completely dominated by large corporate entities which may progressively inhibit Lloyd's traditional entrepreneurship.

The board's main objectives are:

- To preserve and enhance the position of private capital as a substantial provider of capital to Lloyd's;
- To work for the long-term success of Lloyd's, especially in relation to the proposals in Blueprints One and Two which are directly relevant to the role and future of private capital, and to work with Lloyd's, the managing and Members' agents and all interested parties to improve both profitability and accessibility to Lloyd's;
- To represent private capital, including Members no longer underwriting, and others supporting Lloyd's through other investment structures, in working with Lloyd's, managing and Members' agents, regulatory and government bodies; and
- To improve our Members' and the wider private capital community's knowledge and understanding of Lloyd's and its marketplace.

## SMALL COMPANIES' NOTE

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

ANDREW ARMITAGE

Secretary

17 May 2021

Company No. 01698399



Annual Report 2020

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 (£)	2019 (£)
Turnover		318,556	370,879
Administrative expenses		(402,532)	(604,469)
Other operating income	3	1,235	1,288
Loss on current asset investments	4	(9,783)	(5,245)
<b>Operating loss</b>	5	<b>(92,524)</b>	<b>(237,547)</b>
Income from other current asset investments	8	6,468	-
Other interest receivable and similar income	9	34,076	46,900
<b>Loss before tax</b>		<b>(51,980)</b>	<b>(190,647)</b>
Tax on loss	10	(6,481)	(7,264)
<b>Loss for the financial year</b>		<b>(58,461)</b>	<b>(197,911)</b>

*There was no other comprehensive income for 2020 (2019: £Nil).*

*The notes on pages 14 to 22 form part of these financial statements.*



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BALANCE SHEET AT 31 DECEMBER 2020

	Note	2020 (£)	2020 (£)	2019 (£)	2019 (£)
<b>Current assets</b>					
Debtors: amounts falling due within one year	11	34,840		47,194	
Current asset investments	12	633,182		493,262	
Cash at bank and in hand		127,073		316,730	
		<u>795,095</u>		<u>857,186</u>	
Creditors: amounts falling due within one year	13	(59,196)		(54,026)	
<b>Net current assets</b>			<b>735,899</b>		<b>803,160</b>
<b>Provisions for liabilities</b>					
Dilapidation provision	14	(10,000)		(18,800)	
<b>Net assets</b>			<b>725,899</b>		<b>784,360</b>
<b>Capital and reserves</b>					
Profit and loss account			<u>725,899</u>		<u>784,360</u>



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BALANCE SHEET AT 31 DECEMBER 2020

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**Directors' responsibilities:**

- The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

ALAN LOVELL

Chair

17 May 2021

*The notes on pages 14 to 22 form part of these financial statements.*



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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**1. General information**

ALM Limited is a private limited company limited by guarantee, domiciled and incorporated in England and Wales (registered number: 01698399). The address of the registered office is 2nd Floor, 22 Bevis Marks, London, EC3A 7JB.

The Company's functional and presentational currency is GBP.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Turnover**

Turnover represents the invoice value of goods and services provided by the Company.

Membership income is spread over the period of the membership. Income from events is recognised as the event takes place.

**2.3 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.4 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**2.5 Tangible fixed assets**

The cost of tangible fixed assets is not material. Therefore, since 1 January 2005, fixed assets have been written off in full in the year of acquisition.





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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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2.6 Valuation of investments

Bonds held as current asset investments are measured at cost less accumulated impairment.

Equity instruments held as current asset investments are measured at fair value through profit or loss.

2.7 Pensions

The Company operates a defined contribution pension plan for its employees. The amounts are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Financial instruments

**i) Financial assets**

Basic financial assets, including trade and other receivables, cash and bank balances and investments in listed debt instruments, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.



**ii) Financial liabilities**

Basic financial liabilities, including trade and other payables, interest bearing bank loans, overdrafts and other loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Such liabilities are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

**2.9 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**2.10 Taxation**

The Company's tax charge arises purely from interest receivable and similar income plus any capital gains on the disposal of investments. Income derived from membership activities is not subject to tax. This is expected to be the case in the future.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

**3. Other operating income**

	2020 (£)	2019 (£)
Realised currency gains	1,235	1,280
Sundry income	-	8
	<b>1,235</b>	<b>1,288</b>

**4. Loss on current asset investments**

	2020 (£)	2019 (£)
Decrease in fair value of current asset investments	9,783	-
Loss on disposal of current asset investments	-	5,245
	<b>9,783</b>	<b>5,245</b>

**5. Operating loss**

The operating loss is stated after charging:

	2020 (£)	2019 (£)
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	-	7,825
Other operating lease rentals	<b>17,450</b>	<b>17,111</b>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

**6. Employees**

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

	2020 (£)	2019 (£)
Wages and salaries	213,032	209,877
Social security costs	19,466	20,815
Cost of pensions	6,630	6,737
	<u>239,128</u>	<u>237,429</u>

The average monthly number of employees, including directors, during the year was 5 (2019: 5).

**7. Directors' remuneration and key management personnel**

The directors are also the key management personnel and their compensation is as follows:

	2020 (£)	2019 (£)
Directors' emoluments	32,000	46,900

At the year end the Company owed £Nil (2019: £357) to the directors in respect of expense claims.

