

CG Holdings (Gibraltar) Limited

Casualty & General Insurance Company (Europe) Limited

Solvency and Financial Condition Report
Year ended 31st December 2020



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Overview of SFCR

This Solvency and Financial Condition Report (SFCR) is organised into the following sections:

Section A - Executive Summary

This section of the report provides an overview of the performance of the Group and the Company and includes the key highlights for 2020.

Section B – Business and Performance

This section of the report provides additional information on the Group and the Company and provides details of its performance in the reporting period; comparatives to the previous reporting period; together with commentaries on any material performance differences.

Section C – Systems of Governance

This section of the report provides information on the Company's System of Governance, internal controls and the roles and responsibilities of the Board and Committees.

Section D – Risk Profile

In this section the key risks to the business are discussed and these risks are also quantified in terms of Solvency II capital requirements.

Section E – Valuation for Solvency Purposes

This section details the Solvency II metrics for valuing the Company's assets and liabilities. The Solvency II representation of the Company's balance sheet differs from that published in the statutory accounts, and therefore this is explained in this section.

Section F – Capital Management

This section details the Company's Own Funds and its Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR).

Section G – Quantitative Reporting Templates

This section includes the Solvency II reporting templates.

Section H – Glossary

This section includes a short glossary.

A. Executive Summary

The purpose of this report is to satisfy the public disclosure requirements under the Financial Services (Insurance Companies) (Amendment) (EU Exit) Regulations 2021 of Gibraltar. The elements of the disclosure relate to business performance, governance, risk profile, solvency and capital management.

The Group is an insurance group made up of CGH as an insurance holding company, CGICE as an insurance company, and various other entities which operate businesses which are ancillary to the insurance operations.

CGICE is the main driver of the Group's performance. The Board is satisfied with the performance of the Company during the year, which has achieved strong underwriting profits along with claim releases and some strengthening of reserves in classes that the Company has ceased writing.

Casualty & General Insurance Company (Europe) Limited ('CGICE' or 'the Company') has an SCR ratio of 137% as at 31 December 2020.

CG Holdings (Gibraltar) Limited ('CGH' or 'the Group') has a SCR ratio of 117% as at 31 December 2020. This is lower than that of CGICE due to additional assets at Group level.

Since 31 December 2019, and throughout 2020, the Covid-19 pandemic has affected everyone on a global scale and has shaken the world's economy. The Company, after detailed and repeated analysis, has not yet identified any increased liability resulting from Covid-19, although the Company has set aside reserves for any unexpected development. The investment portfolio has not been affected.

The governance and risk frameworks of the Group and the Company are detailed in this report. There have been no significant changes in the reporting period.

With respect to Brexit and our E.U. business; the Company has commenced a license application with the Spanish regulator with a view to capitalise and obtain a license for its own third country branch in Spain, which would continue to run the existing Spanish business and new business. The remaining E.U. business lines (non-Spanish) have been put into run-off with effect from 31st December 2020.

The Company has continuously complied with all aspects of the Solvency II regulations (as it forms part of the laws of Gibraltar) from the date of first implementation on 1 January 2016 and the most recent solvency position of the Company is presented above. During the reporting period there have been no changes to the capital structure.

This SFCR was approved by the Board of Directors of CGH and CGICE on the 20th of May 2021.

Daniel Gibson

Chief Executive Officer

Casualty & General Insurance Company (Europe) Limited

CG Holdings (Gibraltar) Limited (Director)

Date: 20 May 2021

B. Business & Performance

1. Business

1.1. This report relates to CGH and its subsidiary companies (collectively 'the Group'), specifically CGICE or 'the Company', an insurance company licensed in Gibraltar and limited by shares.

1.2. CGH is a non-regulated holding company domiciled in Gibraltar. Group supervision is carried out by CGICE's regulator:

Gibraltar Financial Services Commission
PO Box 940
Suite 3, Atlantic Suites
Gibraltar
Tel: +350 200 40283
www.fsc.gi

1.3. CGH and CGICE's external auditor is:

EY Limited
Regal House
Queensway
GX11 1AA
Gibraltar
<http://www.ey.com/gi/en/home>

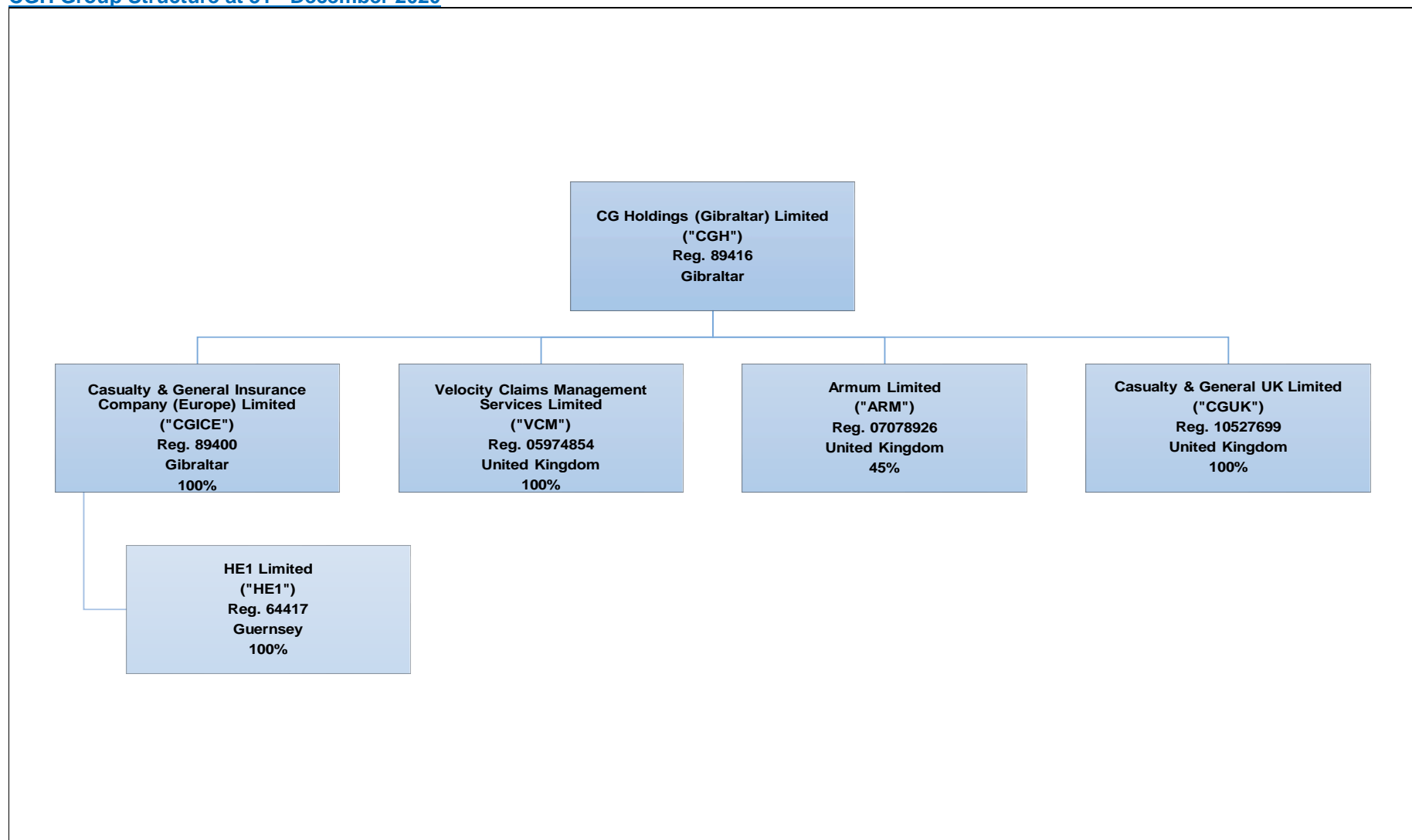
CGH and CGICE prepare their audited financial statements in accordance with Generally Accepted Accounting Principles in the United Kingdom ('GAAP').

