

# MS Amlin Investments Limited

## Annual Report and Financial Statements

31 December 2019

Registered Number: 3562457

Registered office:

The Leadenhall Building  
122 Leadenhall Street  
London  
EC3V 4AG



## Contents

	<b>Page</b>
Directors and officers	2
Strategic report	3
Directors' report	4
Statement of Directors' responsibilities	5
Independent auditor's report to the members of MS Amlin Investments Limited	6
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10

**Directors and officers**

**Directors**

P C Horncastle  
J Simek

**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 2019

The Directors present their strategic report for the year ended 31 December 2019.

### Business review and principal activities

The principal activity of the Company was to invest a portfolio of assets which supported the underwriting activities of previously associated companies. 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 11.

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.

### COVID-19

The Company has considered the potential impact of the COVID-19 pandemic on its operations.

As a service company, the Company is reliant upon the existence of the Managing Agent, MS Amlin Underwriting (MSAUL) and Syndicate 2001, as going concerns for its own long term existence. A review of the impact of COVID-19 on MSAUL and Syndicate 2001 has concluded they will be able to operate as a going concern under all reasonably possible scenarios considered.

The Company is also dependent on the services provided by MS Amlin Corporate Services Limited (MSACS) to continue operating as a service company. A review of the impact of COVID-19 on MSACS concluded it will be able to operate as a going concern and continue to provide services to the Company under all reasonably possible scenarios considered.

The Company expects to be able to pay expenses as they become due, even in stressed scenarios. Based on the Company not trading and the preparation of these accounts on a non-going concern basis, the Board does not consider that the COVID-19 pandemic impacts the conclusion of the Company's going concern assessment.

### Brexit

The UK left the EU on 31 January 2020, with a transition period set to end on 31 December 2020. The Company continues to participate in the Group wide response to Brexit, and at present time, it is considered there is no direct impact to the Company.

### Future developments

On 4 December 2019, the Company became a wholly owned subsidiary of MS Amlin Holdings Limited, 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.

DocuSigned by:  
  
P C Horncastle  
Director  
3 July 2020

## Directors' report for the year ended 31 December 2019

The Directors present their report and the audited financial statements for the year ended 31 December 2019. 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 2019 was £nil (2018: £nil). An interim dividend of £149,029,053 was declared and paid during the year (2018: £nil).

The Statement of financial position on page 8 of the financial statements shows that the net assets of the Company at 31 December 2019 were £1 (2018: £149,029,054).

### 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 le T Illingworth	18 December 2019	
J Simek		18 December 2019

### Directors' indemnity

Between 2008 and 31 March 2020, MS Amlin Limited (formerly MS Amlin plc) made qualifying third party indemnity provisions for the benefit of the Directors of the Company. From 1 April 2020, MS Amlin Corporate Services Limited has made a qualifying third party indemnity provision 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 (2018: nil).

### 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.

DocuSigned by:  
  
 3D8C5F8EE83842A...

**P C Horncastle**  
 Director  
 3 July 2020

## **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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBER 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 2019 which comprise the Statement of financial position, Statement of changes in equity and related notes, including the accounting policies in note 4.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019;
- 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 are now not 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.

### Directors' responsibilities

As explained more fully in their statement set out on page 5, 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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MS AMLIN INVESTMENT LIMITED

### Directors' responsibilities (continued)

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. As explained in note 2, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.


### 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](http://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.

DocuSigned by:  
  
C687D7F9DA23452...

03-07-2020

**Stuart Crisp (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
Canary Wharf  
London  
E14 5GL



**Statement of financial position**  
**As at 31 December 2019**

	Note	2019 £	2018 £
<b>Current assets</b>			
Amounts owed by the parent company	8	<u>1</u>	<u>149,029,054</u>
<b>Net current assets</b>		<u><u>1</u></u>	<u><u>149,029,054</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	<u>1</u>	<u>149,029,054</u>
<b>Total equity</b>		<u><u>1</u></u>	<u><u>149,029,054</u></u>

The accompanying notes 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:

DocuSigned by:  
  
 3D8C5F6EE63842A...

