

# **Gresham Insurance Company Limited**

**Annual PRA Insurance Returns for the year ended  
31st December 2013**



**BANK OF ENGLAND  
PRUDENTIAL REGULATION  
AUTHORITY**

(Appendices 9.1, 9.2, 9.5, 9.6)

# Gresham Insurance Company Limited

Year ended 31st December 2013

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**Statement of solvency - general insurance business**
**Form 1**

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

Solo solvency calculation

R1	Company registration number <b>110410</b>	GL/UK/CM <b>GL</b>	Period ended			units <b>£000</b>
			day	month	year	
			<b>31</b>	<b>12</b>	<b>2013</b>	
			As at end of this financial year			As at end of the previous year
			<b>1</b>			<b>2</b>

**Capital resources**

Capital resources arising outside the long-term insurance fund	<b>11</b>	84884	79596
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	<b>12</b>		
Capital resources available to cover general insurance business capital resources requirement (11-12)	<b>13</b>	84884	79596

**Guarantee fund**

Guarantee fund requirement	<b>21</b>	6395	6460
Excess (deficiency) of available capital resources to cover guarantee fund requirement	<b>22</b>	78489	73136

**Minimum capital requirement (MCR)**

General insurance capital requirement	<b>31</b>	19185	19380
Base capital resources requirement	<b>33</b>	3146	2984
Individual minimum capital requirement	<b>34</b>	19185	19380
Capital requirements of regulated related undertakings	<b>35</b>		
Minimum capital requirement (34+35)	<b>36</b>	19185	19380
Excess (deficiency) of available capital resources to cover 50% of MCR	<b>37</b>	75291	69906
Excess (deficiency) of available capital resources to cover 75% of MCR	<b>38</b>	70495	65061

**Capital resources requirement (CRR)**

Capital resources requirement	<b>41</b>	19185	19380
Excess (deficiency) of available capital resources to cover general insurance business CRR (13-41)	<b>42</b>	65699	60216

**Contingent liabilities**

Quantifiable contingent liabilities in respect of other than long-term insurance business as shown in a supplementary note to Form 15	<b>51</b>		
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**Components of capital resources**
**Form 3**
**(Sheet 1)**

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

	Company registration number	GL/UK/CM	Period ended			units
			day	month	year	
R3	110410	GL	31	12	2013	£000
	General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3	Total as at the end of the previous year 4		

**Core tier one capital**

Permanent share capital	11	61400		61400	61400
Profit and loss account and other reserves	12	23565		23565	19686
Share premium account	13				
Positive valuation differences	14				
Fund for future appropriations	15				
Core tier one capital in related undertakings	16				
Core tier one capital (sum of 11 to 16)	19	84965		84965	81086

**Tier one waivers**

Unpaid share capital / unpaid initial funds and calls for supplementary contributions	21				
Implicit items	22				
Tier one waivers in related undertakings	23				
Total tier one waivers as restricted (21+22+23)	24				

**Other tier one capital**

Perpetual non-cumulative preference shares as restricted	25				
Perpetual non-cumulative preference shares in related undertakings	26				
Innovative tier one capital as restricted	27				
Innovative tier one capital in related undertakings	28				

<b>Total tier one capital before deductions</b> (19+24+25+26+27+28)	31	84965		84965	81086
Investments in own shares	32				
Intangible assets	33				
Amounts deducted from technical provisions for discounting	34	81		81	(104)
Other negative valuation differences	35				
Deductions in related undertakings	36				
Deductions from tier one (32 to 36)	37	81		81	(104)
<b>Total tier one capital after deductions</b> (31-37)	39	84884		84884	81190

**Components of capital resources**
**Form 3**
**(Sheet 2)**

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

	Company registration number	GL/UK/CM	Period ended			units	
			day	month	year		
	R3	110410	GL	31	12	2013	£000
	General insurance business	Long-term insurance business	Total as at the end of this financial year		Total as at the end of the previous year		
	1	2	3		4		

**Tier two capital**

Implicit items, (tier two waivers and amounts excluded from line 22)	<b>41</b>				
Perpetual non-cumulative preference shares excluded from line 25	<b>42</b>				
Innovative tier one capital excluded from line 27	<b>43</b>				
Tier two waivers, innovative tier one capital and perpetual non-cumulative preference shares treated as tier two capital (41 to 43)	<b>44</b>				
Perpetual cumulative preference shares	<b>45</b>				
Perpetual subordinated debt and securities	<b>46</b>				
Upper tier two capital in related undertakings	<b>47</b>				
<b>Upper tier two capital (44 to 47)</b>	<b>49</b>				

Fixed term preference shares	<b>51</b>				
Other tier two instruments	<b>52</b>				
Lower tier two capital in related undertakings	<b>53</b>				
<b>Lower tier two capital (51+52+53)</b>	<b>59</b>				

<b>Total tier two capital before restrictions (49+59)</b>	<b>61</b>				
Excess tier two capital	<b>62</b>				
Further excess lower tier two capital	<b>63</b>				
<b>Total tier two capital after restrictions, before deductions (61-62-63)</b>	<b>69</b>				

**Components of capital resources**
**Form 3**
**(Sheet 3)**

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

	Company registration number	GL/UK/CM	Period ended			units	
			day	month	year		
	R3	110410	GL	31	12	2013	£000
	General insurance business	Long-term insurance business	Total as at the end of this financial year		Total as at the end of the previous year		
	1	2	3		4		

**Total capital resources**

Positive adjustments for regulated non-insurance related undertakings	<b>71</b>				
<b>Total capital resources before deductions (39+69+71)</b>	<b>72</b>	84884		84884	81190
Inadmissible assets other than intangibles and own shares	<b>73</b>				
Assets in excess of market risk and counterparty limits	<b>74</b>				1594
Deductions for related ancillary services undertakings	<b>75</b>				
Deductions for regulated non-insurance related undertakings	<b>76</b>				
Deductions of ineligible surplus capital	<b>77</b>				
<b>Total capital resources after deductions (72-73-74-75-76-77)</b>	<b>79</b>	84884		84884	79596

**Available capital resources for GENPRU/INSRU tests**

Available capital resources for guarantee fund requirement	<b>81</b>	84884		84884	79596
Available capital resources for 50% MCR requirement	<b>82</b>	84884		84884	79596
Available capital resources for 75% MCR requirement	<b>83</b>	84884		84884	79596

**Financial engineering adjustments**

Implicit items	<b>91</b>				
Financial reinsurance – ceded	<b>92</b>				
Financial reinsurance – accepted	<b>93</b>				
Outstanding contingent loans	<b>94</b>				
Any other charges on future profits	<b>95</b>				
<b>Sum of financial engineering adjustments (91+92-93+94+95)</b>	<b>96</b>				

**Calculation of general insurance capital requirement - premiums amount and brought forward amount**
**Form 11**

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 Name of insurer **Gresham Insurance Company Limited**

Global business

 Financial year ended **31st December 2013**

General insurance business

		Company registration number	GL/UK/CM	Period ended			units
		R11	110410	GL	day	month	year
					31	12	2013
							£000
				This financial year		Previous year	
				1		2	
Gross premiums written		11			220715		231818
Premiums taxes and levies (included in line 11)		12					
Premiums written net of taxes and levies (11-12)		13			220715		231818
Premiums for classes 11, 12 or 13 (included in line 13)		14			194		1122
Premiums for "actuarial health insurance" (included in line 13)		15					
<b>Sub-total A</b> (13 + 1/2 14 - 2/3 15)		16			220812		232379
Gross premiums earned		21			229004		235451
Premium taxes and levies (included in line 21)		22					
Premiums earned net of taxes and levies (21-22)		23			229004		235451
Premiums for classes 11, 12 or 13 (included in line 23)		24			722		1215
Premiums for "actuarial health insurance" (included in line 23)		25					
<b>Sub-total H</b> (23 + 1/2 24 - 2/3 25)		26			229365		236059
<b>Sub-total I</b> (higher of sub-total A and sub-total H)		30			229365		236059
<b>Adjusted sub-total I</b> if financial year is not a 12 month period to produce an annual figure		31					
Division of gross adjusted premiums amount: sub-total I (or adjusted sub-total I if appropriate)	x 0.18	32			41286		42491
	Excess (if any) over 61.3M EURO x 0.02	33			3545		3732
<b>Sub-total J</b> (32-33)		34			37741		38759
Claims paid in period of 3 financial years		41			372104		410095
Claims outstanding carried forward at the end of the 3 year period	For insurance business accounted for on an underwriting year basis	42					
	For insurance business accounted for on an accident year basis	43			68409		79245
Claims outstanding brought forward at the beginning of the 3 year period	For insurance business accounted for on an underwriting year basis	44					
	For insurance business accounted for on an accident year basis	45			107418		99934
<b>Sub-total C</b> (41+42+43-44-45)		46			333095		389406
Amounts recoverable from reinsurers in respect of claims included in Sub-total C		47			331010		347474
<b>Sub-total D</b> (46-47)		48			2085		41932
<b>Reinsurance ratio</b> (Sub-total D / sub-total C or, if more, 0.50 or, if less, 1.00)		49			0.50		0.50
<b>Premiums amount</b> (Sub-total J x <b>reinsurance ratio</b> )		50			18871		19380
Provisions for claims outstanding (before discounting and net of reinsurance)		51			2651		2678
Provisions for claims outstanding (before discounting and gross of reinsurance) if both 51.1 and 51.2 are zero, otherwise zero		52					
Brought forward amount (see instruction 4)		53			19185		10987
Greater of lines 50 and 53		54			19185		19380