1.4. CGH shareholders with qualifying holdings at 31 December 2020:

Mr. Philippe Azoulay is the ultimate beneficial owner of CG Holdings (Gibraltar) Limited and has controlling interest in the Company (through glce Limited, g Reinsurance Limited and 80 Financial Holdings Limited).

CGICE is 100% owned by CG Holdings (Gibraltar) Limited.

1.5. The CGH Group of companies is shown overleaf.

CGH Group Structure at 31st December 2020

- 1.6. CGICE is licensed to carry out insurance business in the following classes of general business:

Class	Type of insurance business
3	Land Vehicles
7	Goods in Transit
8	Fire and Natural Forces
9	Damage to Property
10	Motor Vehicle Liability
12	Liability for Ships
13	General Liability
15	Suretyship
16	Miscellaneous Financial Loss
17	Legal Expenses

- 1.7. CGICE's insurance obligations fall into the following Solvency II Lines of Business ("LoB"): -

Solvency II - Line of Business
Motor Vehicle Liability
Other Motor Insurance
Fire & Other Damage to Property
General Liability
Credit & Suretyship
Legal Expenses
Miscellaneous Financial Loss

These Solvency II Lines of Business are used when reporting the premium; claims; expenses and technical provisions throughout this SFCR report and in the Quantitative Reporting Templates.

- 1.8. The material undertakings in the Group are CGH, as the insurance holding company, and CGICE, as the insurance company. The results and net assets of each of the material undertakings are as follows:

Undertaking	Profit/(Loss) (£'000)	Net Assets (£'000)
CGH	1,363	11,695
CGICE	1,235	12,790

The activities and sources of profit for each of these entities is covered further below:

- 1.8.1. CGH is a non-trading insurance holding company.
- 1.8.2. CGICE's source of profit is from underwriting activities and investment income, which is explained in further detail in this report.

- 1.9. In addition to the above material undertakings, whose contribution to the achievement of the Group strategy is via their core roles in the provision of insurance related undertakings, the Group also has VCM and CGUK as operating subsidiaries, which provide ancillary insurance services to the Group.

2. Underwriting Performance

CGICE is the only insurance entity in the Group and CGH's underwriting performance follows CGICE for this reason.

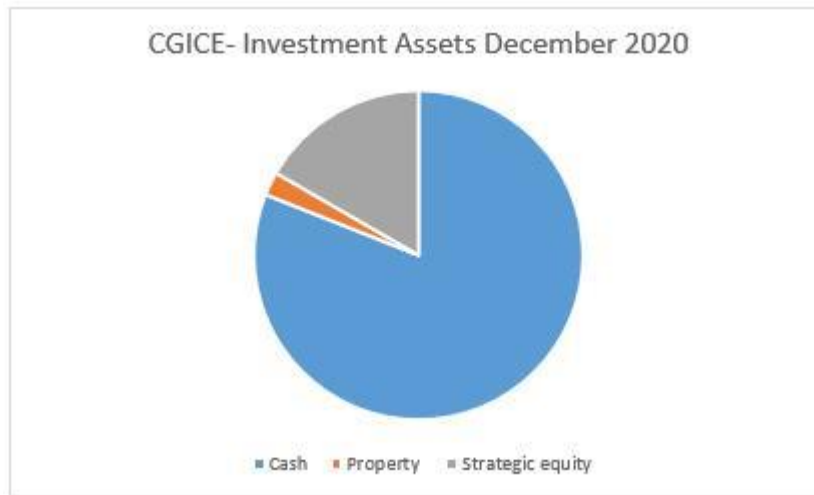
- 2.1. During the course of 2020, CGICE commenced underwriting two new portfolios of business, namely Legal Expenses insurance on the 30th September 2020 and obtained approval from the Gibraltar Financial Services Commission ("GFSC") on the 12th November 2020 to commence writing pet business with effect from 1st December 2020.
- 2.2. The premium written in the year ended 31 December 2020 is shown below by class of business and jurisdiction:

Line of Business	France £'000	Italy £'000	Norway £'000	Spain £'000	UK £'000
Motor	-	-	-	-	-
Fire and property	84	-	42	-	6,649
Liability	-	-	-	-	-
Credit & surety	3,699	2,829	-	10,551	1,428
Legal expenses	-	-	-	-	8,531
Pet	-	-	-	-	459
Totals	3,783	2,829	42	10,551	17,067

- 2.3. The majority of premiums written are single premium policies (i.e., one single premium to cover the life of the policy) with the exception of our new pet business, which are annual, renewable policies.
- 2.4. Underwriting performance has been positive with technical profits reported in the management accounts for the year ended 31 December 2020 being £2,607k (31 December 2019 being £2,085k).

3. Investment Performance

- 3.1. CGH's investments comprise the equity holdings in subsidiaries only. There have been no distributions received from subsidiaries during the period of this report.
- 3.2. The investment assets held by the Company are illustrated below:



4. Performance of Other Activities

- 4.1. There have been no other significant activities undertaken by the Group or the Company other than their insurance and related activities.

5. Any Other Information

- 5.1. The Board of CGICE has been monitoring the development of Covid-19 and its potential impact on the E.U. Surety market and across all lines of business and has engaged specialists to review its actuarial exposure.
- 5.2. During the course of 2020, and as a direct result of Covid-19 and local restrictions, all employees of CGICE migrated to home working without any disruptions to the business. At the time of writing this report, the majority of the CGICE team have returned fulltime to the office.

C. System of Governance

This section of the report provides information regarding the “System of Governance”.

1. General Information on the System of Governance

CG Holdings (Gibraltar) Limited

CGH retains ultimate responsibility for the governance of itself and its subsidiaries, however it is not prescriptive in how any subsidiary should meet its obligations. CGH takes a risk-based approach to the system of governance it expects to be implemented, depending on the complexity, nature, size of the business, whether it is subject to regulation, and the level of risk it presents to Group. The level of reporting required is also proportional to these factors.

Governance requirements are largely set by regulatory and legal requirements, however CGH also considers any additional measures it considers necessary to manage the risk of the subsidiary and will implement these on a case-by-case basis, for example establishing additional governance meetings, requesting additional reporting, or intervening by placing managers or directors in the subsidiary to further safeguard CGH's interests.

There are CGH directors on all subsidiary Boards. CGH has no Committees or employees. Directors' services are included in the fee paid by CGICE.

There have been no dividends paid to the shareholders during the reporting period.

The CGH Board of Directors is comprised of one executive director and three non-executive directors (one of which is the Chair).

CGICE

CGICE has an internal audit function which includes audits of its material service providers, thereby highlighting any issues and providing comfort regarding the governance of these companies. The internal audit function reports to the CGICE Audit Committee which in turn reports to the Board.

The CGICE Board has directors in common with CGH, thereby ensuring that CGH is kept fully informed regarding its subsidiaries. CGICE closely monitors VCM as a service provider.

CGICE has in force an Audit Committee; a Risk Committee, an Underwriting Committee and an Investment Committee. The Board of CGICE has established clear “Terms of Reference” for each committee which describe the purpose, responsibilities, membership and authority delegated from the Board for each Committee. The relevant attendees are invited to Committees as determined by the Committee and or Board.

