

MS Amlin Investments Limited

Annual Report and Financial Statements

31 December 2018

Registered Number: 3562457

Registered office:

The Leadenhall Building
122 Leadenhall Street
London
EC3V 4AG



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Directors and officers

Directors

P C Horncastle
J le T Illingworth

Company secretary

F Moule

Registered office

The Leadenhall Building
122 Leadenhall Street
London
EC3V 4AG

Independent auditor

KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

Strategic report for the year ended 31 December 2018

The Directors present their strategic report for the year ended 31 December 2018.

Business review and principal activities

The principal activity of the Company was to invest a portfolio of assets which supported the underwriting activities of other subsidiaries of MS Amlin plc. The Company ceased trading in July 2008.

As the Company has ceased trading and the Directors do not intend to acquire a replacement trade, the Directors have not prepared the financial statements on a going concern basis. The effect of this is explained in note 10.

The financial performance and position of the Company is discussed in the directors' report.

Key performance indicators

The Directors of the Company do not believe that key performance indicators are necessary to understand the development, performance or position of the Company's business.

Principal risks, uncertainties and financial risk management

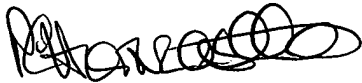
The principal risk to the Company is that of intercompany risk. The Company is potentially exposed to bad debt on the balance due from its immediate parent, however the likelihood of this occurring is considered remote.

Future developments

On 22 May 2019, the Company became a wholly owned subsidiary of MS Amlin plc, as part of a Corporate Simplification programme.

The Directors do not believe there are any other principal risks or uncertainties connected with this Company.

Approved by the Board and signed by order of the Board.



P C Horncastle

Director

31 May 2019

Directors' report for the year ended 31 December 2018

The Directors present their report and the audited financial statements for the year ended 31 December 2018. Principal risk and management objectives are discussed on page 3 of the strategic report under Principal risks, uncertainties and financial risk management.

Results and Dividends

The result for 2018 was £nil (2017: £nil). No dividends were paid during the year (2017: £nil).

The Statement of financial position on page 8 of the financial statements shows that the net assets of the Company at 31 December 2018 were £149,029,054 (2017: £149,029,054).

Events after the reporting period

The following significant events have been identified between the date of the statement of financial position and the date at which the financial statements were authorised.

These actions were undertaken as part of the Corporate Simplification programme of the MS Amlin Group, and related to readying the Company for disposal outside of the MS Amlin Group:

- i. Transfer of shareholding in the Company – on 22 May 2019, AUT Holdings Limited transferred its holding in the Company of 2,122 shares (0.0014%) to MS Amlin plc.
- ii. Capital reduction - on 31 May 2019, the Company approved by special resolution and supported by a directors' solvency statement to reduce the issued share capital of the Company from 149,029,054 ordinary shares with a nominal value of £1 to 1 ordinary share with a nominal value of £1. The reduction was recognised in retained earnings as part of distributable reserves at the date of resolution.
- iii. Interim dividend - on 31 May 2019, the Board declared an interim dividend amounting to £149,029,053. This was offset against balances owed by the Company's parent, MS Amlin plc, and considered as paid on that date. This has not been included as a liability as at 31 December 2018. The accounts of the Company at 31 May 2019 therefore show a £1 receivable from MS Amlin plc, and £1 in share capital.

Directors

The current directors of the Company at the date of approval of these financial statements are shown on page 2. During the year and up to the date of signing the following changes to the Board of Directors occurred:

<u>Name</u>	<u>Date of Resignation</u>	<u>Date of Appointment</u>
J N Scofield	24 September 2018	28 June 2018
F Moule (secretary)		28 June 2018

Directors' indemnity

Between 2008 and the date of this report, MS Amlin plc has made qualifying third party indemnity provisions for the benefit of the Directors of the Company. These indemnities were in force during the financial year and also at the date of approval.

Political contributions

No political contributions were made by the Company during the year (2017: nil).