**P C Horncastle**  
 Director

Registered Number: 3562457

3 July 2020

## MS Amlin Investments Limited – 31 December 2019

**Statement of changes in equity**  
**For the year ended 31 December 2019**

	Called-up share capital £	Retained earnings £	Total equity £
Balance as at 1 January 2019	149,029,054	-	149,029,054
Reduction in share capital	(149,029,053)	149,029,053	-
Dividend paid		(149,029,053)	(149,029,053)
Balance as at 31 December 2019	<u>1</u>	<u>-</u>	<u>1</u>

	Called-up share capital £	Retained earnings £	Total equity £
Balance as at 1 January 2018	149,029,054	-	149,029,054
Profit for the financial year	-	-	-
Balance as at 31 December 2018	<u>149,029,054</u>	<u>-</u>	<u>149,029,054</u>

The attached notes and information on pages 10 to 12 form an integral part of these financial statements.

## Notes to the financial statements for the year ended 31 December 2019

### 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 measured at fair value through profit or loss, and in accordance with FRS 101 Reduced Disclosure Framework 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 share capital, Intangible Assets and Property, Plant and Equipment.
- The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 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 relating to the effects of new accounting standards which have been issued but which have not been applied in the period.
- The requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures with regards 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 in respect of the impairment of indefinite life intangible assets.
- The requirements of IFRS 7, "Financial instruments: Disclosure".
- The requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement.
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.
- The requirements of paragraph 52 and 58 of IFRS 16 Leases, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total.

### Statement of profit or loss

No Statement of profit or loss is presented with these financial statements because the Company has not received income, incurred expenditure or recognised any gains or 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 associated subsidiaries. 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 11.

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 2019 (continued)****3 New and amended standards adopted by the company**

A number of new standards are effective from 1 January 2019 but they do not have a material effect on the Company's financial statements.

The Company did not early adopt any Standards or Interpretations.

**4 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.

**5 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.

**6 Auditor's remuneration**

Audit fees are borne by an associate company, MS Amlin Corporate Services Limited, on behalf of the Company. These amounted to £5,125 for the year (2018: £5,000).

**7 Directors' emoluments**

Executive directors and certain non-executive directors are also directors or employees of other companies within the MSI 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:

	2019	2018
	£	£
Directors' aggregate emoluments and benefits (except as noted below)	44,153	46,070
Amounts received under long term incentive schemes (other than shares or share options)	8,830	8,820
Employer's contributions to money purchase and defined contribution pension schemes	2,117	2,248
Termination benefits	38,000	-
	<u>93,100</u>	<u>57,138</u>

Payment was made to one director (2018: one) in respect of defined benefit pension schemes and to one directors (2018: two) in respect of defined contribution pension schemes. During the year, two directors were members of long-term incentive schemes (2018: three).

**Notes to the financial statements for the year ended 31 December 2019 (continued)****8 Debtors**

	2019 £	2018 £
Amounts owed by the parent company	<u>1</u>	<u>149,029,054</u>

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 at the time, MS Amlin Limited (formerly MS Amlin plc), and considered as paid on that date.

On 4 December 2019, MS Amlin Limited sold its shareholding in the Company to MS Amlin Holdings Limited, and this debtor transferred accordingly

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

**9 Called up share capital**

	2019 £	2018 £
<b>Allotted and fully paid</b>		
1 (2018: 149,029,054) ordinary share of £1.00	<u>1</u>	<u>149,029,054</u>

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.

**10 Ultimate parent company**

The Company's immediate parent company is MS Amlin Holdings Limited, 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 are 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.

**11 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.

**12 Events after the reporting period**

There have been no significant events between the reporting date and the date these financial statements were authorised.