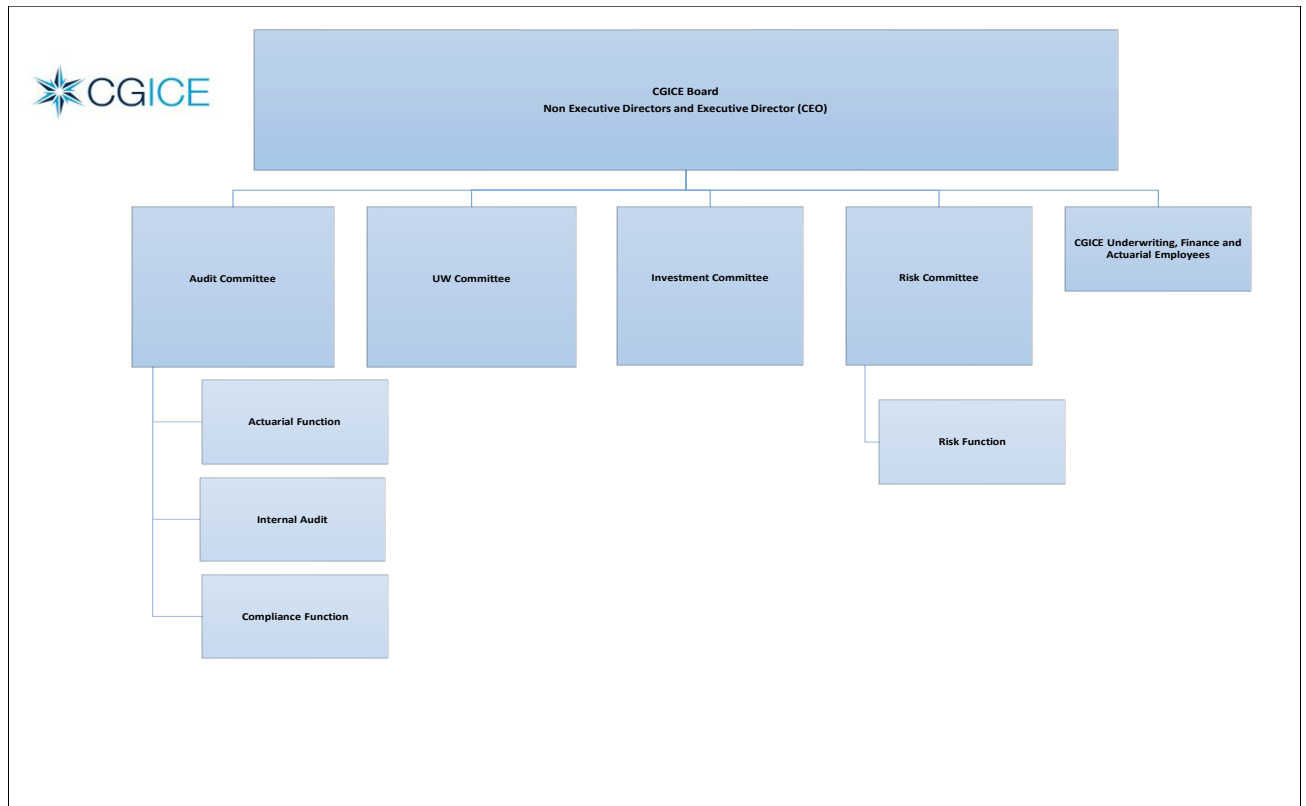
There were no significant changes to the governance structure during 2020. In December 2020 the Company changed insurance manager to reflect the additional in-house actuarial and compliance duties that the Company is performing.

With respect to remuneration, employees' remuneration (bar the CEO's) is set by the CEO and approved by the Board as part of the budget. At least three Directors approve the remuneration of any other Director; no Director is involved in decisions relating to their own remuneration. The Company has a Remuneration Policy.

Directors' fees or salaries were paid to the Non-Executive and Executive Directors during the reporting period.

There have been no dividends paid to the parent company during the reporting period.

CGICE Governance Structure as at 31 December 2020



Material Transactions

During the period under review, the material transactions identified included the payment of a claims handling fee to a group company and investments and loans within the wider group structure.

2. Fit and Proper Requirements

The Group recognises that “Fit and Proper” requirements demand certain qualities for persons responsible for running an insurance company and those responsible for key functions. The Company has in place a Fit and Proper Policy.

An assessment of fitness and propriety must consider their allocated responsibilities and skills and experience across the following areas:

- Insurance and financial markets;
- Business strategy and business models;
- System of governance;
- Financial and actuarial analysis;
- Regulatory framework and requirements; and
- Skills relevant to that role.

The Group Boards ensure that any candidates for a position on a Board, or for other key functions or roles, shall be assessed to ensure that they fulfil fit and proper requirements.

This includes reviewing the CV of the candidate, an in-depth interview, obtaining references (both personal and professional), and carrying out due diligence checks. Due diligence checks include verification of identification and address, and searches on due diligence databases. The candidate is also asked to declare any interests, so the relevant Board can review whether they conflict with the Company’s interests. All conflicts of interest identified are recorded on a Log and reviewed at each board meeting.

Fit and Proper requirements are ongoing and are assessed on an annual basis in accordance with the Company’s Fit and Proper Policy.

3. Risk Management System including “ORSA”

CG Holdings (Gibraltar) Limited

CGH is responsible for ensuring that risk management is implemented within each subsidiary at a level proportionate to the complexity, nature, size of the business, whether it is subject to regulation, and the level of risk it presents to Group.

As a minimum, all regulated companies will have a Risk Register which will be reported on in subsidiaries’ reports to the CGH Board.

CGICE is responsible for completing an Own Risk Solvency Assessment (‘ORSA’) for the Group, which incorporates solo ORSAs on CGICE liaising with the CGH Board for input as required.

The Group recognises the importance of managing risks faced in the pursuit of its business objectives. Risk can be defined as the possibility of an event occurring or not occurring that will have an impact on the achievement of the business’ corporate objectives. The impact may be positive or negative.

Risk management is integrated into the culture and business activities of the Group and includes leadership and commitment from the Boards. It is a key component in business decision making and not viewed as a separate process. Individuals throughout the business are encouraged to raise risks, and to raise issues that can be tracked and managed to resolution.

CGICE Risk Management System

Risk Management Roles and Responsibilities

The CGICE Board delegates its risk management function to the risk management key function holder and to the Risk Committee ('RC'), which oversee all risk related activity and ensure the Board is kept informed or is consulted as required.

Should any risk management tasks be outsourced, the function holder is also responsible for the outsourced relationship, including monitoring the scope of work, service levels and for challenging the results.

The key function holder and RC review, monitor and update as required, all the components of the Framework, engaging other members of the Board, key function or key role holders, as necessary, and oversee the ORSA process. However, the Board collectively are responsible for the implementation of the Framework's components.

The Risk Register is a central log of all risks identified in the business. It is owned by and is the responsibility of the Risk Committee and risk management key function holder to maintain and review the document. It includes the risk owner, risk description, risk factors, mitigating controls and measures and risk appetite.

The Board sets its risk appetites and tolerances; the actual risk in the business, compared to risk appetite and tolerance, is monitored by the Risk Committee and escalated to the Board if required.

The Risk Management Process

The process of risk management is a continuous and systematic one, comprising 5 elements:



In addition, the Group and CGICE carry out an Own Risk and Solvency Assessment ('ORSA') on an annual basis (more often if there are significant changes to the risk profile or business plan), which informs the Companies' business and capital planning processes. The ORSA Policy can be found below.

Own Risk Solvency Assessment ('ORSA') Policy

The ORSAs' main purpose is to ensure that the Group and CGICE assess all the risks inherent to their businesses and determine the corresponding capital needs, or identify other means needed to mitigate these risks.

It particularly considers situations in which the Group or Company may be stressed, and the capital needs and mitigation measures necessary in these scenarios, to ensure that the business is prepared for, and robust enough to weather, adverse conditions without detriment to stakeholders.

While the Risk Register focusses on risks from a bottom-up viewpoint, the ORSA takes a top-down approach, linking business objectives, business risks, business planning and capital planning. The results of the ORSA also feed back into the risk management process, ensuring that all risks identified are incorporated into the assessment, management, monitoring and reporting cycle.

The Boards will also use the output of the ORSA to review its overall risk profile, and whether the profile exceeds or approaches the risk tolerance limits set by the Boards. If this is the case, the Boards will decide whether to amend the risk tolerance limit to one which is more appropriate, or whether the risk of exceeding limits should be mitigated with further capital.