**Calculation of general insurance capital requirement - claims amount and result**
**Form 12**

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 Name of insurer **Gresham Insurance Company Limited**

Global business

 Financial year ended **31st December 2013**

General insurance business

		Company registration number	GL/UK/CM	Period ended			units	
		R12	110410	GL	31 day	12 month	2013 year	£000
				This financial year 1		Previous year 2		
Reference period (No. of months) See <i>INSPRU</i> 1.1.63R			11	36		36		
Claims paid in reference period			21	372104		410095		
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis		22					
	For insurance business accounted for on an accident year basis		23	68409		79245		
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis		24					
	For insurance business accounted for on an accident year basis		25	107418		99934		
Claims incurred in reference period (21+22+23-24-25)			26	333095		389406		
Claims incurred for classes 11, 12 or 13 (included in 26)			27	743		5131		
Claims incurred for "actuarial health insurance" (included in 26)			28					
Sub-total E (26 + 1/2 27 - 2/3 28)			29	333467		391972		
Sub-total F - Conversion of sub-total E to annual figure (multiply by 12 and divide by number of months in the reference period)			31	111156		130657		
Division of sub-total F (gross adjusted claims amount)	X 0.26		32	28901		33971		
	Excess (if any) over 42.9M EURO x 0.03		33	2240		2882		
Sub-total G (32 - 33)			39	26661		31089		
Claims amount Sub-total G x reinsurance ratio (11.49)			41	13331		15545		
Higher of premiums amount and brought forward amount (11.54)			42	19185		19380		
General insurance capital requirement (higher of lines 41 and 42)			43	19185		19380		



**Analysis of admissible assets**
**Form 13**
**(Sheet 1)**

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

Category of assets **Total other than Long-term insurance business assets**

	Company registration number	GL/UK/CM	Period ended			units	Category of assets	
			day	month	year			
	R13	110410	GL	31	12	2013	£000	1
				As at end of this financial year		As at end of the previous year		
				1		2		
Land and buildings			11					

**Investments in group undertakings and participating interests**

UK insurance dependants	shares	<b>21</b>		
	debts and loans	<b>22</b>		
Other insurance dependants	shares	<b>23</b>		
	debts and loans	<b>24</b>		
Non-insurance dependants	shares	<b>25</b>		
	debts and loans	<b>26</b>		
Other group undertakings	shares	<b>27</b>		
	debts and loans	<b>28</b>		3838
Participating interests	shares	<b>29</b>		
	debts and loans	<b>30</b>		

**Other financial investments**

Equity shares	<b>41</b>		
Other shares and other variable yield participations	<b>42</b>		
Holdings in collective investment schemes	<b>43</b>		
Rights under derivative contracts	<b>44</b>		
Fixed interest securities	Approved	<b>45</b>	
	Other	<b>46</b>	
Variable interest securities	Approved	<b>47</b>	
	Other	<b>48</b>	
Participation in investment pools	<b>49</b>		
Loans secured by mortgages	<b>50</b>		
Loans to public or local authorities and nationalised industries or undertakings	<b>51</b>		
Loans secured by policies of insurance issued by the company	<b>52</b>		
Other loans	<b>53</b>		
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	66175
	More than one month withdrawal	<b>55</b>	22547
Other financial investments	<b>56</b>		

**Analysis of admissible assets**
**Form 13**
**(Sheet 2)**

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

Category of assets **Total other than Long-term insurance business assets**

			Company registration number	GL/UK/CM	Period ended			units	Category of assets	
			R13	110410	GL	31	12	2013	£000	1
							As at end of this financial year		As at end of the previous year	
							1		2	
Deposits with ceding undertakings					57					
Assets held to match linked liabilities	Index linked				58					
	Property linked				59					

**Reinsurers' share of technical provisions**

Provision for unearned premiums	<b>60</b>	112688	120977
Claims outstanding	<b>61</b>	65758	76559
Provision for unexpired risks	<b>62</b>		
Other	<b>63</b>		

**Debtors and salvage**

Direct insurance business	Policyholders	<b>71</b>	112609	123347
	Intermediaries	<b>72</b>		
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>		
	Ceded	<b>75</b>	1005	
Dependants	due in 12 months or less	<b>76</b>		
	due in more than 12 months	<b>77</b>		
Other	due in 12 months or less	<b>78</b>	200	70
	due in more than 12 months	<b>79</b>		

**Other assets**

Tangible assets	<b>80</b>		
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>		
Cash in hand	<b>82</b>		
Other assets (particulars to be specified by way of supplementary note)	<b>83</b>		
Accrued interest and rent	<b>84</b>		
Deferred acquisition costs (general business only)	<b>85</b>	28365	36295
Other prepayments and accrued income	<b>86</b>	672	228

Deductions from the aggregate value of assets	<b>87</b>		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	<b>89</b>	387472	383861
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**Analysis of admissible assets**
**Form 13**
**(Sheet 3)**

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

Category of assets **Total other than Long-term insurance business assets**

	Company registration number	GL/UK/CM	Period ended			units	Category of assets
			day	month	year		
<b>R13</b>	<b>110410</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2013</b>	<b>£000</b>	<b>1</b>
				As at end of this financial year		As at end of the previous year	
				<b>1</b>		<b>2</b>	

**Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	<b>91</b>	387472	383861
Admissible assets in excess of market and counterparty limits	<b>92</b>		1594
Inadmissible assets directly held	<b>93</b>		
Capital resources requirement deduction of regulated related undertakings	<b>94</b>		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>		
Inadmissible assets of regulated related undertakings	<b>96</b>		
Book value of related ancillary services undertakings	<b>97</b>		
Other differences in the valuation of assets (other than for assets not valued above)	<b>98</b>		
Deferred acquisition costs excluded from line 89	<b>99</b>		
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>	(1401)	(1376)
Other asset adjustments (may be negative)	<b>101</b>		
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	<b>102</b>	386071	384079
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	<b>103</b>		3838

**Liabilities (other than long-term insurance business)**
**Form 15**

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

R15	Company registration number 110410	GL/UK/CM GL	Period ended			units £000
			day	month	year	
			31	12	2013	
			As at the end of this financial year			As at the end of the previous year
			1			2

**Technical provisions (gross amount)**

Provision for unearned premiums		11	112688	120977
Claims outstanding		12	68409	79245
Provision for unexpired risks		13		
Equalisation provisions	Credit business	14		
	Other than credit business	15	375	378
Other technical provisions		16		
Total gross technical provisions (11 to 16)		19	181472	200600

**Provisions and creditors**

Provisions	Taxation	21		
	Other risks and charges	22		
Deposits received from reinsurers		31		
Creditors	Direct insurance business	41	1170	924
	Reinsurance accepted	42		
	Reinsurance ceded	43	17582	14561
Debenture loans	Secured	44		
	Unsecured	45		
Amounts owed to credit institutions		46	1066	2873
Creditors	Taxation	47	1247	1485
	Foreseeable dividend	48		
	Other	49	39465	17155
Accruals and deferred income		51	60586	66667
Total (19 to 51)		59	302588	304265
Provision for "reasonably foreseeable adverse variations"		61		
Cumulative preference share capital		62		
Subordinated loan capital		63		
Total (59 to 63)		69	302588	304265

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance	71	23221	304265
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Amounts deducted from technical provisions for discounting	82	1482	1272
Other adjustments (may be negative)	83		
Capital and reserves	84	84965	81086
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (69-82+83+84)	85	386071	384079

**Profit and loss account (non-technical account)**
**Form 16**

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

		Company registration number	GL/UK/CM	Period ended			units
		R16	110410	GL	day	month	year
					31	12	2013
					This financial year		Previous year
					1		2
Transfer (to) / from the general insurance business technical account	From Form 20	11	228		1779		
	Equalisation provisions	12	3		40		
Transfer from the long term insurance business revenue account		13					
Investment income	Income	14	169		150		
	Value re-adjustments on investments	15					
	Gains on the realisation of investments	16					
Investment charges	Investment management charges, including interest	17	19		4		
	Value re-adjustments on investments	18			1		
	Loss on the realisation of investments	19			3		
Allocated investment return transferred to the general insurance business technical account		20					
Other income and charges (particulars to be specified by way of supplementary note)		21	4658		3705		
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)		29	5039		5666		
Tax on profit or loss on ordinary activities		31	1160		1381		
Profit or loss on ordinary activities after tax (29-31)		39	3879		4285		
Extraordinary profit or loss (particulars to be specified by way of supplementary note)		41					
Tax on extraordinary profit or loss		42					
Other taxes not shown under the preceding items		43					
Profit or loss for the financial year (39+41-(42+43))		49	3879		4285		
Dividends (paid or foreseeable)		51					
Profit or loss retained for the financial year (49-51)		59	3879		4285		

