AC 001624

**THE** 

GRIFFIN

**I** NSURANCE

A SSOCIATION

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**COMPANIES HOUSE** 

THIS IS AN AC COMPANY DOCUMENT DELIVERED UNDER THE INSURANCE ACT 1982

## Return to the Insurance and Friendly Societies of the Financial Services Authority

(As directed by the Secretary of State in pursuant to The Regulations of the Insurance Companies (Accounts and Statement) Regulations 1996)

## Statement of solvency - signature of the returns

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Klahan.

Global business/UK branch/EEA branch business

Financial year ended

30 September 1999

	Company registration	GL/UK/CM		Period ended		Units
	number		day	month	year	
R9	2134231	GL	30	9	99	£000

Director

Secretary - I.D. Park

Managers - Griffin Managers Ltd.

23RD FEBRUARY 2000

## Statement of solvency

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Quantifiable contingent liabilities in respect of long term

business as shown in a supplementary note to Form 14

		Company registration GL	/UK/CM	P	eriod end	ed	Units
		number	701(CIII	day	month	year	Om.
	R9	2134231	GL	30	9	99	2000
		<del></del>		<del></del>		Source	-
		As at the end of this financial year	the prev	ne end of ious year 2	Form	Line	Column
GENERAL BUSINESS							
Other than long term business assets allocated towards general	11	9,165	<del></del>	12,359	See instruc	tions 1 and	2
ousiness required minimum margin	- 11					<del></del>	
Required minimum margin	<del></del>						
Required minimum margin for general business	12	858		668	12	49	
Excess (deficiency) of available assets over the required ninimum margin (11 - 12)	13	8,307		11,691			
LONG TERM BUSINESS  Available assets						_	
ong term business admissible assets	21	-		-	10	11	
Other than long term business assets allocated towards long erm business required minimum margin	22				See instruc	tions 1 and	3
Total mathematical reserves (after distribution of surplus)	23				See instruc		
Other insurance and non-insurance liabilities	24				See instruc	ction 5	
Available assets for long term business required minimum margin (21+22-23-24)	25	•		-			
Implicit items admitted under regulation 23(5) of the Insurance Companies Regulations 1994 Future Profits	31		T		<u> </u>		<u>-</u>
Zilmerising	32	<u> </u>		<del>-</del>			<u> </u>
Hidden Reserves	33			<u> </u>	<u> </u>	<del></del>	
Total of available assets and implicit items (25+31+32+33)	34	-					
Required minimum margin			<u>, I,                                    </u>		<u> </u>		
Required minimum margin for long term business	41	<u> </u>			10	11	<del></del>
Explicit required minimum margin (1/6 x 41, or minimum guarantee fund if greater)	42	-		-			
Excess (deficiency) of available assets over explicit required minimum margin (25-42)	43	-		-			
Excess (deficiency) of available assets and implicit items over the required minimum margin (34-41)	44	-		-			
CONTINGENT LIABILITIES							
Quantifiable contingent liabilities in respect of other than long term business as shown in a supplementary note to Form 15	51				See instru	ction 6	

51

52

See instruction 6

## Statement of net assets

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Financial year ended

			Company registration GL	/UK/CM	Pe	eriod end	ed	Units
			number	70170111	day	month	year	
		R10	2134231	GL	30	9	99	£000
			As at the end of	As at the	e end of		Source	
			this financial year	the previ		Form	Line	Column
Long term business - admis	sible assets	11				13	89	1
Long term business - admis	sible assets	12		<u></u> ,		14	59	1
Other than long term busine	ess - admissible assets	21	34,945		40,745	13	89	1
Other than long term busine	ess - liabilities	22	25,780		28,386	15	69	1
Net admissible assets (21-2	22)	23	9,165		12,359			
Other assets allowed to be taken into account in	Unpaid amounts (including share premium) on partly paid shares	24						
covering the required minimum margin	Supplementary contributions for a mutual carrying on general business	25				!		
Liabilities allowed to be left out of account in covering	Subordinated loan capital	26						
the required minimum margin	Cumulative preference share capital	27						
Available assets (23 to 27)		29	9,165		12,359			
Represented by:								
Paid up share capital (othe share capital)	r than cumulative preference	51						
Amounts included in lines 2	24 to 27 above	52	0		0			
Amounts representing the I	palance of net assets	56	9,165		12,359			
Total (51 to 56) and equal t	o line 29 above	59	9,165		12,359			
Movement of balance of solvency purposes - a			0		0			
Balance brought forward at financial year	the beginning of the	61	12,359		10,091	10	56	2
Retained profit/(loss) for the	e financial year	62	(2,367)		2,268	16	59	1
Movement in asset valuation	on differences	63	(827)			See instr	uction 2	
Decrease/(increase) in the changes	provision for adverse	64	o		.==	See instr	uction 3	
supplementary note)	ars to be specified by way of	65						
Balance carried forward at (61 to 65)	the end of the financial year	69	9,165	;	12,359			