When determining appropriate stress or scenario testing to be applied, the Boards shall take the approach of considering 'worst plausible case' possible.

The Boards carry out an ORSA at least annually on the basis that solvency needs, and capital position are not volatile, and the business' risk profile is stable. However, it constantly monitors these risks, and will also carry out an ORSA if there is a material change to the risk profile or business plan, in particular:

- Cessation of a class or entering into a new class worth >£2.5m GWP;
- If the SCR changes by >10% (which includes the impact of changes to investments);
- If there are any significant changes to Group structure e.g., new subsidiaries/liquidation of subsidiaries.

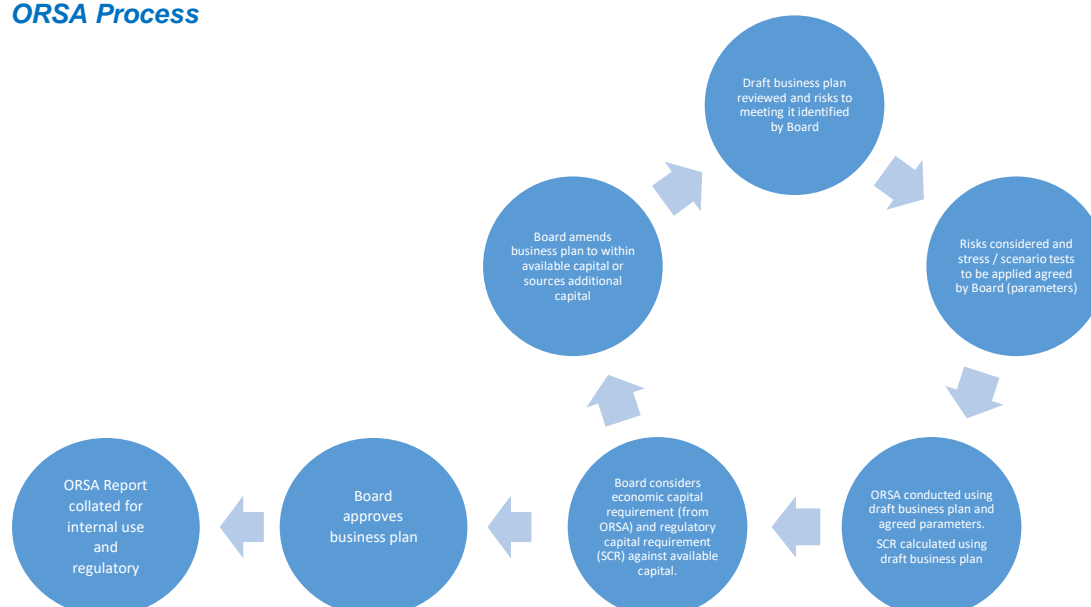
The Boards are responsible for performing the Assessment but may delegate items to senior management if deemed appropriate.

Each time the Boards complete an ORSA they will minute the Assessment and its outcome. The results and conclusions of the Assessment will be communicated to relevant staff, once approved by the Boards.

A supervisory report will be prepared each time an ORSA is performed, and at least annually. Since CGICE is a member of a Group, a single ORSA report will be submitted covering Group and CGICE's ORSAs.

The internal report and the solo entity supervisory report will usually be the same document.

ORSA Process



4. Internal Control System

CG Holdings (Gibraltar) Internal Control System

CGH Board is responsible for the Group Internal Control System. Internal controls are implemented within each subsidiary at a level proportionate to the complexity, nature, size of the business, whether it is subject to regulation, and the level of risk it presents to Group.

As a minimum, all companies will have sound reporting and accounting procedures to enable the respective Boards to adequately monitor their business. The majority of subsidiaries are subject to statutory audit which independently reviews their internal control systems.

CGICE Internal Control System

As well as being a key risk response, internal controls are also part of the compliance framework, being the first line of defence in the 'three lines of defence' model the Company has implemented.

The Board is ultimately responsible for overseeing and maintaining the adequacy and effectiveness of the internal control system, however responsibility for adherence to internal controls rests with all individuals involved in the business.

The Company has implemented policies which describe the Board's approach to key areas of the business, and procedures, where appropriate, which describe how the Board fulfils its policies and manages its key risks; they document the internal controls the Company has in place. Policies and procedures are reviewed at least annually to ensure that they remain accurate and fit for purpose.

Internal controls are reflected in the risk register as they are one of the risk treatments available to the Company to manage its level of risk in the business.

The business is responsible for ensuring adherence to internal controls on a day-to-day basis and individuals have a duty to monitor relevant controls on an ongoing basis and to inform management of

observed or known weaknesses or failures within the internal control system. In addition, as the second line of defence, adherence to internal controls is checked through risk owners' review of the risk register, and through the compliance function's monitoring programme. Where appropriate, compliance and risk management will make recommendations to the business to improve controls, or highlight where they are not being adhered to, facilitating continuous improvement.

Any incidents, breaches and 'near misses' regarding internal controls are recorded by compliance and investigated by the Company to ascertain the root cause and determine any actions necessary to prevent reoccurrence. These are reported to the Audit Committee, which monitors these actions to completion.

Internal audit provides independent assurance of the Company's internal control system and is overseen by the Audit Committee and internal audit function holder.

Compliance Function

The Compliance key function holder is responsible for the completion of compliance tasks, although certain tasks may be outsourced to the Company's insurance manager. The function holder is also the Compliance Officer and has direct access to both the Board and the Audit Committee.

The Compliance Officer is responsible for identifying and evaluating compliance risk, overseeing the implementation of controls for the risks identified, and monitoring their efficacy through the Compliance Monitoring Programme. The Compliance Officer reports to the key function holder and AC at each meeting and will provide advice to the business when requested.

The Compliance Function also liaises with regulatory bodies and authorities and provides updates on changes in legislation and regulatory requirements.

The Board supports the Compliance Function and shall make available such resource as is necessary and provide access to all relevant documentation and information from the business, for the Compliance Function to fulfil its aims.

5. Internal Audit Function

CGH Internal Audit Function

All Group companies that are service providers to CGICE are considered by CGICE's internal audit function and subject to CGICE's internal audit activity, which is described below.

CGICE Internal Audit Function

Internal Audit exists to provide the Company with independent assessments of the quality of internal controls and administrative processes and provide recommendations and suggestions for continuous improvement. It provides advisory services to management, will conduct investigations on an ad hoc basis as requested by management, and has responsibility for assisting in the development and operation of the risk management framework. It will also audit providers of material services to ensure that the agreements governing these relationships are being adhered to.

The Board appointed Internal Audit Key Function Holder has responsibility for the internal audit function and reports into the Audit Committee. Internal audit tasks are outsourced to a third-party provider selected by the Audit Committee; the key function holder also has responsibility for co-ordinating this outsourcing and challenging the results.

The third-party provider prepares an internal audit plan for the following year which is based on a three-year plan and is developed using a risk-based approach to prioritise high risk areas and the extent and frequency of audits. The plan is approved by the Audit Committee and provided to the Board for formal adoption. The plan is subject to change throughout the year depending on the business and changing risk environment.

Audit reports are produced after each internal audit and provided to the Audit Committee for review with management responses. Any actions coming out of the audits are monitored to completion by the Audit Committee.

Internal Audits will be conducted by appropriately skilled, experienced and independent persons to carry out the audit to the Audit Committee's standards.

To carry out its work effectively and to retain integrity of the function, Internal Audit acts independently of line management. The internal audit function holder is responsible to the Audit Committee for the planning, management and performance of Internal Audit; the Audit Committee consists of Non-Executive Directors and provides a quarterly report to the Board.

6. Actuarial Function

CGICE is the only insurance entity in the Group and therefore the only one for which it is relevant to have an Actuarial Function as set out in the SII Directive.

CGICE's actuarial function is the responsibility of the key function holder, who reports directly to the Board and to the Audit Committee.