Name of insurer **Gresham Insurance Company Limited**

## Global business

Financial year ended **31st December 2013**

			Company registration number	GL/UK/CM	Period ended			units	
					day	month	year		
			R20A	110410	GL	31	12	2013	£000
Category number	PRA return general insurance business reporting category		Gross premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year			Provision for gross unearned premium at the end of this financial year		
				Reported	Incurred but not reported				
			1	2	3	4			
001	Total business	1	220715	55537	10600	112688			
002	Total primary (direct) and facultative business	2	220715	55537	10600	112688			
003	Total treaty reinsurance accepted business	3							
110	Total primary (direct) and facultative accident & health (category numbers 111 to 114)	4	64	395	14	28			
120	Total primary (direct) and facultative personal lines motor business (category numbers 121 to 123)	5		7579	284				
160	Primary (direct) and facultative household and domestic all risks.	6	219770	46049	9564	112593			
180	Total primary (direct) and facultative personal lines financial loss (category numbers 181 to 187)	7	451	133	712				
220	Total primary (direct) and facultative commercial motor business (category numbers 221 to 223)	8							
260	Total primary (direct) and facultative commercial lines property (category numbers 261 to 263)	9	74	23	7	10			
270	Total primary (direct) and facultative commercial lines liability business (category numbers 271 to 274)	10	352	1358	19	55			
280	Total primary (direct) and facultative commercial lines financial loss (category numbers 281 to 284)	11	1						
330	Total primary (direct) and facultative aviation (category number 331 to 333)	12							
340	Total primary (direct) and facultative marine (category numbers 341 to 347)	13	3			2			
350	Total primary (direct) and facultative goods in transit	14							
400	Miscellaneous primary (direct) and facultative business	15							
500	Total non-proportional treaty business accepted (category numbers 510 to 590)	16							
600	Total proportional treaty reinsurance business accepted (category numbers 610 to 690)	17							
700	Miscellaneous treaty reinsurance accepted business	18							
	Total (lines 4 to 18)	20	220715	55537	10600	112688			

**General insurance business - summary of business carried on**
**Form 20A**
**(Sheet 2)**

Printed 13/03/2014 15:25:56

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

Category number	PRA return general insurance business reporting category	Company registration number	GL/UK/CM	Period ended			units
				day	month	year	
		<b>R20A</b>	<b>110410</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2013</b>
							<b>£000</b>
		Gross premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year	Reported	Incurring but not reported		Provision for gross unearned premium at the end of this financial year
		<b>1</b>		<b>2</b>	<b>3</b>		<b>4</b>

**PRIMARY (DIRECT) and FACULTATIVE PERSONAL LINES BUSINESS**

111	Medical insurance	21				
112	HealthCare cash plans	22				
113	Travel	23	56	384	14	27
114	Personal accident or sickness	24	8	11		1
121	Private motor - comprehensive	25		5636	284	
122	Private motor - non-comprehensive	26		1943		
123	Motor cycle	27				
160	Household and domestic all risks (equals line 6)	28	219770	46049	9564	112593
181	Assistance	29				
182	Creditor	30	451	133	712	
183	Extended warranty	31				
184	Legal expenses	32				
185	Mortgage indemnity	33				
186	Pet insurance	34				
187	Other personal financial loss	35				

**PRIMARY (DIRECT) and FACULTATIVE COMMERCIAL LINES BUSINESS**

221	Fleets	41				
222	Commercial vehicles (non-fleet)	42				
223	Motor other	43				
261	Commercial property	44	63			9
262	Consequential loss	45	8	19	6	1
263	Contractors or engineering all risks	46	3	4	1	
271	Employers liability	47	31	21		5
272	Professional indemnity	48				
273	Public and products liability	49	98	226	3	16
274	Mixed commercial package	50	223	1111	16	34
281	Fidelity and contract guarantee	51				
282	Credit	52				
283	Suretyship	53	1			
284	Commercial contingency	54				

## General insurance business - summary of business carried on

Form 20A

(Sheet 3)

Printed 13/03/2014 15:25:56

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

Category number	PRA return general insurance business reporting category	Company registration number	GL/UK/CM	Period ended			units
				day	month	year	
		<b>R20A</b>	<b>110410</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2013</b>
							<b>£000</b>
		Gross premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year	Reported	Incurring but not reported		Provision for gross unearned premium at the end of this financial year
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>		

**PRIMARY (DIRECT) and FACULTATIVE: AVIATION, MARINE and TRANSPORT**

331	Aviation liability	61					
332	Aviation hull	62					
333	Space and satellite	63					
341	Marine liability	64					
342	Marine hull	65					
343	Energy (on and off-shore)	66					
344	Protection and indemnity	67					
345	Freight demurrage and defence	68					
346	War risks	69					
347	Yacht	70	3				2
350	Total primary (direct) and facultative goods in transit (equals line 14)	71					

**PRIMARY (DIRECT) and FACULTATIVE: MISCELLANEOUS**

400	Miscellaneous primary (direct) and facultative business (equals line 15)	72					
-----	--	----	--	--	--	--	--

**NON-PROPORTIONAL TREATY**

510	Non-proportional accident & health	81					
520	Non-proportional motor	82					
530	Non-proportional aviation	83					
540	Non-proportional marine	84					
550	Non-proportional transport	85					
560	Non-proportional property	86					
570	Non-proportional liability (non-motor)	87					
580	Non-proportional financial lines	88					
590	Non-proportional aggregate cover	89					

**PROPORTIONAL TREATY**

610	Proportional accident & health	91					
620	Proportional motor	92					
630	Proportional aviation	93					
640	Proportional marine	94					
650	Proportional transport	95					
660	Proportional property	96					
670	Proportional liability (non-motor)	97					
680	Proportional financial lines	98					
690	Proportional aggregate cover	99					

**TREATY REINSURANCE: MISCELLANEOUS**

700	Miscellaneous treaty reinsurance accepted business	101					
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TOTAL (lines 21 to 101)	111	220715	55537	10600	112688		
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## General insurance business: Technical account (excluding equalisation provisions)

Form 20

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total Business**

		Company registration number	GL/UK/CM	Period ended			units	Category number	
		R20	110410	GL	31	12	2013	£000	001
Items to be shown net of reinsurance					This financial year		Previous year		
					1		2		
This year's underwriting (accident year accounting)	Earned premium (21. 19. 5)			11	1832		1904		
	Claims incurred (22. 17. 4)			12					
	Claims management costs (22. 18. 4)			13					
	Adjustment for discounting (22. 52. 4)			14					
	Increase in provision for unexpired risks (22. 19. 4)			15					
	Other technical income or charges (particulars to be specified by way of supplementary note)			16					
	Net operating expenses (22. 42. 4)			17	740		514		
	Balance of year's underwriting (11-12-13+14-15+16-17)			19	1092		1390		
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21. 11. 5)			21					
	Claims incurred (22. 13. 4)			22	1182		(1110)		
	Claims management costs (22. 14. 4)			23	(133)		617		
	Adjustment for discounting (22. 51. 4)			24	185		(104)		
	Other technical income or charges (particulars to be specified by way of supplementary note)			25					
	Net operating expenses (22. 41. 4)			26					
	Balance (21-22-23+24+25-26)			29	(864)		389		
Balance from underwriting year accounting	Per Form 24 (24. 69. 99 - 99)			31					
	Other technical income and charges (particulars to be specified by way of supplementary note)			32					
	Total			39					
Balance of all years' underwriting (19+29+39)				49	228		1779		
Allocated investment return				51					
Transfer to non-technical account (49+51)				59	228		1779		

## General insurance business: Technical account (excluding equalisation provisions)

Form 20

Printed 13/03/2014 15:25:56

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total Primary (Direct) and Facultative Business**