Directors' report for the year ended 31 December 2018 (continued)

Disclosure of information to the auditor

Each of the persons who is a director at the date of approval of this report confirms that:

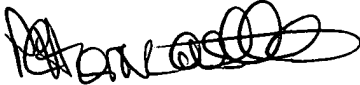
- (1) so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (2) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Independent auditor

In accordance with section 487 of the Companies Act 2006, the auditors will be deemed reappointed and KPMG LLP will therefore continue in office.

Approved by the Board and signed by order of the Board.



P C Horncastle
Director
31 May 2019

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so. As explained in note 2, the directors do not believe that that it is appropriate to prepare these financial statements on a going concern basis.

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

Independent auditor's report to the members of MS Amlin Investments Limited

Opinion

We have audited the financial statements of MS Amlin Investments Limited ("the company") for the year ended 31 December 2018 which comprise the Statement of financial position and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework and;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter – non-going concern basis of preparation

We draw attention to the disclosure made in note 2 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

Strategic report and directors' report

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

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Independent auditor's report to the members of MS Amlin Investments Limited (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



William Greenfield (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

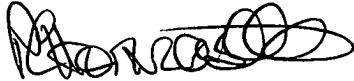
21 May 2019

**Statement of financial position
As at 31 December 2018**

	Note	2018 £'000	2017 £'000
Current assets			
Amounts owed by the parent company	7	<u>149,029</u>	<u>149,029</u>
Net current assets		<u>149,029</u>	<u>149,029</u>
Capital and reserves			
Called up share capital	8	<u>149,029</u>	<u>149,029</u>
Total equity		<u>149,029</u>	<u>149,029</u>

The accompanying notes on pages 10 to 12 are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors. They were signed on its behalf by:



P C Horncastle
Director

Registered Number: 3562457

31 May 2019

Notes to the financial statements for the year ended 31 December 2018

1 General information

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AG.

2 Basis of preparation

The financial statements have been prepared under the historical cost convention modified by the revaluation of financial assets and liabilities measured at fair value through profit or loss, and in accordance with FRS 101 and with the Companies Act 2006.

The following FRS 101 exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - I. paragraph 79(a)(iv) of IAS 1;
 - II. paragraph 118(e) of IAS 38 Intangible Assets;
- The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 of IAS 1 Presentation of Financial Statements.
- The requirements of IAS 7 Statement of Cash Flows.
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- The requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures with regard to key management personnel.
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets

New and amended standards adopted by the company

No standards, including IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments adopted by the Company that became effective in the year, had a material impact on the Company. The Company did not early adopt any standards or interpretations.

Statement of profit or loss and Statement in changes in equity

No Statement of profit or loss or Statement of changes in equity is presented with these financial statements because the Company has not received income, incurred expenditure or recognised any gains or losses or made changes to capital and reserves during either the year under review or the preceding financial year.

Going Concern

Until July 2008, the Company's principal activity was to invest a portfolio of assets which supported the underwriting activities of other subsidiaries of MS Amlin plc. However, from that date the Directors took the decision to cease trading. As the Directors do not intend to acquire a replacement trade, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 10.

This decision does not affect the presentation of the financial statements because no statement of profit and loss has been prepared and all assets are already classified as current and recoverable within one year.

Notes to the financial statements for the year ended 31 December 2018 (continued)**3 Accounting policies**

The principal accounting policies are set out below and have been consistently applied throughout the current and prior years:

Trade and other receivables

On initial recognition under IFRS 9, a financial asset is classified as measured at fair value.

All trade and other receivables relate to amounts owed from a fellow group company. There is no historical experience of impairment losses on these balances. As such, expected credit losses are considered immaterial and therefore no impairment provision has been made on these balances.

4 Critical accounting judgements and estimation uncertainty

The Company does not consider that there were any areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

5 Auditor's remuneration

Audit fees are borne by the parent company, MS Amlin plc, on behalf of the Company. These amounted to £5,000 for the year (2017: £1,000).