The actuarial function is responsible for:

- a) coordination of the calculation of technical provisions;
- b) ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- c) assessing the sufficiency and quality of the data used in the calculation of technical provisions;
- d) comparing best estimates against experience;
- e) informing the Board of the reliability and adequacy of the calculation of technical provisions;
- f) expressing an opinion on the overall underwriting policy;
- g) expressing an opinion on the adequacy of reinsurance arrangements; and
- h) contributing to the effective implementation of the risk-management system.

Each of these activities is undertaken on an at least annual basis and the outcome reported to the Board in an internal actuarial report.

7. Outsourcing

CGH Outsourcing

CGH is a holding company and has little operational activity.

CGICE Outsourcing

CGICE has an Outsourcing Policy which governs all outsourcing arrangements and describes how it undertakes the decision to outsource; how a service provider is selected; and how the relationship is defined, managed and monitored.

The Outsourcing Policy seeks to minimise risk relating to the outsourcing of certain functions to third parties, which may impact the financial performance or reputation of the Company. In summary;

- The decision to outsource critical or important functions must be authorised by the Board of Directors;
- All new service providers are subject to the satisfactory conclusion of due diligence procedures; and on annual basis thereafter;
- The GFSC must be informed of the outsourcing of any material activity;
- The outsourcing arrangement must be supported by a written agreement between the Company and the service provider and;
- The agreement must be reviewed and validated by the Compliance Function and Underwriting Committee; and
- Include clearly defined activities and responsibility of the Company and the service provider with measurable reporting and performance targets;

With respect to service providers in customer-facing roles, such as policy fulfilment and distribution and claims settlement, the Company seeks to ensure that these are located in the jurisdiction of the policyholder. Post Brexit, this is purely the United Kingdom. For our main books of business in run-off, being France, Italy and Spain (until the Spanish Branch is authorised), the Company continues to engage with service providers in these jurisdictions with oversight of these relationships being the responsibility of the respective CGICE employee for the relevant line of business and jurisdiction.

Any remaining service providers are located in Gibraltar and the United Kingdom

8. Adequacy of the System of Governance

The Group aims to continuously improve its compliance and governance systems by ensuring that they are reviewed, evaluated, and recommendations are made to the Board(s) regarding enhancing and developing the systems, including the outcomes from compliance monitoring programmes, root cause analysis from complaints, breaches and risk events, and incremental development as the systems mature. It also considers relevant industry advice and guidelines, for example the UK Financial Reporting Council's Corporate Governance Code, implementing these as appropriate for the size and complexity of the Group companies.

Internal audits and external audits provide independent evaluation of the Group's and individual companies' system of governance. Recommendations from these audits are considered by the relevant Boards and implemented proportionate to the business' risks.

In summary, the Company assesses that the System of Governance is adequate for the nature, scale and complexity of the risks inherent in the Company's business.

9. Any Other Information

There is no other material information regarding the System of Governance that has not already been disclosed in the above Sections C1 to C8.

D. Risk Profile

This section of the report provides information on the key risks identified by the Company, as well as the corresponding processes for monitoring and mitigating the key risks.

1. Underwriting Risk

CGICE is the only company in the CGH Group, which is exposed to underwriting risk, the Group's underwriting risk is therefore the same as CGICE's.

CGICE

Underwriting risk is a key risk to CGICE. Underwriting risk is monitored by the executive director who reports to the Board at least quarterly, and by the Risk Committee (RC) and Risk Management Key Function Holder, via the Risk Management Framework. In addition, CGICE has an Underwriting Committee which works to a clearly defined Terms of Reference. Underwriting risk is assessed and monitored using key indicators such as Gross Written Premium, claims reserves, loss ratio and large loss claims details. The Board has set risk tolerances around these indicators, where relevant, which the Risk Committee and Underwriting Committee monitors.

The Company sells its insurance through intermediaries who have been granted limited delegated authority by the Board. Intermediaries are monitored by the Executive Director on the basis of management information, and are also encompassed by the Internal Audit Plan, to ensure adherence to contractual requirements including delegated underwriting authority parameters. Broker reviews are also conducted on a risk assessed basis. The results are reported to the Board or Audit Committee, as appropriate.

There has been no change to the methodology for identifying, assessing, managing and reporting on underwriting risk over the reporting period.

CGICE uses reinsurance to reduce its insurance risks and the volatility of its financial results, stabilise its solvency, use its available capital more efficiently, improve its ability to withstand disasters and increase its underwriting capacity. The use of quota share and excess of loss reinsurance is CGICE's primary method of mitigating underwriting risk. CGICE has a diverse reinsurance panel and the placement of all reinsurance coverage is governed by the CGICE "Reinsurance Policy".

In 2020 the Company continued to manage and mitigate the business' risk exposure to within its risk appetite and capital capacity. There have been no material changes to underwriting risk in 2020. The Company continues to monitor future developments.

Post Brexit, CGICE is focused on its UK business, strengthening its broker relationships and growing its existing UK portfolio whilst diligently managing its E.U. run-off business, which includes Surety insurance in France (including its Domiciles and Territories), and an Italian Surety book and some smaller portfolios.

As mentioned earlier, CGICE is undergoing a third-country branch application in Spain for its Spanish Surety business.

Over the coming year, the Board will continue to pursue other avenues of business to balance the higher risk Surety business, such as the new pet insurance product.

The Company historically wrote employer's and public liability and motor insurance in the UK and therefore is exposed to the risk of structured settlements (sometimes called periodic payment orders or PPOs) in relation to large claims. The Board has considered its risk to Periodic Payment Orders ('PPOs') and currently the Company is not exposed to any, or any potential PPOs. In general, PPO risk is concentrated on the motor book, where the reinsurance has been placed on a non-capitalised basis; the risk in this instance is of reinsurance default which is addressed under counterparty type 1 risk.

There has been no material change to the risks that the Company is exposed to in the reporting period or to date other than as disclosed above.

2. Market Risk

CGICE

The Company via the Investment Committee provides detailed analysis of the investment portfolio, making recommendations to maximise investment returns within the Company's risk appetites and tolerances to the Board.

Currency

The Group and the Company are primarily exposed to two currencies, the Euro ("EUR") and British Sterling ("GBP"). Investments are held in GBP and EUR and therefore also present some currency risk to the Company. The Company holds a Euro cash account for Euro premium funds and claims payments, to minimise the number of currency exchanges necessary, however it is exposed to currency risk as its accounting currency is GBP and the exchange rate affects the value of transactions and balances. The Company also trades in a Norwegian Krone, but its exposure is not material.

The Finance Director monitors the EUR: GBP exchange rate on a monthly basis or more regularly where there are significant movements in the currency pair, assesses the currency risk on behalf of CGICE, and will make recommendations via consultation with representatives of the Board regarding when to make foreign exchange transactions to mitigate the risk.

Property

The Company has one residential property in Gibraltar whose value is not material to the risk profile. It therefore has minimal exposure to property risk.

Interest rate

Interest rate risk arises as a result of the impact of interest yield curves on future payments to be made in respect of claims and receipts from the Company's investments. The Company's exposure to interest rates arises primarily from the settlement of future claims (as the discount rates applied to claims settlement projections are impacted by interest yield curves).

Interest rate risk is assessed and monitored by the Board on a quarterly basis. The Company considers the Prudent Person Principle in considering the investment assets and how they match to the expected payment profile of the Company's technical liabilities. The Board reviews the effectiveness of the mitigating measures, considers how they could be improved, and makes recommendations as appropriate.

Concentration

The Boards of the Group and the Company review and assess the concentration risk that the Group and Company is exposed to, to ensure that it is within the risk appetite. The concentration exposure arises in respect of positions taken in the Company's property exposure; equities and counterparties.

Concentration exposure is assessed in respect to exposure to any single name. Concentration exposure is calculated based on the proportion of the single name exposure (or grouped property exposure) relative to the investment assets as a whole. As mentioned above, the Company is exposed to concentration risk in respect of loans with other Group companies and to other related parties. Management monitors such exposures carefully and, where appropriate, obtain security via registered charges over assets.