		Company registration number	GL/UK/CM	Period ended			units	Category number	
		R20	110410	GL	31	12	2013	£000	002
Items to be shown net of reinsurance					This financial year		Previous year		
					1		2		
This year's underwriting (accident year accounting)	Earned premium (21. 19. 5)			11	1832		1904		
	Claims incurred (22. 17. 4)			12					
	Claims management costs (22. 18. 4)			13					
	Adjustment for discounting (22. 52. 4)			14					
	Increase in provision for unexpired risks (22. 19. 4)			15					
	Other technical income or charges (particulars to be specified by way of supplementary note)			16					
	Net operating expenses (22. 42. 4)			17	740		514		
	Balance of year's underwriting (11-12-13+14-15+16-17)			19	1092		1390		
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21. 11. 5)			21					
	Claims incurred (22. 13. 4)			22	1182		(1110)		
	Claims management costs (22. 14. 4)			23	(133)		617		
	Adjustment for discounting (22. 51. 4)			24	185		(104)		
	Other technical income or charges (particulars to be specified by way of supplementary note)			25					
	Net operating expenses (22. 41. 4)			26					
	Balance (21-22-23+24+25-26)			29	(864)		389		
Balance from underwriting year accounting	Per Form 24 (24. 69. 99 - 99)			31					
	Other technical income and charges (particulars to be specified by way of supplementary note)			32					
	Total			39					
Balance of all years' underwriting (19+29+39)				49	228		1779		
Allocated investment return				51					
Transfer to non-technical account (49+51)				59	228		1779		

## General insurance business: Technical account (excluding equalisation provisions)

Form 20

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total primary (direct) and facultative personal motor business**

		Company registration number	GL/UK/CM	Period ended			units	Category number	
		R20	110410	GL	31	12	2013	£000	120
Items to be shown net of reinsurance					This financial year		Previous year		
					1		2		
This year's underwriting (accident year accounting)	Earned premium (21. 19. 5)			11					
	Claims incurred (22. 17. 4)			12					
	Claims management costs (22. 18. 4)			13					
	Adjustment for discounting (22. 52. 4)			14					
	Increase in provision for unexpired risks (22. 19. 4)			15					
	Other technical income or charges (particulars to be specified by way of supplementary note)			16					
	Net operating expenses (22. 42. 4)			17					
	Balance of year's underwriting (11-12-13+14-15+16-17)			19					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21. 11. 5)			21					
	Claims incurred (22. 13. 4)			22	442		(1902)		
	Claims management costs (22. 14. 4)			23	(6)		29		
	Adjustment for discounting (22. 51. 4)			24	185		(104)		
	Other technical income or charges (particulars to be specified by way of supplementary note)			25					
	Net operating expenses (22. 41. 4)			26					
	Balance (21-22-23+24+25-26)			29	(251)		1769		
Balance from underwriting year accounting	Per Form 24 (24. 69. 99 - 99)			31					
	Other technical income and charges (particulars to be specified by way of supplementary note)			32					
	Total			39					
Balance of all years' underwriting (19+29+39)				49	(251)		1769		
Allocated investment return				51					
Transfer to non-technical account (49+51)				59	(251)		1769		

## General insurance business: Technical account (excluding equalisation provisions)

Form 20

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Primary (direct) and facultative household and domestic all risks.**

		Company registration number	GL/UK/CM	Period ended			units	Category number	
		R20	110410	GL	31	12	2013	£000	160
Items to be shown net of reinsurance					This financial year		Previous year		
					1		2		
This year's underwriting (accident year accounting)	Earned premium (21. 19. 5)			11	1795		1864		
	Claims incurred (22. 17. 4)			12					
	Claims management costs (22. 18. 4)			13					
	Adjustment for discounting (22. 52. 4)			14					
	Increase in provision for unexpired risks (22. 19. 4)			15					
	Other technical income or charges (particulars to be specified by way of supplementary note)			16					
	Net operating expenses (22. 42. 4)			17	715		502		
	Balance of year's underwriting (11-12-13+14-15+16-17)			19	1080		1362		
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21. 11. 5)			21					
	Claims incurred (22. 13. 4)			22	97		192		
	Claims management costs (22. 14. 4)			23	(127)		588		
	Adjustment for discounting (22. 51. 4)			24					
	Other technical income or charges (particulars to be specified by way of supplementary note)			25					
	Net operating expenses (22. 41. 4)			26					
	Balance (21-22-23+24+25-26)			29	30		(780)		
Balance from underwriting year accounting	Per Form 24 (24. 69. 99 - 99)			31					
	Other technical income and charges (particulars to be specified by way of supplementary note)			32					
	Total			39					
Balance of all years' underwriting (19+29+39)				49	1110		582		
Allocated investment return				51					
Transfer to non-technical account (49+51)				59	1110		582		

**General insurance business: Technical account (excluding equalisation provisions)**
**Form 20**

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Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Balance of all primary (direct) and facultative business**

		Company registration number	GL/UK/CM	Period ended			units	Category number	
		R20	110410	GL	31	12	2013	£000	409
Items to be shown net of reinsurance					This financial year		Previous year		
					1		2		
This year's underwriting (accident year accounting)	Earned premium (21. 19. 5)			11	37		40		
	Claims incurred (22. 17. 4)			12					
	Claims management costs (22. 18. 4)			13					
	Adjustment for discounting (22. 52. 4)			14					
	Increase in provision for unexpired risks (22. 19. 4)			15					
	Other technical income or charges (particulars to be specified by way of supplementary note)			16					
	Net operating expenses (22. 42. 4)			17	25		12		
	Balance of year's underwriting (11-12-13+14-15+16-17)			19	12		28		
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21. 11. 5)			21					
	Claims incurred (22. 13. 4)			22	643		600		
	Claims management costs (22. 14. 4)			23					
	Adjustment for discounting (22. 51. 4)			24					
	Other technical income or charges (particulars to be specified by way of supplementary note)			25					
	Net operating expenses (22. 41. 4)			26					
	Balance (21-22-23+24+25-26)			29	(643)		(600)		
Balance from underwriting year accounting	Per Form 24 (24. 69. 99 - 99)			31					
	Other technical income and charges (particulars to be specified by way of supplementary note)			32					
	Total			39					
Balance of all years' underwriting (19+29+39)				49	(631)		(572)		
Allocated investment return				51					
Transfer to non-technical account (49+51)				59	(631)		(572)		

**General insurance business (accident year accounting): Analysis of premiums**
**Form 21**

Printed 13/03/2014 15:25:57

 Name of insurer **Gresham Insurance Company Limited**

Global business

 Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total Business**

Total Business					Company registration number	GL/UK/CM	Period ended			units	Category number	
							day	month	year			
					R21	110410	GL	31	12	2013	£000	001
Premiums receivable during the financial year			Gross premiums written		Reinsurers' share			Net of reinsurance				
			Earned in previous financial years		Earned in previous financial years		Earned in previous financial years					
			1		3		5					
In respect of risks incepted in previous financial years			11									
			Earned in this financial year	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year				
			1	2	3	4	5	6				
In respect of risks incepted in previous financial years			12									
In respect of risks incepted in this financial year	For periods of less than 12 months	13	3		3							
	For periods of 12 months	14	108024	112688	106192	112688	1832					
	For periods of more than 12 months	15										
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year			16	120977		120977						
Total (12 to 16)			19	229004	112688	227172	112688	1832				

**General insurance business (accident year accounting): Analysis of premiums**
**Form 21**

Printed 13/03/2014 15:25:57

 Name of insurer **Gresham Insurance Company Limited**

Global business

 Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total Primary (Direct) and Facultative Business**

Total Primary (Direct) and Facultative Business					Company registration number	GL/UK/CM	Period ended			units	Category number	
							day	month	year			
					R21	110410	GL	31	12	2013	£000	002
Premiums receivable during the financial year			Gross premiums written		Reinsurers' share			Net of reinsurance				
			Earned in previous financial years		Earned in previous financial years		Earned in previous financial years					
			1		3		5					
In respect of risks incepted in previous financial years		11										
			Earned in this financial year	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year				
			1	2	3	4	5	6				
In respect of risks incepted in previous financial years		12										
In respect of risks incepted in this financial year	For periods of less than 12 months	13	3		3							
	For periods of 12 months	14	108024	112688	106192	112688	1832					
	For periods of more than 12 months	15										
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year			16	120977		120977						
Total (12 to 16)			19	229004	112688	227172	112688	1832				

**General insurance business (accident year accounting): Analysis of premiums**

**Form 21**  
Printed 13/03/2014 15:25:57

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total primary (direct) and facultative personal motor business**

Total primary (direct) and facultative personal motor business				Company registration number		GL/UK/CM	Period ended			units	Category number
				day	month		year				
				R21	110410	GL	31	12	2013	£000	120
Premiums receivable during the financial year				Gross premiums written		Reinsurers' share			Net of reinsurance		
				Earned in previous financial years		Earned in previous financial years		Earned in previous financial years			
				1		3		5			
In respect of risks incepted in previous financial years				11							
				Earned in this financial year	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year		
				1	2	3	4	5	6		
In respect of risks incepted in previous financial years				12							
In respect of risks incepted in this financial year	For periods of less than 12 months	13									
	For periods of 12 months	14									
	For periods of more than 12 months	15									
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year				16							
Total (12 to 16)				19							



**General insurance business (accident year accounting): Analysis of premiums**

**Form 21**  
Printed 13/03/2014 15:25:57

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Primary (direct) and facultative household and domestic all risks.**