General business: Calculation of required margin of solvency - first method

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Financial year ended

				Company registration	GL/UK/CM	P:	eriod ende	ed	Units
				number		day	month	year	
			R11	2134231	GL	30	9	99	2000
					This financi year 1	al		Previous year 2	
Gross premit	ıms receivabl	e		11		6,346			7,439
Premium tax	es and levies	(included in line 11)		12					
Sub-total A	(11 - 12)			13		6,346			7,439
	o-total A if fina n annual figur	ancial year is not a 12 month p	eriod	14	····				
Division of	Other than health	Up to and including sterling equivalent of 10M ECU x 18/		15		1,142			1,228
Sub-total A (or adjusted	insurance	Excess (if any) over 10M EC 16/100	U x 	16		0	İ	· · · · · · · · · · · · · · · · · · ·	98
Sub-total A if appropriate)	Health	Up to and including sterling equivalent of 10M ECU x 6/1		17					
арргорнаю)	insurance	Excess (if any) over 10M EC 16/300	U x	18					
Sub-total B	(15+16+17+	-18)		19		1,142			1,327
Claims paid			_	21	<del></del>	8,583			4,164
	utstanding ard at the end	For business accounted for cunderwriting year basis		22		21,404			23,206
of the fina	ancial year	For business accounted for caccident year basis	on an	23					
brought for	utstanding ward at the	For business accounted for cunderwriting year basis		24		23,206			23,251
	f the financial ear	For business accounted for caccident year basis	on an 	25		. <u></u>			
<u> </u>	(21+22+23-	<u> </u>		29		6,781			4,119
Amount reco		reinsurers in respect of claims		30		2,644			3,494
Sub-total D	(29-30)			39		4,137			625
		r, if 1/2 is a greater fraction, x 1/2	 :)	41		697			663

General business: Calculation of required margin of solvency - second method, and statement of required minimum margin

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Financial year ended

				Company registration GL/	UK/CM	P	eriod ende	ıd	Units
				number	OIQOM	day	month	year	0,,,,,
		Į	R12	2134231	GL	30	9	99	0003
			-					Source	
				This financial year	ye	revious ear 2	Form	Line	Column
Reference period		ial years) Insert '0' if there is no rt '3' or '7'	11	3		3	See instru	ction 1	
Claims paid in re	eterence period		21	14,138		5,960			
Claims outstand		For business accounted for on an underwriting year basis	22	21,404		23,206			
forward at the er reference period		For business accounted for on an accident year basis	23					_	
Claims outstand		For business accounted for on an underwriting year basis	24	19,141		13,594			
reference period	• -	For business accounted for on an accident year basis	25		*				
Sub-total E (21	+22+23-(24+25	))	29	16,401		15,572			
		r-total E to annual figure mber of months in reference	31	5,467	5,467 5,191				
	Other than	Up to and including sterling equivalent of 7M ECU x 26/100	32	1,284		1,242			
Division of sub-	insurance	Excess (if any) over 7M ECU x 23/100	33	121		95			
total F	Health	Up to and including sterling equivalent of 7M ECU x 26/300	34						
	insurance	Excess (if any) over 7M ECU x 23/300	35						
Sub-total G (32	to 35)		39	1,406		1,337			
<b>Second result</b> Sub-total G x <u>S</u>	<u>ub-total D</u> (or, if Sub-total C	1/2 is a greater fraction, x 1/2)	41	858		668			
					·				
First result			42	697	ļ	663	11	41	
Required margi	n of solvency (ti	ne higher of lines 41 and 42)	43	858		668			
Minimum guara	ntee fund	<u> </u>	44	212		273			
				1	1				
Required minim	um margin (the	higher of lines 43 and 44)	49	858	<u> </u>	668	<u> </u>		

## Analysis of admissible assets

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Financial year ended

30 September 1999

Category of assets

Total other than long term business assets

				Company		GL/UK/CM	P	eriod ende	ed 	Units	Category	
				number			day	month	year		assets	
<u> </u>	<u>-</u>		R13	2134	231	GL	30	9	99	£000	1	
Investments	3					As at the end of this financial year				As at the end of the previous year		
Land and buildin	gs				11							
	UK insurance	Shares			21							
Ì		Debt securities i dependents	ssued by, and	loans to,	22							
}	Other	Shares			23					<u> </u>		
	uecencients i	Debt securities i dependents	ssued by, and	loans to,	24	-						
Investments in group	Non-insurance	Shares			25			-				
undertakings and participating		Debt securities i dependents	issued by, and	loans to,	26							
interests		Shares			27							
!		Debt securities group undertaki		loans to,	28							
	and participating	Participating into	erests	-	29					· · ·		
_		Debt securities undertakings in participating inte	which the com		30							
Total sheet 1 (1	1 to 30)				39			0				