Ongoing monitoring of concentration risk is undertaken by the Board and through the Risk Management Framework, including assessing the efficacy of controls and whether they require improvement or additional mitigating measures are required, to ensure the risk remains within risk appetite.

Spread

Spread risk is the sensitivity of the values of investments, bonds and secured loans. The Investment Policy and risk appetites are reviewed regularly by the Investment Committee to ensure that the mitigating guidelines in place are still appropriate for the Company and the risk environment in which it operates.

The total amount of Spread risk is overall low for the Company and the Group as it prefers to hold cash instead of portfolios of corporate or government bonds which typically create this risk.

As mentioned earlier, the Company is exposed to spread risk in respect of loans with other Group companies and to other related parties. Ongoing monitoring of spread risk is undertaken by the Board and through the Risk Management Framework, including assessing the efficacy of controls and whether they require improvement or additional mitigating measures are required, to ensure the risk remains within risk appetite.

Equity

The Group does not invest in listed market equities due to their potential volatility, especially at times of financial stress. The Company follows this philosophy.

The Company's and Group's portfolio is invested in strategic equity. This strategic investment is made to fund long term projects in insurance related research, so as to enable its stakeholders to have distinctive competitive advantages in this sector in the future. Its goal is to enable projects which are not remunerative in the short term, but offer technologies and tools which, once mature and active, give the insurers who participate in the program a much stronger strategic position.

Prudent Person Principle

The Group and the Company are required to invest the assets used to cover the minimum capital requirement and the solvency capital requirement in accordance with the 'prudent person principle'. The prudent person principle defines that the assets must be invested in a manner that a 'prudent person' would – that is that the decisions are generally accepted as being sound for the average person.

The Group and the Company forecast the cash needed over a three-year horizon based on the three-year business plan, taking into account liquidity of the assets.

3. Credit Risk

Credit risk, also referred to as Counterparty Default risk, is the risk that a counterparty will be unable to pay amounts in full when due.

The Group and Company are exposed to very low levels of credit risk through amounts held with banks.

This is mitigated by using financial counterparties with a credit rating of at least 'A', with the exception of operational bank accounts with The Royal Bank of Scotland International Limited which is rated by S&P as 'A-2'.

Key areas where the Group and Company is exposed to credit risk are:

- reinsurers' share of insurance liabilities;
- amounts due from reinsurers in respect of claims already paid;
- amounts held with banks and other financial institutions.

Reinsurance and Financial Institutions

All reinsurance and financial counterparties used have a credit rating of at least 'A-' where possible.

The Company partners with a limited number of counterparties, reducing exposure and mitigating contagion risk. Other than the whole account quota share ('QS') insurance mentioned in the next paragraph there is one other unrated reinsurer used on the 2006 and 2007 Dommages Ouvrages account (which was originally A rated).

CGICE has entered into a variable whole account QS agreement with a related reinsurer, a Guernsey based company. This company is currently unrated, so the transaction is on a full premium withheld basis.

Reinsurer credit ratings on the current and historic programmes are monitored on a quarterly basis and reported to the Risk Committee; any material deterioration is escalated to the Board.

Credit risk is also identified, assessed and monitored through the Risk Management Framework (see above for further details) which also necessitates regular review and evaluation of the mitigation measures in place to ensure the risk remains within risk appetite, and by the Board.

Prudent Person Principle

The Group and the Company operates in accordance with the 'prudent person principle' with counterparties selected by taking into account the credit rating (where applicable), reputation and due diligence checks and results.

4. Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay obligations as they fall due.

The Boards of the Group and Company are responsible for monitoring and managing liquidity risk; ensuring that it has liquidity available to meet both immediate and foreseeable cash flow requirements.

Prudent Person Principle

The Company keeps an amount available of cash equal to more than 75% of its net earned premium.

The business is therefore cash flow positive which means that premium income will normally more than offset claims outflows and in general the investment portfolios do not tend to be called upon to meet claims.

In accordance with Article 260 of the Solvency II regulations, (as it forms part of the laws of Gibraltar), the expected profit included in future premiums is £3,190k.

5. Operational Risk

CGH

CGH is exposed to a low level of operational risk, being a holding company; it outsources its operational functions to CGICE.

This risk is mitigated by CGICE having a comprehensive Risk Register and Business Continuity Plan in place. It is also exposed to a low level of crime risk, which is mitigated through the operational procedures CGICE has in place around the finance function (e.g., two authorisers on payments) which are reviewed as part of CGH's external audit.

There have been no material changes to operational risk in the reporting period.

CGICE

CGICE has in force a strong Risk Management Framework and via the Company's Risk Register identifies and looks to mitigate its Operational Risks.

Operational risk is the risk of loss from a failure of internal procedures and controls such as the loss of a key person or failure to identify potential regulatory or reputational risk.

CGICE's key operational risks are:

- Key Person Risk: the risk of losing knowledge, skills and leadership should a key person leave the Company.

The Company has in place a Business Continuity Plan which addresses Key Person Risk.

- Outsourcing Risk: the risk that a provider of key services is unable to operate;

The Company manages Outsourcing Risk via its Outsourcing Policy; Internal Audit Controls and its Underwriting and Audit Committee.

- Reputation risk: the risk of an event, internal or external affecting the reputation of the Company.

The Company has identified two types of reputational risk:

Commercial reputation – CGICE sells insurance through brokers and it is the reputation with those brokers that is key to their business. This is protected, and the risk to it mitigated, by appropriate policies and procedures (e.g., complaints procedure; Outsourcing Policy and Internal Audit).

Company reputation – this is a more general reputation risk for the Company as a regulated entity.

Both types of reputation risk are further mitigated by an own assessed capital allocation to cover potential loss of profit caused by reputational risk materialising.

- Distribution channel risk: The risk of a distributor failing.

CGICE operates in different lines of business and these are sold through different intermediaries which reduces CGICE's reliance on any one source of income and mitigates distribution concentration risk.

Operational risk within CGICE is identified, assessed and monitored through the Risk Management Framework which is overseen by the Risk Committee via the Risk Register.

There have been no material changes to the operational risks the Company is exposed to over the reporting period.

6. Other Material Risks

Covid-19

The Board of CGICE has been monitoring the development of Covid-19 and its potential impact on the E.U. Surety market and across all lines of business and has engaged specialists to review its actuarial exposure.

7. Any Other Information

There is no other material information regarding the Risk Profile that has not already been disclosed in the above Sections D1 to D7.

E. Valuation for Solvency Purposes

This section of the report provides information on the bases; methods and main assumptions used in the valuation of assets, technical provisions and liabilities for each material asset and liability class. The Company's GAAP balance sheet is presented in column B with the Company's SII balance sheet presented in Column E.

8. Assets

Tables included in subsequent pages.