Primary (direct) and facultative household and domestic all risks.					Company registration number	GL/UK/CM	Period ended			units	Category number	
							day	month	year			
					R21	110410	GL	31	12	2013	£000	160
Premiums receivable during the financial year		Gross premiums written		Reinsurers' share			Net of reinsurance					
		Earned in previous financial years		Earned in previous financial years		Earned in previous financial years						
		1		3		5						
In respect of risks incepted in previous financial years		11										
		Earned in this financial year	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year					
		1	2	3	4	5	6					
In respect of risks incepted in previous financial years		12										
In respect of risks incepted in this financial year	For periods of less than 12 months	13										
	For periods of 12 months	14	107177	112593	105382	112593	1795					
	For periods of more than 12 months	15										
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		16	119709		119709							
Total (12 to 16)		19	226886	112593	225091	112593	1795					

**General insurance business (accident year accounting): Analysis of premiums**

**Form 21**  
Printed 13/03/2014 15:25:57

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Balance of all primary (direct) and facultative business**

Balance of all primary (direct) and facultative business					Company registration number	GL/UK/CM	Period ended			units	Category number	
							day	month	year			
					R21	110410	GL	31	12	2013	£000	409
Premiums receivable during the financial year		Gross premiums written			Reinsurers' share			Net of reinsurance				
		Earned in previous financial years			Earned in previous financial years			Earned in previous financial years				
		1			3			5				
In respect of risks incepted in previous financial years		11										
			Earned in this financial year	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year				
			1	2	3	4	5	6				
In respect of risks incepted in previous financial years		12										
In respect of risks incepted in this financial year	For periods of less than 12 months	13	3		3							
	For periods of 12 months	14	847	95	810	95	37					
	For periods of more than 12 months	15										
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		16	1268		1268							
Total (12 to 16)		19	2118	95	2081	95	37					

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total Business**

			Company registration number	GL/UK/CM	Period ended			units	Category number	
			R22	110410	GL	31	12	2013	£000	001
				Amount brought forward from previous financial year		Amount payable / receivable in this financial year		Amount carried forward to next financial year		Amount attributable to this financial year
				1		2		3		4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	76500	42493	25951	(8056)				
	Reinsurers' share	12	74429	41410	23781	(9238)				
	Net (11-12)	13	2071	1083	2170	1182				
	Claims management costs	14	615	1	481	(133)				
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		48600	40186	88786				
	Reinsurers' share	16		48600	40186	88786				
	Net (15-16)	17								
	Claims management costs	18								
Provision for unexpired risks		19								
Net operating expenses	Commissions	21	23195	61266	21971	62490				
	Other acquisition expenses	22								
	Administrative expenses	23		740		740				
	Reinsurance commissions and profit participations	24	23195	61266	21971	62490				
	Total (21+22+23-24)	29		740		740				
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	1272		1482	210				
	Reinsurers' share	32	1376		1401	25				
	Claims management costs	33								
	Total (31-32+33)	39	(104)		81	185				
Split of line 29	Prior financial years	41								
	This financial year	42		740		740				
Split of line 39	Incidents occurring prior to this financial year	51	(104)		81	185				
	Incidents occurring in this financial year	52								

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total Primary (Direct) and Facultative Business**

			Company registration number	GL/UK/CM	Period ended			units	Category number	
			R22	110410	GL	31	12	2013	£000	002
				Amount brought forward from previous financial year		Amount payable / receivable in this financial year		Amount carried forward to next financial year		Amount attributable to this financial year
				1		2		3		4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	76500		42493		25951		(8056)	
	Reinsurers' share	12	74429		41410		23781		(9238)	
	Net (11-12)	13	2071		1083		2170		1182	
	Claims management costs	14	615		1		481		(133)	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			48600		40186		88786	
	Reinsurers' share	16			48600		40186		88786	
	Net (15-16)	17								
	Claims management costs	18								
Provision for unexpired risks		19								
Net operating expenses	Commissions	21	23195		61266		21971		62490	
	Other acquisition expenses	22								
	Administrative expenses	23			740				740	
	Reinsurance commissions and profit participations	24	23195		61266		21971		62490	
	Total (21+22+23-24)	29			740				740	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	1272				1482		210	
	Reinsurers' share	32	1376				1401		25	
	Claims management costs	33								
	Total (31-32+33)	39	(104)				81		185	
Split of line 29	Prior financial years	41								
	This financial year	42			740				740	
Split of line 39	Incidents occurring prior to this financial year	51	(104)				81		185	
	Incidents occurring in this financial year	52								

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total primary (direct) and facultative personal motor business**

			Company registration number	GL/UK/CM	Period ended			units	Category number	
			R22	110410	GL	31	12	2013	£000	120
				Amount brought forward from previous financial year	Amount payable / receivable in this financial year	Amount carried forward to next financial year		Amount attributable to this financial year		
				1	2	3		4		
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	12172	5412		7864		1104		
	Reinsurers' share	12	11488	5025		7125		662		
	Net (11-12)	13	684	387		739		442		
	Claims management costs	14	29			23		(6)		
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15								
	Reinsurers' share	16								
	Net (15-16)	17								
	Claims management costs	18								
Provision for unexpired risks		19								
Net operating expenses	Commissions	21								
	Other acquisition expenses	22								
	Administrative expenses	23								
	Reinsurance commissions and profit participations	24								
	Total (21+22+23-24)	29								
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	1272			1482		210		
	Reinsurers' share	32	1376			1401		25		
	Claims management costs	33								
	Total (31-32+33)	39	(104)			81		185		
Split of line 29	Prior financial years	41								
	This financial year	42								
Split of line 39	Incidents occurring prior to this financial year	51	(104)			81		185		
	Incidents occurring in this financial year	52								

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Primary (direct) and facultative household and domestic all risks.**

			Company registration number	GL/UK/CM	Period ended			units	Category number	
			R22	110410	GL	31	12	2013	£000	160
				Amount brought forward from previous financial year		Amount payable / receivable in this financial year		Amount carried forward to next financial year		Amount attributable to this financial year
				1		2		3		4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	61420		37323		15831		(8266)	
	Reinsurers' share	12	60768		36687		15718		(8363)	
	Net (11-12)	13	652		636		113		97	
	Claims management costs	14	586		1		458		(127)	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			48237		39782		88019	
	Reinsurers' share	16			48237		39782		88019	
	Net (15-16)	17								
	Claims management costs	18								
Provision for unexpired risks		19								
Net operating expenses	Commissions	21	22974		59639		21959		60654	
	Other acquisition expenses	22								
	Administrative expenses	23			715				715	
	Reinsurance commissions and profit participations	24	22974		59639		21959		60654	
	Total (21+22+23-24)	29			715				715	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31								
	Reinsurers' share	32								
	Claims management costs	33								
	Total (31-32+33)	39								
Split of line 29	Prior financial years	41								
	This financial year	42			715				715	
Split of line 39	Incidents occurring prior to this financial year	51								
	Incidents occurring in this financial year	52								

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Balance of all primary (direct) and facultative business**

			Company registration number	GL/UK/CM	Period ended			units	Category number	
			R22	110410	GL	31	12	2013	£000	409
				Amount brought forward from previous financial year		Amount payable / receivable in this financial year		Amount carried forward to next financial year		Amount attributable to this financial year
				1		2		3		4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	2908		(242)		2256		(894)	
	Reinsurers' share	12	2173		(302)		938		(1537)	
	Net (11-12)	13	735		60		1318		643	
	Claims management costs	14								
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			363		404		767	
	Reinsurers' share	16			363		404		767	
	Net (15-16)	17								
	Claims management costs	18								
Provision for unexpired risks		19								
Net operating expenses	Commissions	21	221		1627		12		1836	
	Other acquisition expenses	22								
	Administrative expenses	23			25				25	
	Reinsurance commissions and profit participations	24	221		1627		12		1836	
	Total (21+22+23-24)	29			25				25	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31								
	Reinsurers' share	32								
	Claims management costs	33								
	Total (31-32+33)	39								
Split of line 29	Prior financial years	41								
	This financial year	42			25				25	
Split of line 39	Incidents occurring prior to this financial year	51								
	Incidents occurring in this financial year	52								

**General insurance business (accident year accounting): Analysis of net claims and premiums**

**Form 23**

Printed 13/03/2014 15:25:58

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total Business**

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration / (surplus) of original reserve %	Claims ratio %
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
Month	Year		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2013	11											1832		
12	2012	12											1904		
12	2011	13											1967		
12	2010	14											1936		
12	2009	15											2074		
12	2008	16											2169		
12	2007	17											3974		
12	2006	18	41452	14160	13942	574	824	32	1313		117		86854	8.6	65.4
12	2005	19	53619	31991	41137	143	428		282		289	81	140515	30.4	67.8
12	2004	20	47607	31792	29605	9	174	712	302		593		134003	(4.1)	58.3
Prior accident years		21				357			174		183				
Reconciliation		22													
Total (11 to 22)		29				1083	1426	744	2071		1182	81			