## Analysis of admissible assets

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Financial year ended

30 September 1999

Category of assets

Total other than long term business assets

				Company		GL/UK/CM	F	Period ende	ed	Units	Category of
				number		·	day	month	year		assets
	· · · - · · · · · · · · · · · · · · · ·		R13	2134231	ſ	GL	30	9	99	5000	1
Deposits wi	s (continued ith ceding u i to cover lir	ndertakings					the ennancial			at the er previous 2	
·	Equity shares				41		·	6,551	<del></del>		5,756
	Other shares an	d other variable	yield securitie	5	42						
	Holdings in colle	ective investmen	t schemes		43			197			101
	Rights under de	rivative contract	s		44			_	-		
		Fixed interest	Approved see	curities	45			19,258			24,600
	Debt securities and other fixed	rixed interest	Other		46						
	income securities	Variable	Approved se	curities	47						
	ļ	interest	Other		48						
Other financial investments	Participation in i	nvestment pools			49						
	Loans secured	by mortgages			50			<u>-</u>			
		Loans to public nationalised inc			51						
	Other loans	Loans secured issued by the c		insurance	52			···			
		Other			53						•
	Deposits with approved credit institutions and	Withdrawal sub one month or le	•	restriction of	54			452			1,886
	approved financial institutions	Withdrawal sub more than one		restriction of	55			•			
	Other		-		56						
Deposits with co	eding undertakin	gs			57						
Assets held to r	natch linked	Index linked			58		•				
liabilities		Property linked			59						
		Provision for ur	nearned premi	ums	60					···	
Reinsurers' sh	are of technical	Claims outstan	ding		61			5,936			7,029
prov	risions	Provision for ur	nexpired risks		62						
!		Other			63					<del></del>	
Total sheet 2 (4	I1 to 63)	<u> </u>			69		-	32,394			39,372

## Analysis of admissible assets

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Financial year ended

30 September 1999

Category of assets

Total other than long term business assets

					ompany	_	01 511/01			Peri	od ende	d	Units	Category
					egistratio umber	on	GL/UK/CI	VI.	day		nonth	year	Omis	of assets
			R13		2134	231	GL	1	30		9	99	£000	1
Debtors Other asset	ts								the er ancial		1		at the er previous 2	
out of direct	Policyholders	·				71								
insurance operations	Intermediaries					72		•						
Salvage and su	brogation recov	reries				73	<u> </u>				-			
Debtors arising out of	1	ng insurers and usiness accepte		s under	г	74			·,			<del></del>		
reinsurance operations	Due from reins contracts cede	surers and intered	mediaries und	er reins	surance	75		•						
	Due from	Due in 12 mo	onths or less a year	fter the	end of	76			-				· · · · · · · · · · · · · · · · · · ·	
On 1. b	dependents	Due more that	an 12 months : year	after the	e end of	77			-	•				
Other debtors		Due in 12 mo	onths or less a year	fter the	end of	78					83	<del>-</del>	<u></u>	0
	Other	Due more that the financial	an 12 months a	after the	e end of	79								
Tangible assets		· · · · · · · · · · · · · · · · · · ·				80							*	
Cash at bank and in hand		subject to time re lit institutions, a orities				81		•			2,154			878
	Cash in hand					82					-	_		
Other assets (p	articulars to be	specified by wa	ay of a suppler	nentary	y note)	83	T							
Prepayments	Accrued intere	est and rent				84				_	283			450
and accrued	Deferred acqu	isition costs				85								·
income	Other prepayn	nents and accru	ued income			86					31			45
-	•	57(2)(b) and 57 from the aggre				87	Ţ <u></u>					-		
Total sheet 3 (7	'1 to 86 less 87	)				88	1				2,551			1,373
Grand total adn	nissible assets	(39+69+88)				89	<del>                                     </del>				34,945	<u> </u>		40,745

# Reconciliation to asset values determined in accordance with the shareholder accounts rules

Total admissible assets (as per line 89 above)	91	34,945	40,745
Total assets in excess of the admissibility limits of Schedule 12 of the Insurance Companies Regulations 1994, (as valued in accordance with those Regulations before applying admissibility limits)	92	827	
Solvency margin deduction for insurance dependents	93		
Other differences in the valuation of assets (other than for assets not valued above)	94		
Assets of a type not valued above (as valued in accordance with the shareholder accounts rules)	95		
Total assets determined in accordance with the shareholder accounts rules (91 to 95)	99	35,772	40,745
Amounts included in line 89 attributable to debts due from related companies, other than those under contracts of insurance or reinsurance	100		

## Liabilities (other than long term business)

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Financial year ended

				Company registration	GL/UK/CM	Pe	eriod ende	d	Units
				number	GE/OR/CIVI	day	month	year	Onica
			R15	2134231	GL	30	9	99	£000
-					As at the end this financial y			at the er previous 2	
	Provisions for unearned prem	niums		11	•				
	Claims outstanding			12	<del></del>	23,095			24,897
	Provisions for unexpired risks			13	· · · <del>-</del> · · <u>- · · · · · · · · · · · · · · · · </u>				
Technical provisions		Credit business	;	14		-			
(gross amount)	Equalisation provisions	Other than cred	dit business	15					
	Other			16					
	Total (11 to 16)			19	<u> </u>	23,095			24,897
Provisions for	Taxation			21	· ·· <u>·</u>	355			137
other risks and charges	Other			22			<del></del>		• • •
Deposits receive	ed from reinsurers		<u> </u>	31		-			
		Direct business	3	41		2,139			2,419
	Arising out of insurance operations	Reinsurance ad	ccepted	42	<del> </del>			·	
	}	Reinsurance ce	eded	43		99			(
	Debenture loans	Secured		44					
Creditors	Debendre loans	Unsecured		45					
	Amount owed to credit institu	itions		46	·				
		Taxation		47		0			889
	Other creditors	Recommended	d dividend	48	· · · · · ·				
		Other		49		92			44
Accruals and de	eferred income			51					
Total (19 to 51)				59		25,780			28,386
	lverse changes (calculated in e Companies Regulations 199		gulation 61	61					
Cumulative pre	ference share capital			62					
Subordinated Id	pan capital			63					
Total (59 to 63)				69		25,780			28,386
	led in line 69 attributable to lia e under contracts of insurance		ompanies,	71					

