

Company Registration No. 02766263 (England and Wales)

EAGLE STAR SECURITIES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



EAGLE STAR SECURITIES LIMITED

COMPANY INFORMATION

Directors

R J Hine

C D Murphy (appointed 9 May 2019)

Secretary

Zurich Corporate Secretary (UK) Limited

Registered office

The Zurich Centre

3000 Parkway

Whiteley

Fareham

Hampshire

PO15 7JZ

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

2 Glass Wharf

Bristol

BS2 0FR

EAGLE STAR SECURITIES LIMITED

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EAGLE STAR SECURITIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the audited financial statements for Eagle Star Securities Limited ("the Company") the year ended 31 December 2019.

The directors' report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The Company has not prepared a strategic report as it has taken advantage of the exemption in this respect available for small companies (as defined in Section 414B of the Companies Act 2006).

Review of the business

The principal activity of the Company was investment in unlisted investment pools. During the prior year, a final distribution was received in relation to the liquidation of the remaining investment. The Company ceased investment activity during the previous financial year.

The Company is a private company and is incorporated and domiciled in England and Wales. The registered office is The Zurich Centre, 3000 Parkway, Whiteley, Fareham, Hampshire, PO15 7JZ.

Following the settlement of the interim dividend declared and approved by the Company's directors on 2 December 2019, the Company became dormant from this date.

Key Performance Indicators

The results for the Company show a result before taxation of £nil (2018: £nil) for the year. After taking taxation into account, the amount transferred from reserves was £nil (2018: £26,947).

The Company has total shareholders' funds of £2 (2018: £2,488,698).

Future Developments

Following the liquidation of the unlisted investment during the prior year, the directors do not intend for the Company to invest in any new unlisted investment pools in the future.

Principal Risks and Uncertainties

Following the liquidation of the remaining investment during the prior year, the directors consider that there is no material exposure to credit or liquidity risk for the financial instruments held by the Company. The Company does not hold equity instruments; the financial assets are British pound denominated.

Going concern

As the Company ceased its investment activity during the previous financial year, the financial statements have been prepared on a basis other than going concern.

Results and dividends

The results for the year are set out on page 7.

Interim dividends on the ordinary shares of the Company were declared and paid during the year totalling £2,488,696 (2018: £nil). The directors do not propose the payment of a final dividend for the year (2018: £nil).

EAGLE STAR SECURITIES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R J Hine

C D Murphy (appointed 9 May 2019)

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions (as defined in Section 234(2) of the Companies Act 2006) have been in force for the benefit of directors during the year and remain in force as at the date of this Directors' report.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have signified their willingness to continue in office and will be deemed to be reappointed under section 487 of the Companies Act 2006.

Statement of Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EAGLE STAR SECURITIES LIMITED

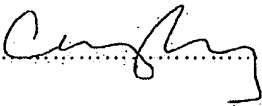
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of disclosure of information to auditors

In the case of each in office director at the date the Directors' Report is approved:

- so far as each director is aware, there is no information relevant to the audit of the Company's financial statements for the year ended 31 December 2019 of which the auditors are unaware; and
- each director has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board


.....

Name.....Charlotte Murphy.....
Director

Date.....23/09/2020.....

EAGLE STAR SECURITIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF EAGLE STAR SECURITIES LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Eagle Star Securities Limited's financial statements :

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2019; the profit and loss account and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 2.1 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

EAGLE STAR SECURITIES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF EAGLE STAR SECURITIES LIMITED

Reporting on other information (continued)

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors'

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

EAGLE STAR SECURITIES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF EAGLE STAR SECURITIES LIMITED

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Nick Muzzlewhite (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
Date 23 September 2020

EAGLE STAR SECURITIES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Income from other fixed asset investment	7	-	141,825
Amounts written off investments		-	(141,825)
Result before taxation		<u>-</u>	<u>-</u>
Tax on result	8	-	(26,947)
Result / (loss) for the financial year		<u>-</u>	<u>(26,947)</u>
Other comprehensive income:			
Adjustments to the fair value of financial assets	10	-	48,911
Total comprehensive result / income for the year		<u>-</u>	<u>21,964</u>

All figures relate to discontinued operations.

There is no material difference between the result before taxation as reported and on an historical cost basis.