**General insurance business (accident year accounting): Analysis of net claims and premiums**

**Form 23**

Printed 13/03/2014 15:25:59

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total Primary (Direct) and Facultative Business**

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration / (surplus) of original reserve %	Claims ratio %
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
Month	Year		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2013	11											1832		
12	2012	12											1904		
12	2011	13											1967		
12	2010	14											1936		
12	2009	15											2074		
12	2008	16											2169		
12	2007	17											3974		
12	2006	18	41452	14160	13942	574	824	32	1313		117		86854	8.6	65.4
12	2005	19	53619	31991	41137	143	428		282		289	81	140515	30.4	67.8
12	2004	20	47607	31792	29605	9	174	712	302		593		134003	(4.1)	58.3
Prior accident years		21				357			174		183				
Reconciliation		22													
Total (11 to 22)		29				1083	1426	744	2071		1182	81			

**General insurance business (accident year accounting): Analysis of net claims and premiums**

**Form 23**

Printed 13/03/2014 15:25:59

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Total primary (direct) and facultative personal motor business**

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration / (surplus) of original reserve %	Claims ratio %
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
Month	Year		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2013	11													
12	2012	12													
12	2011	13													
12	2010	14											10		
12	2009	15											121		
12	2008	16											194		
12	2007	17											521		
12	2006	18	617	404	5215	387	595	32	799		215		1331	1441.8	514.4
12	2005	19	2	146	872		112		(115)		227	81	160	574.0	616.3
12	2004	20													
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				387	707	32	684		442	81			

**General insurance business (accident year accounting): Analysis of net claims and premiums**

**Form 23**

Printed 13/03/2014 15:25:59

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Primary (direct) and facultative household and domestic all risks.**

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration / (surplus) of original reserve %	Claims ratio %
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
Month	Year		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2013	11											1795		
12	2012	12											1864		
12	2011	13											1924		
12	2010	14											1871		
12	2009	15											1893		
12	2008	16											1906		
12	2007	17											3337		
12	2006	18	40491	13756	7406	127	50		205		(28)		85202	(44.9)	56.4
12	2005	19	53297	31845	40237	143	22		104		61		137745	26.9	68.0
12	2004	20	47266	31254	29458	9	41		169		(119)		130790	(5.6)	58.7
Prior accident years		21				357			174		183				
Reconciliation		22													
Total (11 to 22)		29				636	113		652		97				

**Form 23**  
Printed 13/03/2014 15:25:59

## Global business

Financial year ended **31st December 2013**

PRA general insurance business reporting category

**Balance of all primary (direct) and facultative business**

											Company registration number	GL/UK/CM	Period ended			units	Category number	
											R23	110410	GL	31	12	2013	£000	409
Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration / (surplus) of original reserve %	Claims ratio %			
Month	Year		1	2	3	4	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	9	10	11	12	13			
12	2013	11											37					
12	2012	12											40					
12	2011	13											43					
12	2010	14											55					
12	2009	15											60					
12	2008	16											69					
12	2007	17											116					
12	2006	18	344		1321	60	179		309		(70)		321		593.1			
12	2005	19	320		28		294		293		1		2610		24.6			
12	2004	20	341	538	147		133	712	133		712		3213	84.4	41.5			
Prior accident years		21																
Reconciliation		22																
Total (11 to 22)		29				60	606	712	735		643							

## General insurance business (accident year accounting): Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance

Form 31

Printed 13/03/2014 15:26:00

Name of insurer **Gresham Insurance Company Limited**

Global business

Currency **British pound**Financial year ended **31st December 2013**Reporting territory **United Kingdom other than home foreign**

PRA general insurance business reporting category

**Primary (direct) and facultative household and domestic all risks.**

										Company registration number	GL/UK/CM	Period ended			Monetary units	Category number	Currency code	Reporting territory code	
										R31	110410	GL	31	12	2013	000	160	GBP	AA
Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %						
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported									
			1	2	3	4	5	6	7	8	9	10	11						
12	2013	11	28067	11799		48237	32061	7721			88019	226886	38.8						
12	2012	12	46326	3078	63032	29747	10476	1474	45963	4333	(8599)	232318	45.1						
12	2011	13	66419	288	82295	2857	376	295	3719	128	(319)	240496	35.7						
12	2010	14	110318	367	137113	1850	1409	74	2714	43	576	233959	60.0						
12	2009	15	113423	110	127135	1313	592		1864	2	39	237672	54.3						
12	2008	16	119467	66	141119	733	399		1134		(2)	239319	59.4						
12	2007	17	144181	41	206813	60	670		524		206	221582	93.7						
12	2006	18	112410	2	135255	254	10		417		(153)	177552	76.3						
12	2005	19	85091	1	96249	143	15		236		(78)	149711	64.4						
12	2004	20	70056	3	77461	9	41		169		(119)	140057	55.3						
Prior accident years		21				357			174		183								
Total (11 to 21)		29		15755		85560	46049	9564	56914	4506	79753								
Line 29 expressed in sterling		30				85560	46049	9564	56914	4506	79753								

General insurance business (accident year accounting): Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance **Form 32**

Printed 13/03/2014 15:26:00

Name of insurer **Gresham Insurance Company Limited**

Global business

Currency **British pound**

Financial year ended **31st December 2013**

Reporting territory **United Kingdom other than home foreign**

PRA general insurance business reporting category

**Private motor comprehensive**

															Company registration number	GL/UK/CM	Period ended			Monetary units	Category number	Currency code	Reporting territory code	
															R32	110410	GL	31	12	2013	000	121	GBP	AA
Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %									
Month	Year		Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported														
			1	2	3	4	5	6	7	8	9	10	11	12	13									
12	2013	11																						
12	2012	12																						
12	2011	13																						
12	2010	14	578	1	666	26	2		1	16	11	1068	65.0	4	14.5									
12	2009	15	8018	57	11655	386	2027	99	1670	23	819	13871	102.1	39	20.7									
12	2008	16	12078	7	18299	184	130	3	264	49	4	21986	84.7	68	17.8									
12	2007	17	17455	16	24812	2160	173	117	2111	93	246	28659	95.1	96	18.2									
12	2006	18	8558	4	15432	769	1189	65	1958	15	50	14867	117.4	47	18.2									
12	2005	19	100	3	863	15	2115		1920		210	138	2168.8	1	10.3									
12	2004	20																						
Prior accident years		21																						
Total (11 to 21)		29		88		3540	5636	284	7924	196	1340													
Line 29 expressed in sterling		30				3540	5636	284	7924	196	1340													

# Equalisation provisions

**Form 37**  
Printed 13/03/2014 15:26:00

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

						Company registration number	GL/UK/CM	Period ended			units	
						R37	110410	GL	31	12	2013	£000
		Business grouping A (property)	Business grouping B (business interruption)	Business grouping C (marine and aviation)	Business grouping D (nuclear)	Business grouping E (non-proportional treaty)	All business groupings		Credit insurance business			
Calculation of the maximum provision		1	2	3	4	5	6		7			
Total net premiums written in the previous 4 years	11	7552										
Net premiums written in the current year	12	1811										
Maximum provision	13	375					375					

## Calculation of the transfer to/from the provision

Equalisation provision brought forward	21						378	
Transfers in	22	54					54	
Total abnormal loss	23							
Provisional transfers out	24							
Excess of provisional transfer out over fund available	25							
Provisional amount carried forward (21+22-24+25)	26						432	
Excess, if any, of 26 over 13	27						57	
Equalisation provision carried forward (26-27)	28						375	
Transfer in/(out) for financial year (28-21)	29						(3)	

# Equalisation provisions technical account: Accident year accounting

**Form 38**  
Printed 13/03/2014 15:26:00

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

				Company registration number	GL/UK/CM	Period ended			units	
				R38	110410	GL	31	12	2013	£000
				Business grouping A (property)	Business grouping B (business interruption)	Business grouping C (marine and aviation)	Business grouping D (nuclear)	Business grouping E (non-proportional treaty)		
Other than credit business				1	2	3	4	5		
Net premiums earned		11	1811							
Claims incurred net of reinsurance		12	97							
Trigger claims value		13	1313							
Abnormal loss		19								
Trigger claims ratio				72.5 %	72.5 %	95 %	25 %	100 %		

## Credit business

Net premiums earned	21	
Claims incurred net of reinsurance	22	
Claims management costs	23	
Net operating expenditure	24	
Technical surplus / (deficit) (21-22-23-24)	29	



Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

**Additional information as required by rule 9.25 of the Accounts and Statements Rules**

Reinsurer details As required by rule 9.25; (Para 1(a))	Connection (Para 1(b))	Prop. RI Treaties (Para 1(c)(i)) £000	Non Prop. RI Treaties (Para 1(c)(ii)) £000	Debts O/S (Para 1(d)) £000	Deposits Rec.d (Para 1(e)) £000	Antic. Recov. (Para 1(f)) £000	Comments
Lloyd's 1 Lime Street London, EC3M 7HA			1,693	201		312	
International Property Catastrophe Reinsurance Ltd 29 Richmond Road Pembroke HM08 Bermuda							
Endurance Specialty Insurance Company Wellesley House 90 Pitts Bay Road Pembroke HN08 Bermuda			210			40	
ACE Ltd 17 Woodbourne Avenue Hamilton HM 08 Bermuda			302				
Aviva Re Limited, Cannon's Court 22 Victoria Street Hamilton HM 12 Bermuda	Fellow group undertaking from 31 March 2005		(19)				
General Reinsurance UK Ltd (Berkshire Hathaway Inc) 3555 Farnam Street Suite 1440 Omaha NE68131 USA							
Swiss Reinsurance Company Ltd Mythenquai 50/60 PO Box 8022 Zurich Switzerland			6,100	508		869	

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

**Additional information as required by rule 9.25 of the Accounts and Statements Rules**

Reinsurer Details	Connection	Prop. RI Treaties £000	Non Prop. RI Treaties £000	Debts Outst'ding £000	Deposits Received £000	Anticipated Recoveries £000	Comments
Munich Reinsurance Co. 107 Koenigstrasse 80802 Munich Germany	Parent undertaking	140	2,795	674		333	
RenaissanceRe Holdings Ltd Renaissance House 12 Crow Lane Pembroke HM 19 Bermuda			625				
Platinum Re (UK) Ltd, 10 St Mary Axe London EC3A 8EN							
Aviva Insurance Ltd 1 Undershaft St Helens London EC3P 3DQ		202,241				65, 758	

**Name of insurer**                      Gresham Insurance Company Limited

Global business

Financial year ended            **31st December 2013**

**Additional information as required by rule 9.26 of the Accounts and Statements Rules**

There are no major facultative reinsurers.

Name of insurer           **Gresham Insurance Company Limited**

Global business

Financial year ended    **31st December 2013**

**Additional information as required by rule 9.27 of the Accounts and Statements Rules**

There are no major cedants.

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

**Additional information as required by rule 9.29 of the Accounts and Statements Rules**

**Derivative Contracts**

The following summarises investment policy for the use of derivatives:

a) Derivatives will only be used in accordance with guidelines issued by the Prudential Regulation Authority for the purpose of efficient portfolio management or reduction in investment risk. They must not be used for speculative purposes, must be fully covered by the assets of the fund and must not be used to "gear up" a fund.

Futures may be used to implement asset allocation decisions, where this is more efficient than trading in the underlying securities or would avoid disruption to asset allocation strategies.

Forward foreign exchange contracts may be used to manage the impact of currency fluctuations on the balance sheet and to hedge cash flows. No forward foreign exchange contracts were entered into during the year.

Transactions in financial options may only be undertaken with the prior approval of the Group Derivatives Committee. Their use is limited to balance sheet risk reduction, including the management of the solvency capital surplus. No financial options were entered into during the year.

Except for foreign exchange swaps (referred above), swaps may only be undertaken following the prior approval of the Group Derivatives Committee. Their use is limited to balance sheet risk reduction. No swaps were entered into during the year.

b) There are no specific guidelines for the use of contracts that were not reasonably likely to be exercised at the start of the contract. The speculative use of derivative contracts is prohibited.

c) The Company was not party to any stock underwriting over the financial year, or any other arrangements, which fall into description b) above. Therefore the end of year exposure was nil.

d) No derivative contracts were held during the financial year, which required a significant provision to be made for them under INSPRU 3.2.17R.

e) During the financial year the Company granted no rights under derivative contracts for a fixed consideration.

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

**Additional information as required by rule 9.30 of the Accounts and Statements Rules**

100% of the issued ordinary share capital of the Company has been held throughout the year by Aviva Insurance Limited, which also controls 100% of the voting rights.

100% of the issued ordinary share capital of Aviva Insurance Limited has been held throughout the year by Aviva Group Holdings Limited, which also controls 100% of the voting rights.

100% of the issued ordinary share capital of Aviva Group Holdings Limited has been held throughout the year by Aviva plc, which also controls 100% of the voting rights.

Name of insurer               **Gresham Insurance Company Limited**

Global business

Financial year ended       **31st December 2013**

**Additional information as required by rule 9.32 of the Accounts and Statements Rules**

Details of non-facultative reinsurance contracts entered into or modified during the year are as follows:

Type of Business Covered:     All business written by the Company

Type of Cover:                 Quota Share Contract

Business Reinsured:          UK - Barclays/Gresham Corporate Partners Portfolio

Details:                         100% Quota Share

Comments:                     Reinsures all business written by the Company

Period of Cover:               01/01/2013 to 31/12/2013 – Rolling contract

**Maximum Net Probable Loss = £0m**

All reinsurance premiums payable related to contracts for non-facultative reinsurance ceded.

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

**Additional information as required by rule 9.32A of the Accounts and Statements Rules**

It is the Company's policy to review all its reinsurance contracts to ensure that they meet the criteria under International Financial Reporting Standard 4 to be classified as insurance contracts.

In carrying out that review the Company has determined that these criteria have been met and there are no contracts where:-

- a) the value placed on future payments in respect of the contract in the return for the financial year is not commensurate with the economic value provided by that contract, after taking account of the level of risk transferred; or
- b) there are terms or foreseeable contingencies (other than the insured event) that have the potential to affect materially the value placed on the contract in the insurer's balance sheet at, or any time after, the end of the financial year.



**Supplementary Notes to the Returns**Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013****\*0301\* Reconciliation of Net Admissible Assets to Capital Resources**

	2013 £000	2012 £000
Form 13, Line 89	387, 472	383,861
Less		
Form 15, Line 69	302, 588	304,265
	<hr/>	<hr/>
Net admissible assets	84, 884	79,596
	<hr/>	<hr/>
Capital resources		
Form 3, Line 79	84, 884	79,596
	<hr/>	<hr/>

**\*0313\* Reconciliation of Profit and Loss Account and Other Reserves**

	2013 £000	2012 £000
Form 3, Line 12.4	19,686	15,401
Form 16, Line 59.1	3,879	4,285
	<hr/>	<hr/>
Form 3, Line 12.3	23,565	19,686
	<hr/>	<hr/>

**Supplementary Notes to the Returns**

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

**\*1305\* Counterparty Limits**

The Company's management of credit risk is carried out in accordance with the Aviva Group credit risk framework, which includes setting exposure limits and monitoring exposures in accordance with ratings set by credit ratings agencies such as Standard & Poor's. Financial assets are graded according to current credit ratings issued. A credit limit for each counterparty is set based on default probabilities that are in turn based on the rating of the counterparty and the type and duration of exposure concerned. Exposure levels are reported to, and reviewed by, the AIL Asset Liability Committee ('ALCO') monthly and reported to the AIL Board via the Capital and Liquidity Report quarterly. Additional oversight is provided by Group ALM. Where exposures approach or exceed credit limits, these are reviewed with alternate actions considered. In some circumstances breach positions are risk accepted, in these cases the position is reviewed at least annually.

The Aviva Group credit risk framework also incorporates the management of exposure to reinsurance counterparties, including actual and contingent reinsurance exposure. Reinsurance exposures are monitored at an Aviva Group level as most reinsurance programmes are placed on a Group-wide basis. The Company has a significant exposure to its parent company, Aviva Insurance Limited, arising from a quota share reinsurance agreement entered into originally in 2006 by Aviva International Insurance Limited, and transferred to Aviva Insurance Limited in 2011.

**\*1501\* Provision for Reasonably Foreseeable Adverse Variations**

No adjustment or provision is required in respect of a provision for reasonably foreseeable adverse variations pursuant to GENPRU 1.3.30R to 1.3.33R or INSPRU 3.2.17R to 3.2.18R. Management has considered current market conditions when valuing investments in accordance with IFRS. All derivative contracts are strictly covered and all other obligations to deliver assets or make a payment were felt to be prudently provided for in the accounts.

**\*1502\* Contingent Liabilities**

- a. There are no charges over the Company's assets.
- b. No provision has been included in Form 15 for any liabilities to tax on capital gains, which might arise if the Company disposed of its investments. The full potential liability for deferred tax not provided was £nil (2012 - £nil).
- c. There are no contingent liabilities in the Company.
- d. No guarantee, indemnity or other contractual commitment, effected other than in the ordinary course of insurance business, exists in respect of related companies.
- e. There are no fundamental uncertainties.

**\*1603\* Other Income**

Line 21 of Form 16 principally represents domestic emergency cover collected on behalf of a third party, for which a profit element is retained.