## Profit and loss account (non-technical account)

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Financial year ended

**30 SEPTEMBER 1999** 

				Company	/LIK/C14	Pe	eriod end	ed	Units
				registration GL number	/UK/CM	day	month	year	Units
			R16	2134231	GL	30	9	99	£000
			_	As at the end of	As at the	e end of		Source	
				this financial year	the previ		Form	Line	Column
Transfer (to)/fr	om the general	From form 20	11	(1,636)		3,568	20	59	
business tech	nical account	Equalisation provisions	12						
Transfer from	the long term bus	siness revenue account	13						
	Income		14	1,785		1,989			
Investment income	Value re-adjus	tments on investments	15						
	Gains on the re	ealisation of investments	16	985		1,081			
	Investment ma	inagement charges, including	17	117		121			
Investment charges	Value re-adjus	tments on investments	18	1,211	]	550			
	Loss on the rea	alisation of investments	19						,
Allocated inve		nsferred to the general business	20	1,827		2,948		• • • •	
Other income supplementary		ticulars to be specified by way of	21		†				
	n ordinary activit 1+15+16-17-18-1		29	(2,021)		3,019	·		
Tax on profit of	r loss on ordinar	y activities	31	346		751			
Profit or loss of	on ordinary activit	ies after tax (29-31)	39	(2,367)		2,268			
Extraordinary supplementar		ticulars to be specified by way of	41			•			
Tax on extrao	rdinary profit or lo	oss	42						
Other taxes no	ot shown under th	ne preceding items	43		1,			·	
Profit or loss f	or the financial ye	ear (39+41-(42+43))	49	(2,367)		2,268			
Dividends (pa	id and proposed)		51						<del>-</del>
Profit or loss r	etained for the fir	nancial year (49-51)	59	(2,367)		2,268			

## Analysis of derivative contracts

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Business: Long term / Other than long term

Global business / UK branch / EEA branch business

Financial year ended

30 September 1999

Category of assets

Total other than long term business assets

			Company registration	GL/UK/CM		eriod ende	d	Units	Category
			number	apoly () iii	day	month	year		assets
		R17	2134231	GL	30	9	99	€000	1
			At the end of			At the	end of th		
Derivative o	contracts		Assets	Liabili		Ass		Lial	oilities
			1	2		1			2
	Fixed-interest securities	11				_ <u></u> .			
	Equity shares	12	<u>  </u>						
Futures Contracts	Land	13							
	Currencies	14							
	Other	15							
	Fixed-interest securities	21							
	Equity shares	22							
Options	Land	23			-			_	•
	Currencies	24			•				
	Other	25							
	Fixed-interest securities	31			-	_			
	Equity shares	32							
Contracts for differences	Land	33				1			-
	Currencies	34							
	Other	35							
Adjustment fo	or variation margin	41							
Total (11 to 4	1)	49		0	0		0		

General business: Technical account (excluding equalisation provisions)

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Financial year ended

**30 SEPTEMBER 1999** 

			Company	•	GL/UK/CM		Period ende	edi	- Units	Accounting
			number		apol(ciii	day	month	year	- 0	summar
		R20	213	4231	GL	30	9	99	£000	Summary
				As at	the end of	As at t	he end of		Source	· · · · · · · · · · · · · · · · · · ·
items to be	shown net of reinsuran	ce		this fin	nancial year 1	the pre	vious year 2	Form	Line	Column
	Earned premium		11					21	19	5
,	Claims incurred		12					22	17	4
	Claims management costs		13					22	17	4
This year's	Adjustment for discounting		14					22	18	4
underwriting (accident year	Increase in provision for unexpir	ed risks	15	1				22	52	4
accounting)	Other technical income or charg to be specified by way of supple	**	16							
	Net operating expenses		17	<u> </u>	<u> </u>	-		22	42	4
	Balance of year's underwriting ( 15+16-17)	11-12-13+14-	19		0		0			
	Earned premium		21		<u></u>			21	11	5
	Claims incurred		22		<u> </u>			22	13	4
Adjustment for prior years' underwriting (accident year accounting)	Claims management costs	<u> </u>	23					22	14	4
	Adjustment for discounting		24					22	51	4
	Other technical income or charg to be specified by way of supple		25							
	Net operating expenses	•	26					22	41	4
	Balance (21-22-23+24+25-26)		29		0		0		•	
Balance from underwriting year	Per Form 24		31		(3,463)		620	24	69	99-99
	Other technical income and cha to be specified by way of supple	- "	32					_		
accounting	Total		39		(3,463)		620			
Balance of all y	ears' underwriting (19+29+39)		49		(3,463)		620			
Allocated inves	tment return	•	51		1,827		2,948			
Transfer to non	technical account (49+51)		59		(1,636)	<del>                                     </del>	3,568			