6 Directors' emoluments and employee information**Employee information**

All MS Amlin employees within the UK are employed by the Group service company, MS Amlin Corporate Services Limited. Therefore the number of persons employed by the Company is nil (2017: nil).

Directors' emoluments

Executive directors and certain non-executive directors are also directors or employees of other companies within the MS Amlin Group. As such a proportion of the total emoluments have been allocated to the Company. However, this is not necessarily a reflection of the amount, if any, charged to the Company by the company employing the director. Only amounts in respect of qualifying services are disclosed in the table below. The directors received the following proportionate total emoluments during their time in office:

	2018	2017
	£'000	£'000
Directors' aggregate emoluments and benefits (except as noted below)	43	19
Amounts received under long term incentive schemes (other than shares or share options)	9	-
Employer's contributions to money purchase and defined contribution pension schemes	6	2
	<u>57</u>	<u>21</u>

Payment was made to one director (2017: one) in respect of defined benefit pension schemes and to three directors (2017: one) in respect of defined contribution pension schemes. During the year, three directors were members of long-term incentive schemes (2017: one).

7 Debtors

	2018	2017
	£'000	£'000
Amounts owed by the parent company	<u>149,029</u>	<u>149,029</u>

Amounts owed by the parent company are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Notes to the financial statements for the year ended 31 December 2018 (continued)

8 Called up share capital

	2018	2017
	£'000	£'000
Allotted and fully paid		
149,029,054 (2017: 149,029,054) ordinary share of £1.00	<u>149,029</u>	<u>149,029</u>

9 Ultimate parent company

The Company's immediate parent company is MS Amlin plc, a company incorporated in Great Britain and registered in England and Wales. The smallest group in which the results of the Company are included will be Mitsui Sumitomo Insurance Company Limited. The Company's ultimate parent company and controlling party is MS & AD Insurance Group Holdings, Inc, a company incorporated in Japan and is the largest group in which the results of the Company are consolidated.

The consolidated financial statements of MS & AD Insurance Group Holdings, Inc is available to the public and may be obtained from the Company Secretary at The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AG. The address of Mitsui Sumitomo Insurance Company Limited is 9, Kanda-Surugadai 3Chome, Chiyoda-ku, Tokyo, Japan. The ultimate parent company address is Tokyo Sumitomo Twin Building (West Tower), 27-2, Shinkawa 2-chome, Chuo-ku, Tokyo, Japan.

10 Going concern

As the Company is no longer trading, and is not expected to do so in the foreseeable future, the Directors have not prepared the financial statements on a going concern basis.

This decision does not affect the presentation of the financial statements as the assets are already classified as current and recoverable within one year.

11 Events after the reporting period

The following significant events have been identified between the date of the statement of financial position and the date at which the financial statements were authorised.

These actions were undertaken as part of the Corporate Simplification programme of the MS Amlin Group, and related to readying the Company for disposal outside of the MS Amlin Group.

- iv. Transfer of shareholding in the Company – on 22 May 2019, AUT Holdings Limited transferred its holding in the Company of 2,122 shares (0.0014%) to MS Amlin plc.
- v. Capital reduction - on 31 May 2019, the Company approved by special resolution and supported by a directors' solvency statement to reduce the issued share capital of the Company from 149,029,054 ordinary shares with a nominal value of £1 each to 1 ordinary share with a total nominal value of £1. The reduction was recognised in retained earnings as part of distributable reserves at the date of resolution.
- vi. Interim dividend - on 31 May 2019, the Board declared an interim dividend amounting to £149,029,053. This was offset against balances owed by the Company's parent, MS Amlin plc, and considered as paid on that date. This has not been included as a liability as at 31 December 2018. The accounts of the Company at 31 May 2019 therefore show a £1 receivable from MS Amlin plc, and £1 in share capital.