In addition, the Company prepares its annual statutory financial statements in accordance with International Financial Reporting Standards (IFRS). Those financial statements do not include a claims equalisation reserve (CER) in liabilities but instead include a profit commission expense payable as a result of the release of the CER under IFRS. In 2012, the CER was £378k; in 2013 it is £375k, a decrease of £3k. Line 21 of Form 16 includes the increase in the commission expense of £3k to offset the decrease in CER. If the financial statements had been prepared in accordance with UK GAAP, there would be no adjustment in this line.

**Supplementary Notes to the Returns**

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

**\*1700\* Form Omitted**

No Form 17 has been prepared on the basis that the Company had no derivative contracts in place at the end of the current financial year.

**\*20Ab\* Risks of Death or Injury to Passengers**

Contracts of insurance against risks of death of, or injury to, passengers has been allocated to the risk categories of private motor comprehensive and private motor non-comprehensive.

**\*20Ae\* Facultative Business**

There is no facultative business reported under category number 002.

**\*20Af\* Analyses of Mixed Risk Categories**

There are no amounts reported under risk category number 343. In respect of risk categories 113 (travel) and 274 (mixed commercial packages) the estimated analyses by class are:

Groups of classes	Gross premium written	Provision for undiscounted gross claims		Provision for gross unearned premium
		Reported	IBNR	
TRAVEL	£000	£000	£000	£000
Accident and Health	31	211	8	15
Fire and other damage to property	5	35	1	2
Classes 16, 17 and 18 combined	20	138	5	10
Total	56	384	14	27
MIXED COMMERCIAL PACKAGE				
Fire and other damage to property	143	711	10	22
Liability	65	322	5	10
Classes 16, 17 and 18 combined	15	78	1	2
Total	223	1111	16	34

**\*20Ag\* Home Foreign and Overseas Business**

No gross written premiums are attributable to home foreign or overseas business.

**\*20Aj\* New Contracts of Insurance**

The Company is not authorised to write class 6 (ships). It has never written classes 4 (railway rolling stock), 5 (aircraft) and 11 (aircraft liability). In respect of authorisation classes 12 (liability for ships), 14 (credit), 3 (land vehicles) and 10 (motor vehicle liability) no new contracts of insurance have been effected by the Company since December 1986, May 2000, February 2009 and February 2009 respectively. It currently writes elements of all other classes.

**Supplementary Notes to the Returns**

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

**\*2007\* Material Connected Party Transactions (Rule 9.39)**

The Company entered into a quota share reinsurance arrangement with Aviva International Insurance Limited, with effect from 1 January 2006. On 14 November 2011, this contract was transferred to the Company's current parent company, Aviva Insurance Limited by way of an insurance business transfer under part VII of the Financial Services and Markets Act 2000.

The key terms of the agreement remain:

- a 100% cession rate on premiums, claims costs and underwriting expense costs is applied in respect of the underwriting year; and
- a requirement for the Company to retain a percentage in relation to the Financial Services Compensation Scheme levy.

The premiums, claims and expenses which have been reinsured to Aviva Insurance Limited under the arrangement are:

<b>Quota share</b>	<b>2013 £000</b>	<b>2012 £000</b>
Premiums earned	210, 532	217, 757
Claims incurred	(88, 854)	(127, 891)
Fee and commission expenses and operating expenses and other charges	(93, 114)	(96, 295)
<b>Profit/(loss) ceded</b>	<b>28, 564</b>	<b>(6, 429)</b>

The material balances in the statement of financial position relating to this arrangement are:

	<b>2013 £000</b>	<b>2012 £000</b>
Reinsurance assets	173, 740	197, 169
Payable arising out of ceded reinsurance	(17, 443)	(14, 000)
Reinsurers' share of deferred acquisition costs	(28, 365)	(36, 295)

**\*2102\* Unearned Premiums**

Unearned premiums are computed principally on a daily pro-rata basis, which the Company believes most accurately determines the required provision.

**Supplementary Notes to the Returns**

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

**\*2202\* Claims Management Costs**

Claims management costs represent indirect overhead costs incurred in respect of maintaining settlement functions. These costs include both charges by third parties and an attribution of the Company's own expenses, such as salaries and related costs of employees. Provision has been made at the year end for all claims management costs to cover the anticipated future costs of negotiating and settling claims which have been incurred, whether reported or not. The claims management costs which would otherwise appear on form 22 are 100% reinsured and therefore are net nil this financial year.

**\*2204\* Acquisition Costs**

Acquisition costs represent the fixed and variable costs arising from the conclusion of insurance contracts including direct costs, such as the cost of drawing up the insurance document, and indirect costs, such as advertising costs or the administrative expenses connected with the processing of proposals and the issuing of policies. For business accounted for on an annual basis, a proportion of the related acquisition expenses has been deferred commensurate with the unearned premiums provisions. The acquisition costs deferred have been that proportion of the total acquisition costs, which the unearned premiums provision bears to gross written premiums, by class.

**\*2205\* Unexpired Risks**

Provision is made for unexpired risks when, after taking account of an element of attributable investment income, if necessary, it is anticipated that unearned premiums will be insufficient to cover future claims and expenses on existing contracts. No attributable investment income has needed to be taken into account in either 2013 or 2012.

**\*3000\* Form omitted**

Form 30 has been omitted because all entries would be blank as the business is fully reinsured.

**\*3003\* Discounting**

An adjustment for discounting has been made in Personal Motor (120) in respect of structured settlements. This is 100% reinsured. The rate of interest used in the discounting calculations is based on risk-free rates, using applicable swap curves for the United Kingdom.

**Certificate required by rule 9.34(1) of the Accounts and Statements Rules**

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

We certify

- a. that the return has been properly prepared in accordance with the requirements in *IPRU(INS)*, *GENPRU* and *INSPRU*; and
- b. that we are satisfied that:
  - (i) throughout the financial year in question, the insurer has complied in all material respects with the requirements in *SYSC* and *PRIN* as well as the provisions of *IPRU (INS)*, *GENPRU* and *INSPRU*; and
  - (ii) it is reasonable to believe that the insurer has continued so to comply subsequently, and will continue so to comply in future.

**Julian Woodford**  
Director

**Matthew Carter**  
Director

**Claire Valentine**  
Company Secretary

London  
21 March 2014

**Independent auditors' report to the directors pursuant to rule 9.35 of the Interim Prudential Sourcebook for Insurers**

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

We have audited the following documents prepared by the insurer pursuant to the Accounts and Statements Rules set out in Part I and Part IV of Chapter 9 to IPRU(INS) the Interim Prudential Sourcebook for Insurers, GENPRU the General Prudential Sourcebook and INSPRU the Prudential Sourcebook for Insurers ("the Rules") made by the Prudential Regulation Authority under section 137G of the Financial Services and Markets Act 2000:

- Forms 1, 3, 11 to 13, 15, 16, 20A, 20 to 23, 31, 32, 37 and 38 (including the supplementary notes) on pages 1 to 38 and pages 47 to 51 ("the Forms"); and
- the statements required by IPRU(INS) rules 9.25, 9.26, 9.27 and 9.29 on pages 39 to 43 ("the statements").

We are not required to audit and do not express an opinion on:

- the statements required by IPRU(INS) rules 9.30, 9.32 and 9.32A on pages 44 to 46; and
- the certificate required by IPRU(INS) rule 9.34 on page 52.

**Respective responsibilities of the insurer and its auditors**

The insurer is responsible for the preparation of an annual return (including the Forms and the statements) under the provisions of the Rules. Under IPRU(INS) rule 9.11 the Forms and the statements are required to be prepared in the manner set out in the Rules and to state fairly the information provided on the basis required by the Rules.

It is our responsibility to form an independent opinion as to whether the Forms and the statements meet these requirements, and to report our opinion to you. We are also 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 Forms and the statements are not in agreement with the accounting records and returns; or
- we have not received all the information we require for our audit.

This report has been prepared for the directors of the insurer to comply with their obligations under IPRU(INS) rule 9.35 and for no other purpose. We do not, in providing this report, accept or assume responsibility for any other purpose save where expressly agreed by our prior consent in writing.

**Basis of opinion**

We conducted our work in accordance with Practice Note 20 "The audit of insurers in the United Kingdom (Revised)" issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Forms and the statements. The evidence included that previously obtained by us relating to the audit of the financial statements of the insurer for the financial year. It also included an assessment of the significant estimates and judgements made by the insurer in the preparation of the Forms and the statements.

**Independent auditors' report to the directors pursuant to rule 9.35 of the  
Interim Prudential Sourcebook for Insurers**

Name of insurer **Gresham Insurance Company Limited**

Global business

Financial year ended **31st December 2013**

We planned and performed our work 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 Forms and the statements are free from material misstatement, whether caused by fraud or other irregularity or error, and comply with IPRU(INS) rule 9.11.

**Opinion**

In our opinion the Forms and the statements fairly state the information provided on the basis required by the Rules and have been properly prepared in accordance with the provisions of those Rules.

PricewaterhouseCoopers LLP  
Chartered Accountants  
London  
21 March 2014