General business: Technical account (excluding equalisation provisions)

Name of company

THE GRIFFIN INSURANCE ASSOCIATION LIMITED

Global business/UK branch/EEA branch business

Financial year ended 30 SEPTEMBER 1999

			Company registrati	,	OL /ILIV/ON		eriod ende	ıd	- Units	Accounting
			number	O11	GL/UK/CM	day	month	year		class/ summary
		R20	213	4231	GL	30	9	99	0003	7
				As at t	he end of	As at th	ne end of		Source	
items to be	shown net of reinsurance			this fina	ancial year		ious year 2	Form	Line	Column
	Earned premium		11					21	19	5
	Claims incurred		12					22	17	4
	Claims management costs		13					22	17	4
This year's	Adjustment for discounting		14					22	18	4
underwriting (accident year	Increase in provision for unexpired	risks	15					22	52	4
accounting)	Other technical income or charges to be specified by way of supplementations		16	į						
	Net operating expenses		17					22	42	4
	Balance of year's underwriting (11- 15+16-17)	2-13+14-	19		0		0			
	Earned premium		21					21	11	5
	Claims incurred		22					22	13	4
Adjustment for	Claims management costs		23					22	14	4
prior years'	Adjustment for discounting		24					22	51	4
underwriting (accident year accounting)	Other technical income or charges to be specified by way of suppleme	"	25		<u>-</u> "					
	Net operating expenses		26					22	41	4
	Balance (21-22-23+24+25-26)		29		0		0			
Balance from	Per Form 24		31		(3,463)		620	24	69	99-99
underwriting year	Other technical income and charge to be specified by way of suppleme		32							
accounting	Total		39		(3,463)		620			
Balance of all y	ears' underwriting (19+29+39)		49	1	(3,463)		620			
Allocated invest	tment return		51	1	1,827		2,948			
Transfer to non	-technical account (49+51)		59	T	(1,636)		3,568			

Returns under Insurance Companies Legislation

General business (underwriting year accounting) : Analysis of premiums, claims and expenses

Global business/UK-branch/EEA branch business

17,159 (3,463)224 533 757 17,868 (709) 4,026 1,982 4,846 2,044 8,583 551 3,737 66 previous columns Total all Accounting class 4,825 (1,543) 6,346 2,044 4,302 106 224 533 757 4,825 157 157 ≿ 66 Σ 8 Units 0003 5,166 4,886 (580) 23 88 124 ഗ 88 ≿ 86 Σ 8 year 66 3,472 5,172 3,375 (1,797) (556) 1,238 2,234 2 ≿ 97 Period ended Σ 8 month O (1,589) 234 1,970 1,279 234 381 77 ≿ 8 Σ පු day 30 1,775 2,386 (2,018) 188 4,274 26 4,404 ≿ 2,499 8 ₹ ඉ GL/UK/CM 占 575 618 <del>6</del> (91) 24 24 25 ≿ 8 Σ 8 registration Company 2134231 number 114 325 224 338 (2,330) 325 (2,790)(2,330) MM X ն 93 8 304 17 (32) R24 æ 8 ≿ 2 321 92 Σ 8 <del>6</del> 9 (54) œ 5 ≿ 9 ž 8 0 ≿ 0 O 0 0 0 8 underwriting MM 8 O 0 13 5 ල Ó 0 က 82 years 69 42 Ξ 2 ដ 9 # **\$** 8 20 얼 9 ଷ୍ପ **4** 4 2 22 ខ្ល THIRD PARTY LIABILITY Increase (decrease) in the financial year (53-54-51+52) 30 SEPTEMBER 1999 Adjustment for discounting Adjustment for discounting Balance on each underwriting year (19-29-39-49-59) Reinsurers' commissions and profit Underwriting year ended Undiscounted Undiscounted Payable net (41+42+43-44) Other acquisition expenses Administrative expenses Reinsurers' share Reinsurers' share Carried forward **Gross amount Gross amount** Commissions participations Financial year ended Net (11-12) Net (21-22) Claims management costs Brought forward Accounting class Net operating expenses Premiums written Claims paid Technical provisions

Returns under Insurance Companies Legislation

General business (underwriting year accounting) : Analysis of technical provisions