**8. Income from other current asset investments**

	2020 (£)	2019 (£)
Dividends receivable	6,468	-
	<u>6,468</u>	<u>-</u>



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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

**9. Other interest receivable and similar income**

	2020 (£)	2019 (£)
Other interest receivable	34,076	46,900
	<b>34,076</b>	<b>46,900</b>

**10. Taxation**

	2020 (£)	2019 (£)
<b>Corporation tax</b>		
Current tax on profits for the year	6,474	7,264
Adjustment in respect of prior periods	7	-
	<b>6,481</b>	<b>7,264</b>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 (£)	2019 (£)
Loss on ordinary activities before tax	(51,980)	(190,647)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	(9,876)	(36,223)

**Effects of:**

Other differences leading to an increase in the tax charge	16,350	43,487
Adjustment in respect of prior periods	7	-
<b>Total tax charge for the year</b>	<b>6,481</b>	<b>7,264</b>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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**11. Debtors: amounts falling due within one year**

	<b>2020 (£)</b>	<b>2019(£)</b>
Trade debtors	-	375
Other debtors	-	8,015
Prepayments and accrued income	<b>34,840</b>	<b>38,804</b>
	<b>34,840</b>	<b>47,194</b>

**12. Current asset investments**

	<b>2020 (£)</b>	<b>2019(£)</b>
Equity investments measured at fair value through profit or loss	<b>139,920</b>	-
Bond investments measured at amortised cost	<b>493,262</b>	<b>493,262</b>
	<b>633,182</b>	<b>493,262</b>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

**13. Creditors: amounts falling due within one year**

	2020 (£)	2019 (£)
Trade creditors	11,405	12,521
Corporation tax	6,474	7,908
Other taxation and social security	6,379	16,547
VAT payable	16,767	-
Other creditors	1,503	362
Accruals and deferred income	16,668	16,668
	<b>59,196</b>	<b>54,026</b>

**14. Provisions**

	Dilapidation provision (£)
At 1 January 2020	18,800
Released to the Statement of Comprehensive Income during the year	(8,800)
At 31 December 2020	<b>10,000</b>

The dilapidation provision relates to the cost of repair and reinstatement works that may arise when a lease for office space comes to an end.

**15. Company status**

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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**16. Commitments under operating leases**

At 31 December 2020 the Company had future minimum lease payments under non cancellable operating leases as follows:

	2020 (£)	2019 (£)
Not later than 1 year	7,271	16,481
Later than 1 year and not later than 5 years	-	6,867
	<u>7,271</u>	<u>23,348</u>

**17. Controlling party**

The directors consider that there is no ultimate controlling party as the Company is limited by the guarantee of each of its members.





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DIRECTORS' REPORT

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## OBJECTIVES

The board's firm belief is that the unique strengths of the Lloyd's market will only endure if it maintains its diversity, mutuality and regenerative capacity; and it can only do that if underwriting opportunities remain sufficiently accessible to private capital and its operations are not completely dominated by large corporate entities which may progressively inhibit Lloyd's traditional entrepreneurship.

The board's main objectives are:

- To preserve and enhance the position of private capital as a substantial provider of capital to Lloyd's;
- To work for the long-term success of Lloyd's, especially in relation to the proposals in Blueprints One and Two which are directly relevant to the role and future of private capital, and to work with Lloyd's, the managing and Members' agents and all interested parties to improve both profitability and accessibility to Lloyd's;
- To represent private capital, including Members no longer underwriting, and others supporting Lloyd's through other investment structures, in working with Lloyd's, managing and Members' agents, regulatory and government bodies; and
- To improve our Members' and the wider private capital community's knowledge and understanding of Lloyd's and its marketplace.

## SMALL COMPANIES' NOTE

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

ANDREW ARMITAGE  
Secretary  
17 May 2021

Company No. 01698399



Annual Report 2020  
DIRECTORS' REPORT

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## **OBJECTIVES**

The board's firm belief is that the unique strengths of the Lloyd's market will only endure if it maintains its diversity, mutuality and regenerative capacity; and it can only do that if underwriting opportunities remain sufficiently accessible to private capital and its operations are not completely dominated by large corporate entities which may progressively inhibit Lloyd's traditional entrepreneurship.

The board's main objectives are:

- To preserve and enhance the position of private capital as a substantial provider of capital to Lloyd's;
- To work for the long-term success of Lloyd's, especially in relation to the proposals in Blueprints One and Two which are directly relevant to the role and future of private capital, and to work with Lloyd's, the managing and Members' agents and all interested parties to improve both profitability and accessibility to Lloyd's;
- To represent private capital, including Members no longer underwriting, and others supporting Lloyd's through other investment structures, in working with Lloyd's, managing and Members' agents, regulatory and government bodies; and
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**ANDREW ARMITAGE**  
Secretary  
17 May 2021

Company No. 01698399



Annual Report 2020  
BALANCE SHEET AT 31 DECEMBER 2020

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**Directors' responsibilities:**

- The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

ALAN LOVELL

Chair

17 May 2021

*The notes on pages 14 to 22 form part of these financial statements.*



Annual Report 2020  
BALANCE SHEET AT 31 DECEMBER 2020

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**Directors' responsibilities:**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

ALAN LOVELL

Chair

17 May 2021

*The notes on pages 14 to 22 form part of these financial statements.*