As at 31 December 2020, the Group held the following assets:

Asset Class	GAAP Accounts Value (£'000)	Look Through (£'000)	Solvency reclassification (£'000)	Solvency Valuation Adj. (£'000)	Solvency Value (£'000)	Explanation of differences
Tangible and intangible assets	750	-	-	-750	-	See [1.3.1]
Property	685	-	-	-	685	See [1.3.2]
Bonds and secured loans	4,643	-	29	-	4,672	See [1.3.3]
Collective investment schemes	-	-	-	-	-	See [1.3.4]
Equity investments	6,930	-	-	-	6,930	See [1.3.5]
Intermediary and reinsurance receivables	6,691	-	-6,691	-	-	See [1.3.6]
Related company receivables	1,415	-	3	-	1,419	Not applicable
Reinsurers share of unearned premiums	8,473	-	-	-8,473	-	See [1.3.7]
Reinsurance share of claims reserves / Reinsurance share of technical provisions	27,569	16,534	-15,022	3,384	32,465	See [1.3.7] and [2.5.2]
Other technical provisions	-	-	-	-	-	See [1.3.7]
Cash and equivalents	24,927	-16,534	-	-	8,393	See [1.3.8]
Prepayments and accrued income	355	-	-358	-	-2	See [1.3.9]
Deferred acquisition costs	1,409	-	-1,409	-	-	See [1.3.10]
Other assets	538	-	-599	-	-60	See [1.3.11]
Deferred tax asset	55	-	-	232	287	See [1.3.12]
TOTAL	84,442	-	-24,047	-5,607	54,789	

As at 31 December 2019, the Group held the following assets:

Asset Class	GAAP Accounts Value (£'000)	Look Through (£'000)	Solvency reclassification (£'000)	Solvency Valuation Adj. (£'000)	Solvency Value (£'000)	Explanation of differences
Tangible and intangible assets	600	-	-	-600	-	See [1.3.1]
Property	2,295	-	-	-	2,295	See [1.3.2]
Bonds and secured loans	-	-	3,131	-	3,131	See [1.3.3]
Collective investment schemes	-	-	-	-	-	See [1.3.4]
Equity investments	6,958	-	1,050	-	8,009	See [1.3.5]
Intermediary and reinsurance receivables	3,651	-	-3,651	-	-	See [1.3.6]
Related company receivables	1,983	-	-1,983	-	-	Not applicable
Reinsurers share of unearned premiums	5,600	-	-	-3,687	1,913	See [1.3.7]
Reinsurance share of claims reserves / Reinsurance share of technical provisions	25,384	12,265	-12,891	1,983	26,666	See [1.3.7] and [2.5.2]
Other technical provisions	-	-	-	-	-	See [1.3.7]
Cash and equivalents	16,221	-12,265	-	-	3,956	See [1.3.8]
Prepayments and accrued income	1,050	-	-1,050	-	-	See [1.3.9]
Deferred acquisition costs	1,292	-	-1,292	-	-	See [1.3.10]
Other assets	5,449	-	-5,141	-	309	See [1.3.11]
Deferred tax asset	192	-	-	228	420	See [1.3.12]
TOTAL	70,675	-	-21,827	-2,076	46,698	

As at 31 December 2020, the Company held the following assets:

Asset Class	GAAP Accounts Value (£'000)	Look Through (£'000)	Solvency reclassification (£'000)	Solvency Valuation Adj. (£'000)	Solvency Value (£'000)	Explanation of differences
Tangible and intangible assets	750	-	-	-750	-	See [1.3.1]
Property	685	-	-	-	685	See [1.3.2]
Bonds and secured loans	5,766	-	29	-	5,795	See [1.3.3]
Collective investment schemes	-	-	-	-	-	See [1.3.4]
Equity investments	4,922	-	-	-	4,921	See [1.3.5]
Intermediary and reinsurance receivables	6,691	-	-3,700	-	2,991	See [1.3.6]
Related company receivables	1,415	-	3	-	1,418	Not applicable
Reinsurers share of unearned premiums	8,473	-	-	-8,473	-	See [1.3.7]
Reinsurance share of claims reserves / Reinsurance share of technical provisions	27,569	16,534	-15,022	3,384	32,464	See [1.3.7] and [2.5.2]
Other technical provisions	-	-	-	-	-	See [1.3.7]
Cash and equivalents	23,909	-16,534	-	-	7,375	See [1.3.8]
Prepayments and accrued income	348	-	-343	-	5	See [1.3.9]
Deferred acquisition costs	1,409	-	-1,409	-	-	See [1.3.10]
Other assets	3,784	-	-3,837	-	-53	See [1.3.11]
Deferred tax asset	55	-	-	231	285	See [1.3.12]
TOTAL	85,777	0	-24,279	-5,608	55,890	

As at 31 December 2019, the Company held the following assets:

Asset Class	GAAP Accounts Value (£'000)	Look Through (£'000)	Solvency reclassification (£'000)	Solvency Valuation Adj. (£'000)	Solvency Value (£'000)	Explanation of differences
Intangible assets	600	-	-	-600	-	See [1.3.1]
Property	2,295	-	-	-	2,295	See [1.3.2]
Bonds and secured loans	1,487	-	2,925	-	4,411	See [1.3.3]
Collective investment schemes		-	-	-	-	See [1.3.4]
Equity investments	6,922		1,050		7,972	See [1.3.5]
Intermediary and reinsurance receivables	3,651	-	-3,651	-	-	See [1.3.6]
Related company receivables	1,983	-	-1,983	-	-	Not applicable
Reinsurers share of unearned premiums	5,600	-		-3,687	1,913	See [1.3.7]
Reinsurance share of claims reserves / Reinsurance share of technical provisions	25,384	12,265	-12,891	1,983	26,666	See [1.3.7] and [2.5.2]
Other technical provisions	-	-	-	-	-	See [1.3.7]
Cash and equivalents	16,196	-12,265	-	-	3,932	See [1.3.8]
Prepayments and accrued income	1,050		-1,050	-	-	See [1.3.9]
Deferred acquisition costs	1,292	-	-1,292	-	-	See [1.3.10]
Other assets	5,216	-	-4,902	-	314	See [1.3.11]
Deferred tax asset	192	-	-	226	418	See [1.3.12]
TOTAL	71,867	-	-21,794	-2,077	47,921	

- 1.2. The valuation principles applied to these assets are consistent with those used in the GAAP accounts, with the following exceptions:
- 1.3.1 Tangible and intangible assets – these are not recognised in the Solvency II Regulation (as it forms part of the law of Gibraltar).
 - 1.3.2 Property – property transactions which display debt-like features and are secured on underlying properties have been looked-through and considered with bonds and secured loans on the Solvency II balance sheet.
 - 1.3.3 Bonds and secured loans – financial instruments displaying debt-like features have been looked through on the Solvency II balance sheet and recorded as bonds and secured loans. Further, the valuation has been adjusted to include accrued interest, which is included within accrued income in the GAAP balance sheet.
 - 1.3.4 Collective investment schemes – investments in financial instruments for which a full look-through has been unavailable have been reclassified to collective investment schemes.
 - 1.3.5 Equity investments – These have been adjusted to reflect investment returns. External equity holdings which are not listed are recorded at their audited value.
 - 1.3.6 Intermediary receivables – premiums to be received in the future from existing have been reclassified to technical provisions.
 - 1.3.7 Reinsurance share of unearned premiums and other technical provisions – these are not recognised on the Solvency II balance sheet as they are non-cash settled balances. Instead, the expected claims payable on unearned premiums are recorded within reinsurance share of technical provisions.
 - 1.3.8 Cash and cash equivalents – financial instruments displaying features like debt or equity have been looked through on the Solvency II balance sheet and removed from cash and cash equivalents. The value of cash and cash equivalents has been adjusted to reflect accrued income. Amounts are reclassified to technical provisions where they relate to collateral arrangements
 - 1.3.9 Prepayments and accrued income – prepayments are not recognised on the Solvency II balance sheet as they are non-cash settled balances, whereas accrued income on cash and bonds have been reversed and included in the valuation of the underlying asset.
 - 1.3.10 Deferred acquisition costs – these are not recognised on the Solvency II balance sheet as they are non-cash settled balances.
 - 1.3.11 Other assets – other assets have been moved to technical provisions where they are technical in nature.
 - 1.3.12 Deferred tax asset – valued based on the expected tax benefit once the valuation adjustments to transition to solvency valuations unwind.

9. Technical Provisions

- 2.1 The GAAP accounts of both the Group and the Company include provisions for claims incurred based on earned premiums which consider all reasonably foreseeable best estimates.

This includes reserves for claims incurred plus a provision for claims Incurred But Not Yet Reported ('IBNR'). The Group and the Company also considers any amounts recoverable from reinsurance contracts in respect of its claim's reserves and IBNR. All data in section [9] below relates to both the Group and the Company unless otherwise stated.