Global business/UK branch/EEA branch business

										S	Company					Perio	Period ended	þ					
Financial year ended	30 SEPTEMBER 1999									registration	ration		GL/UK/CM	5						<u>۔</u>	Units	Å	Accounting
ı										number	ber				day	Ξ	month	λ	year				class
Accounting class	THIRD PARTY LIABILITY	>		i	,	ļ			R25	2134231	231		占	_	30		6		66	3	0003		
Underwri	Underwriting year ended		Prior underwriting years	WW	Х	MM	₩	Σ Σ	<u>-</u> -	- 	WW XX	<u></u>	, MM	<u> </u>	MM	<u> </u>	MM	<u></u>	MM	<u>۸</u>	WW	Ж	Total all previous columns
		T	29   29	8	8	8	2	8	92	6 8	93	8	8	98	8	96	ප	6	8	86	8	66	66 66
o consiste property	Gross amount	F	3		॰		0		304	5	289	552	2	2,783	ဗ	191		8,193		4,597		4,490	21,404
neported definis outsiding	Reinsurers' share	12									$\vdash$			529	6			5,115				292	5,936
omio!	Gross amount	13								į	_		_										0
משוווא אוכמונפס סמי ואו נפוסונפס	Reinsurers' share	4								}	-												0
Claims management costs		15	8		0		16		17	7	49	Θ	99	132	2	190		297		289		627	1,691
	Gross amount	9												i									0
Adjustment for discounting	Reinsurers' share	4																					0
	Claims management costs	18																					0
Allocation to/(from) another accounting class of anticipated surplus	ounting class of anticipated	19				j											l 						0
Balance of the fund		20				!																	0
Claims outstanding (11+12+13-14+15-16+17-18+19+20)	14+15-16+17-18+19+20)	21	13		0		16		321	33	338	618	8	2,386	9	381		3,375		4,886		4,825	17,159
Provision for unearned premiums	S	22																					0
Provision for unexpired risks		23																					0
Deferred acquisition costs		24																					0
Other technical provisions (particulars to be specified by way of supplementary note)	culars to be specified by way of	25																İ					0
Total (21+22+23-24+25)		82	13		0		16		321	છ	338	618	8	2,386	9	381		3,375		4,886		4,825	17,159

Returns under Insurance Companies Legislation

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

Global business/LIK branch/EEA branch business

					Company		Period ended			
Financial year ended	30 SEPTEMBER 1999	IBER 1999			registration	GL/UK/CM		5	its country	Accounting
					number	)	day month	year		class
Risk group	PROFESSI	PROFESSIONAL INDEMNITY - CLAIMS MA	C-CLAIMS MAI	NDE R34	2134231	GL GL	30	03 66	£000 UK	7
Underwriting year ended		Gross claims paid	ms paid	Gross claims outstar	istanding carried rard	Gross claims ou for	Gross claims outstanding carried Gross claims outstanding brought forward	Balance on		
Month Year	1	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	un Incurred but not year reported	eacn derwriting (2+3+4 5-6)	Gross premiums written	Claims ratio %
	-	<del>-</del>	61	ო	4	S.	9	7	80	6
66 90	=	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	157	4,490		理想性外接權性		4,647	6,346	73.2
	12		88	4,597		4,685	19	0	7,444	65.1
26 90	13	272	3,473	8,193		4,718	-	6,948	8,518	140.2
96 90	4	1,851	234	191		1,685	-15	(1,260)	9,045	25.2
90	15	2,144	4,274	2,783		11,219		(4,162)	8,872	103.7
96	16	1,187	23	292		486	(0	89	8,522	20.7
90	17	935	325	289		144		470	9,293	16.7
06 95	18	2,022	8	304		259	0	53	7,946	29.4
06 91	19	2,440	1	0			5	(4)	7,735	31.6
06 90	20	2,719	0	0			0	0	7,102	38.3
Prior underwriting years	21	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	0	Ω	0	=	5	0	10年の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の	
Total (11 to 21)	58	外海南海沟流	8,583	21,404	0	23,206	0	6,781		· · · · · · · · · · · · · · · · · · ·
Line 29 expressed in sterling	99	情報問酬	8,583	21,404	0	23,206	0	6,781		

Returns under Insurance Companies Legislation

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

Global business/UK branch/EEA branch business

						Company		Period ended	7		
Financial year ended		30 SEPTEMBER 1999	IBER 1999			registration	GL/UK/CM		<b>L</b>	Units Country	Accounting
						number	Ö	day month	year		class
Risk group		PROFESSIO	PROFESSIONAL INDEMNITY - CLAIMS MADE	- CLAIMS MAI	DE R34	<b> </b> ``	GL 3	30 8	03 66	3000 NK	7
Underwriting year ended	ended		Gross claims paid	ms paid	Gross claims outstar	tstanding carried rard	Gross claims outstanding carried Gross claims outstanding brought forward	outstanding brought forward	Balance on		
Month	Year		In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported	each underwriting Incurred but not year (2+3+4 reported 5-6)	Gross premiums written	Claims ratio %
			-	2	ဇ	4	ဟ	9	7	89	ი
		11	是特別的。								
90	88	12	629	0	9	0	5	0	0	7,962	8.0
		13									
		14									
		15									
		16									
		17									
		18									
		19									
		20					:				
Prior underwriting years	ears	21	· 医克里氏 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)							1000 1000 1000 1000 1000 1000 1000 100	
Total (11 to 21)		29	山美国主义的	0	5	0	2	0	0		
Line 29 expressed in sterling	.5	30		0	9	0	ຜ	0	0		