EAGLE STAR SECURITIES LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed Assets			
Investments	10	-	-
Current assets			
Debtors	11	2	2,515,645
Creditors: amounts falling due within one year			
Creditors	12	-	(26,947)
Net current assets		<u>2</u>	<u>2,488,698</u>
Net assets		<u>2</u>	<u>2,488,698</u>
Capital and reserves			
Called up share capital	13	2	2
Revaluation reserve		-	-
Profit and loss account		-	2,488,696
Total shareholders' funds		<u>2</u>	<u>2,488,698</u>

The notes on pages 10 to 15 are an integral part of these financial statements.

The financial statements on pages 7 to 15 were authorised for issue by the board of directors on 23 September 2020 and were signed on its behalf by:



Name..... Charlotte Murphy.....
Director

Company Registration No. 02766263

EAGLE STAR SECURITIES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

£	Note	Called up share capital	Revaluation reserve	Profit and loss account	Total shareholders' funds
At 1 January 2018		2	82,717	2,384,015	2,466,734
Loss for the financial year		-	-	(26,947)	(26,947)
Other comprehensive income:					
Adjustments to the fair value of financial assets		-	48,911	-	48,911
Fair value adjustments reclassified to profit and loss			(131,628)	131,628	-
Total comprehensive income		-	(82,717)	104,681	21,964
At 31 December 2018		2	-	2,488,696	2,488,698
Result for the financial year		-	-	-	-
Total comprehensive income		-	-	-	-
Dividends	9	-	-	(2,488,696)	(2,488,696)
At 31 December 2019		2	-	-	2

EAGLE STAR SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Statement of compliance

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including FRS 102 and the Companies Act 2006.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

2.1 Basis of preparation

The Company ceased trading during the previous financial year and the directors do not intend for the Company to trade in the foreseeable future. Accordingly, these financial statements have been prepared on a basis other than going concern. No adjustments were necessary in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the decision or to reclassify fixed assets and long-term liabilities as current assets and liabilities.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has taken advantage of the following disclosure exemptions under FRS 102:

- (a) a reconciliation of the number of shares outstanding at the beginning and end of the period, FRS 102.4.12(a)(iv).
- (b) the requirement to prepare a statement of cash flows, Section 7 of FRS102 and FRS 102.3.17(d).
- (c) the non-disclosure of key management personnel compensation in total, FRS 102.33.7.
- (d) certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated, FRS 102.11.39-48A and FRS 102.12.26-29.

2.2 Amounts written off investments

Realised gains and losses on investments, carried at market value are calculated as the difference between net sales proceeds and purchase price.

2.3 Investments

Section 11 and 12 of FRS 102 permits the financial instruments to be recognised and measured in line with the requirements of IAS 39 in force immediately prior to being replaced by IFRS 9. The fixed asset investment held by the Company comprises of shares held in CINV. The investment is classified as an 'available for sale' asset under IAS 39 and as such the investment is valued at expected market value using the net asset value in US Dollars ("USD") with any movement in the asset value recognised in other comprehensive income.

Unrealised gains and losses represent both movements in the underlying USD value of the investment and movements due to year on year movements in the USD exchange rate (forex movements). All unrealised gains and losses have been reflected in other comprehensive income to the extent that the losses do not exceed historical costs, and thereafter are reflected in the profit and loss account. Unrealised gains are recognised in other comprehensive income and only in the profit and loss account to the extent that they may reverse revaluation losses on the same asset that were previously recognised in the profit and loss account. On disposal of an investment, accumulated gains/losses in other comprehensive income are transferred to the profit and loss account.

EAGLE STAR SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.4 Debtors

Debtors represent amounts due from other Zurich group companies and are initially recognised at cost. At the end of each reporting period, the Company assesses any amounts due for evidence of impairment and makes provision where necessary for debts which may not be collected in full.

2.5 Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

Financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

2.6 Taxation

The taxation expense for the period comprises current tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2.7 Dividends

Interim dividends on the ordinary shares of the Company are recognised once settled due to the ability of the directors to revoke their resolution at any time before settlement is completed; no contractual obligation is created by the declaration of the interim dividend. Final dividends on the ordinary shares of the Company are recognised as a liability in the Company's financial statements in the period in which the dividends are declared by the Company's directors.

3 Critical accounting judgements and estimation uncertainty

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The Company currently does not have any critical judgements or estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

EAGLE STAR SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

4 Auditors' remuneration

During the year the Company obtained the following services from the Company's auditors at costs as detailed below:

	2019 £	2018 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	2,097	2,309
Total	2,097	2,309

These expenses have been borne by another group company, Zurich Insurance plc ("ZIP").