#### **Returns under Insurance Companies Legislation**

Annex to returns

Name of company

The Griffin Insurance Asociation Limited

Global business / LIK branch / EEA branch business

Financial year ended

30 September 1999

#### 1. Regulations 21 and 26: Major General Business Reinsurance Cedants

The non-proportional reinsurance arrangements applicable to the year ending 30 September 1999 were as follows:

The Excess of Loss reinsurance programme operates on an each and every claim basis. The reinsurance programme pays claims in excess of £2m each claim which is retained by the Association (this is additional to individual members self insured retention). The reinsurance programme pays claims up to the £20m limit of cover provided by the Association. The Association also acts as a co-reinsurer to the extent of 10% on the first layer of cover which is for £3m excess of £2m.

The basic premium covers one full claim and there are provisions for reinstatements.

The major reinsurers and their participators are:

	Premiums payable for year to 30.9.99	Amounts due from reinsurers	Reinsurance recovery on outstanding claims
	£	£	£
CNA Reinsurance of London Ltd 124 - 135 Fenchurch Street, London	125,224	NIL	345,144
General Reinsurance Ltd 32 Aldgate High Street, London	282,825	NIL	394,678
QBE Insurance and Reinsurance (Europe) Ltd 13 Fenchurch Street, London	105,012	NIL	181,593
Unionamerica Insurance Company Ltd 2 Minster Court, Mincing Lane, London	98,054	NIL	446,618
Lloyds Underwriters (Various syndicates) The 1986 Building, 1 Lime Street, London	688,073	NIL	1,939,694

## 2. Regulations 19 and 20: Major treaty and facultative reinsurers

The Association is not connected with any of its reinsurers and has no cedant or facultative reinsurers.

### 2. Regulation 23: Derivative contracts

The Association has no derivative contracts and accordingly there is no additional information required by Regulation 23 to be disclosed

#### 3. Regulation 24: Additional information on shareholder controllers

The Association is a mutual company limited by guarantee and therefore there are no shareholder controllers.

#### Returns under Insurance Companies Legislation

Supplementary notes

Name of company

The Griffin Insurance Association Limited

Global business / UK branch / EEA branch business

Financial year ended

30 September 1999

This return has been prepared in Sterling which is the accounting currency of the Association. The rate of exchange used in the calculation of the solvency margin is £0.705591 = 1ECU (European Currency Unit).

1001 - Reconciliation of net assets per this return to net assets per the Financial Statements prepared in accordance with the Companies Act 1985.

	1999 £(000)	1998 £(000)
	,	, ,
Assets (Form 13 line 99)	35,772	40,745
Liabilities (Form 15, line 59)	(25,780)	(28,386)
Net assets as per Members Financial Statements	9,992	12,359

1301/1308 - The Aggregate bid value of units in regulated collective investments schemes was £196,800.

1305/1311 - The Association's investment guidelines permit the following maximum counterparty limits:-

- (a) Not more than  $7^{1}/_{2}$ % of the portfolio shall be held as cash or deposits with any single banking group. The relevant rating by Standard and Poor's of such banking group shall be A or better.
- (b) Not more than 5% of the portfolio shall be invested in any single bond except in the case of issues by the Governments of the UK and USA, where not more than 20% of the portfolio shall be invested in a single issue.
- (c) Not more than  $2^{1}/2\%$  of the portfolio shall be invested in any single equity.
- (d) The portfolio shall not hold more than 5% of the share capital of any single company.

These limits were not exceeded during the year.

1306/1312 - The amount and nature of the exposure at the year end to large parties

As at 30 September 1999 the Association had the following exposure to large counterparties (more than 5% of the Association's General Business Amount):

HM Government	Approved Securities	£12,203,765
US Government	Approved Securities	£7,054,589
Bank One	Cash Deposits	£2,582,656

1502 - There were no charges over the Association's assets as at 30 September 1999. The Association has no contingent liabilities or guarantees.

2002 - Location of risks

The Association's business, which is accounted for on an underwriting year basis, is entirely attributable to the UK.

#### **Returns under Insurance Companies Legislation**

Supplementary notes

Name of company

The Griffin Insurance Association Limited

Global business / UK branch / EEA branch business

Financial year ended

30 September 1999

#### 2402 - Underwriting Year Accounting

- (a) The Association accounts for all business on an underwriting year basis so that claims notified may be matched against the premiums called on contracts for insurance incepting during an underwriting year.
- (b) Outstanding claims are provided for on the annual method.

#### 2404 - Claims Management Costs

The management fee has been allocated between claims management and other operating costs on the basis of staff time and costs. Future claims management costs carried forward at 30 September 1999 are calculated using decreasing percentages of the current annual cost over the number of years estimated to run off outstanding claims, having regard to the long tail nature of the business written.

#### 2406 - Acquisition costs

These costs represent that element of the management costs which directly relates to underwriting, the renewal of the entry of existing members, negotiations with potential members and the processing of entry documentation.