5 Directors' remuneration

The remuneration of the directors for services to the company as directors during the year was £nil (2018: £nil).

No advances or credits granted to any director subsisted during the year. Also, no guarantees on behalf of any director subsisted during the year.

6 Employee Information

Staff are not employed directly by the Company and accordingly the Company does not incur direct staff or pension costs. The costs of staff working for the Company in 2019 and 2018 have been borne by another group undertaking.

The principal disclosures in respect of these staff appear in the financial statements of Zurich UK General Services Limited, copies of which can be obtained from The Secretary, Zurich UK General Services Limited, The Grange, Bishops Cleeve, Cheltenham, Gloucestershire, GL52 8XX.

7 Investment Income

	2019 £	2018 £
Dividends from fixed asset investments	-	141,825
Investment income	-	141,825

8 Tax on result

Tax in the profit and loss account was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax at 19% (2018: 19.00%) for the year	-	26,947
Current tax charge for the year	-	26,947
Tax on result	-	26,947

EAGLE STAR SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

8 Tax on result (continued)

The tax for the year is the same as (2018: higher than) the standard rate of corporation tax in the UK 19% (2018: 19.00%). The differences are explained below:

	2019 £	2018 £
Result before tax	-	-
Expected tax charge based on the corporation tax rate of 19.00%	-	-
Expenses not deductible for tax	-	26,947
Current tax charge for the year	-	26,947

The tax rate for the current period is the same as the prior period. A reduction in the UK corporation tax rate from 19% to 17% (with effect from 1 April 2020) was substantively enacted by The Finance Act 2016 in September 2016.

The Budget Statement on 11 March 2020 announced the reversal of the proposed reduction in the UK Corporation Tax rate from 19% to 17%. However, as this measure was not substantively enacted at the balance sheet date the impact is not reflected in the Financial Statements for the year ended 31 December 2019.

9 Dividend

	2019 per share	2018 per share	2019 £	2018 £
Amounts recognised as distributions to equity holders:				
Ordinary Shares				
Interim dividend paid	1,244,348	-	2,488,696	-

10 Fixed asset investments

	2019 £	2018 £
Shares and other variable-yield securities	-	92,914

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The movements in the shares and other variable-yield securities are as follows:

Market value		
At 1 January	-	92,914
Revaluation gain/(loss) - forex	-	5,309
Revaluation gain/(loss) - movement in underlying asset value	-	43,602
Impairments	-	(141,825)
At 31 December	-	-

EAGLE STAR SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

11 Debtors

	2019 £	2018 £
Amounts owed by group undertakings	2	2,515,645
Total	2	2,515,645

Amounts owed by group undertakings include £2 (2018: £2,515,645) owed by ZIP (the "Parent Company") and are interest free, unsecured and repayable on demand.

12 Creditors

	2019 £	2018 £
Corporation tax payable	-	26,947
Total	-	26,947

13 Share capital

	2019 £	2018 £
Allotted, called up and fully paid: 2 (2018:2) ordinary shares of £1 each	2	2

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights, they do not confer any rights of redemption.

14 Related party transactions

The Company is a wholly owned subsidiary and has taken advantage of an exemption from within FRS 102.33.1A not to disclose transactions with undertakings which are part of the group of companies of which the ultimate parent is Zurich Insurance Group AG ("the Zurich Insurance Group undertakings"). Balances with Zurich Insurance Group undertakings are shown in note 11.

There were no material transactions with any other related party.

The directors of the Company and its key management had no material transactions with the Company or any of the Zurich Insurance Group undertakings. The terms "director" and "key management" includes members of their families.

EAGLE STAR SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2019**

15 Controlling party

The immediate parent company of Eagle Star Securities Limited is Zurich Insurance plc and its registered office is Zurich House, Ballsbridge Park, Dublin 4, Ireland.

Ultimate parent company

The Company's ultimate parent company and ultimate controlling party is Zurich Insurance Group AG, which is incorporated in Switzerland. Zurich Insurance Group AG is the parent company of the largest group of companies, of which the Company is a wholly owned subsidiary, for which group financial statements are drawn up. Zurich Insurance Company Ltd, which is incorporated in Switzerland, is the parent company of the smallest group of companies, of which the Company is a wholly owned subsidiary, for which group financial statements are drawn up.

Copies of the consolidated financial statements of Zurich Insurance Group AG and Zurich Insurance Company Ltd can be obtained from the Secretary of that company at the following address:

Mythenquai 2
8002 Zurich
Switzerland