#### 2407 - Premiums written

The negative amount in underwriting year 1993 represents returns of call in respect of that year accounted for in the current financial year.

2408 - Amounts under the heading "Prior underwriting years" all relate to the year ended 30 September 1989 only.

#### **Returns under Insurance Companies Legislation**

Certificate required by regulation 28(a) of the Insurance Companies (Accounts and Statements) Regulations 1996

Name of company

The Griffin Insurance Association Limited

Global business / UK branch / EEA branch business

Financial year ended

30 September 1999

#### We certify that:

- (a) In relation to the part of the returns comprising Forms 9 to 13 and 15 to 17, 20, 24, 25 and 34 and the statements required by regulations 19 to 21, 23, 24, 26 of the Insurance Companies (Accounts and Statements) Regulations 1996:-
  - (i) the return has been prepared in accordance with the Regulations;
  - (ii) proper accounting records have been maintained and adequate information has been obtained by the company; and
  - (iii) an appropriate system of control has been established and maintained by the company over its transactions and records;
  - (b) Reasonable enquiries have been made by the Association for the purpose of determining whether any person and any body corporate are connected for the purposes of regulations 19, 20 and 21;
  - (c) In respect of the Association's business which is not excluded by regulation 32 of the Insurance Companies Regulations, the assets held throughout the financial year in question enabled the company to comply with regulations 27 to 31 (matching and localisation) of those regulations.
- 2. The required margin of solvency has been maintained throughout the financial year.
- 3. (a) The systems of control established and maintained by the Association in respect of its business complied, at the end of the financial year, with the following published guidance and it is reasonable to believe that those systems continued to so comply subsequently and will continue to so comply in future:
  - (i) Prudential Guidance Notes 1994/6 Systems of control over the Investments (and counterparty exposure) of insurance companies with particular reference to the use of derivatives;
  - (ii) Prudential Guidance Notes 1996/1 Controls over general business claims provisions;
  - (b) This return has been prepared in accordance with the following published guidance:
    - (i) Prudential Guidance Notes 1995/1 Guidance for insurance companies and auditors on the Valuation of Assets Regulation 1994;
    - (ii) Prudential Guidance Notes 1995/3 The use of derivatives in insurance funds;
    - (iii) Prudential Guidance Notes 1998/1 The Preparation of Annual Returns.

Director -

Director -

Managers - Griffin Managers Ltd Secretary - I.D. Park

2300 FEBRUARY 2000

#### Returns under Insurance Companies Legislation

Report of the auditors to the directors pursuant to regulation 29 of the Insurance Companies (Accounts and Statements) Regulations 1996

Name of company

The Griffin Insurance Asociation Limited

Global business / UK branch / EEA branch business

Financial year ended

30 September 1999

We have examined the following documents prepared by the Association pursuant to section 17 of the Insurance Companies Act 1982 ("the Act") and the Insurance Companies (Accounts and Statements) Regulations 1996 ("the Regulations"):

- Forms 9 to 13 and 15 to 17, 20, 24, 25 and 34 (including the supplementary notes thereto) ("the Forms");
- the statements equired by regulation 23; ("the statement") and
- the certificate signed in accordance with Regulation 28(a) on pages 2 and 3 ("the certificate").

In the case of the annex, our examination did not extend to paragraph 1 in relation to the statements required by regulations 24 and 26, concerning shareholder controllers and general business ceded.

#### Respective responsibilities of the Association and its auditors

The Association is responsible for the preparation of an annual return (including the Forms, statements and certificate) under the provisions of the Act and the Regulations. Under regulation 5 the Forms and statements are required to be prepared in the manner specified by the Regulations and to state fairly the information provided on the basis required by the Regulations.

It is our responsibility to form an independent opinion as to whether the Forms and statements meet these requirements, and in the case of the certificate whether it was or was not unreasonable for the persons giving the certificate to have made the statements therein, and to report our opinion to you.

#### **Basis of opinion**

We conducted our audit in accordance with Practice Note 20 "The audit of insurers in the United Kingdom" 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 statements. The evidence includes that obtained by us relating to the audit of the financial statements of the Association for the financial year on which we have also reported today. It also included an assessment of the significant estimates and judgements made by the Association in the preparation of the Forms and statements.

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 statements are free from material misstatements, whether caused by fraud or other irregularity or error, and comply with regulation 5.

In the case of the certificate, the work performed involved a review of the procedures undertaken by the signatories to enable them to make the statements therein, and does not extend to an evaluation of the effectiveness of the Association's internal control systems.

#### **Opinion**

In our opinion:

- (a) the Forms and statements fairly state the information provided on the basis required by the Regulations and have been properly prepared in accordance with the provisions of those Regulations; and
- (b) according to the information and explanations received by us:
  - (i) the certificate has been properly prepared in accordance with the provisions of the Regulations; and
  - (ii) it was not unreasonable for the persons giving the certificate to have made the statements therein.

Moore Stephens

**Chartered Accountants** 

**Registered Auditors** 

St. Paul's House Warwick Lane London, EC4P 4BN

23 & FEBRUARY 2000