- 2.2 The technical provisions by line of business are as follows:

Group and Company, as at 31 December 2020:

Line of business	Technical Provisions (exc. Risk Margin) (£'000)	Risk Margin (£'000)	Technical Provisions (£'000)
Motor Vehicle Liability	5,732	171	5,903
Other Motor Insurance	29	1	30
Fire & Other Damage to Property	7,757	231	7,988
General Liability	12,138	362	12,500
Credit and Suretyship	8,365	249	8,615
Legal Expenses	4,603	137	4,741
Miscellaneous financial loss	-141	-	-141
TOTAL	38,484	1,152	39,635

Group and Company, as at 31 December 2019:

Line of business	Technical Provisions (exc. Risk Margin) (£'000)	Risk Margin (£'000)	Technical Provisions (£'000)
Motor Vehicle Liability	9,710	325	10,035
Other Motor Insurance	48	2	49
Fire & Other Damage to Property	7,246	243	7,489
General Liability	13,912	466	14,378
Credit and Suretyship	2,114	71	2,185
Legal Expenses	65	2	67
TOTAL	33,095	1,108	34,203

Negative technical provisions arise where future premiums exceed provisions for claims.

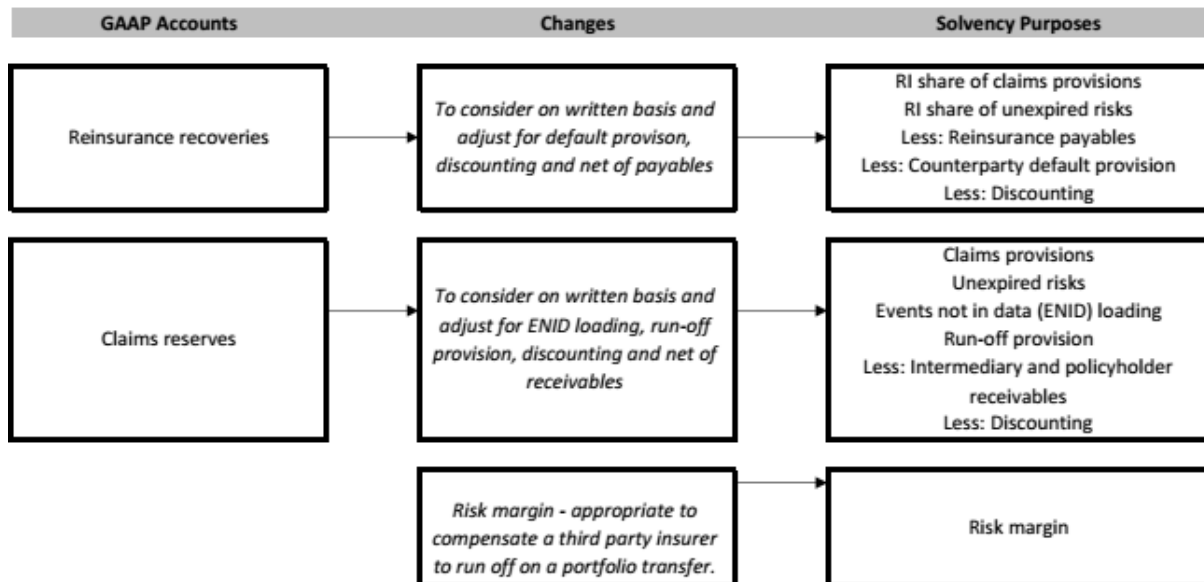
2.3 The key areas of uncertainty around technical provisions are as follows:

- 2.3.1 Estimation of outstanding loss reserves (“OSLR”) – while information about claims is generally available, assessing the cost of settling the claim is subject to some uncertainty.
- 2.3.2 Estimation of the losses relating to claims IBNR – this is generally subject to a greater degree of uncertainty than estimating the OSLR since the nature of the claims is not known at the time of reserving.
- 2.3.3 Estimation of claims arising on business which have not yet expired (“unexpired risks”) – this is uncertain as the claims have not yet been incurred but are expected to be incurred on the business which the Company has written.
- 2.3.4 Market environment – changes in the market environment increase the inherent uncertainty affecting the business. In particular, claims inflation, propensity for UK motor and liability claims to settle through periodic payment orders (‘PPOs’) and the Legal Aid, Sentencing and Punishment of Offenders (‘LASPO’) Act have all impacted the market environment in recent years.
- 2.3.5 Events not in data (‘ENID loading’) – estimating a provision for events not in data is subject to considerable uncertainty as the events being reserved have not been observed.
- 2.3.6 Run-off expenses – the estimation of the change in expense base for run-off of the Company is inherently uncertain due to the estimations around the period of the run-off, base costs and inflation.
- 2.3.7 Risk margin – the risk margin, being the margin payable to transfer the business to another insurance carrier, is uncertain due to the requirement to forecast future solvency capital requirements over the period of a run-off. This therefore shares the same uncertainties of the runoff expenses provision considered at [2.3.6], as well as the inherent uncertainties around forecasting future solvency capital requirements.

2.4 The Company manages the risks around these uncertainties via the following actions:

- 2.4.1 Ongoing monitoring of claims, including regular reviews of claims handling functions.
- 2.4.2 Maintaining a number of reinsurance arrangement to limit the impact of adverse claims development (see [2.8]).
- 2.4.3 Internal controls through the Underwriting Committee, Audit Committee and Actuarial Function which monitor claims development and reinsurance arrangements.
- 2.4.4 Regular external actuarial reviews.

2.5 The changes required to transition from GAAP accounts to technical provisions for solvency purposes are consistent, and are noted below:



We shall consider each of these adjustments to transition from GAAP accounts to solvency technical provisions.

2.5.1 Claims provisions

The Company and Group has adjusted its claims provision in its GAAP accounts in recording the claims provisions for solvency purposes as at 31 December 2020 to reclassify balances of a technical nature from other debtors and creditors to technical provisions and to consider the impact of contract boundaries.

The claims provisions for the company and group as at:

(£'000)	Dec-20	Dec-19
Claims Provisison	£36,002	£31,745

Other than reclassifications and adjustment as a result of consideration of contract boundaries, there have been no further adjustments resulting from reserving methodologies.

2.5.2 Reinsurance share of claims provision

The Company and Group has adjusted its reinsurance recoveries in its GAAP accounts in recording the reinsurance share of claims provisions for solvency purposes as at 31 December 2020 to reclassify balances of a technical nature from other debtors and creditors to technical provisions and to consider the impact of contract boundaries.

The reinsurance shares of claims provisions as at:

(£'000)	Dec-20	Dec-19
Reinsurance share of claims provision	£29,081	£27,292

Other than reclassifications and adjustment as a result of consideration of contract boundaries, there have been no further adjustments resulting from reserving methodologies.

2.5.3 Unexpired risks

The Company and the Group have estimated the claims which will be payable on unexpired risks (sometimes termed 'premium provisions') based on the ultimate loss ratios and large loss experience from the claims provisions.

The premium provision as at:

(£'000)	Dec-20	Dec-19
Unexpired risks	£5,492	£3,236

2.5.4 Reinsurance share of unexpired risks

The Company and the Group have estimated the amounts recoverable on unexpired risks (sometimes termed 'reinsurance share of premium provisions') based on the ultimate loss ratios from the claims provisions.

The reinsurance share of premium provisions as at:

(£'000)	Dec-20	Dec-19
Reinsurance share of unexpired risks	£3,382	£1,913

2.5.5 Intermediary and policyholder receivables

Intermediary and policyholder receivables are netted off the technical provisions for solvency purposes.

There are no valuation differences between GAAP accounts and intermediary and policyholder receivables for solvency purposes other than to recognise additional recoverable amounts as a result of considering contract boundaries.

The insurance receivables for the company and group as at:

(£'000)	Dec-20	Dec-19
Intermediary and policyholder receivables	£6,054	£3,651

2.5.6 Other receivables and payables in technical provisions

Other receivables and payables, notably claims funds held by intermediaries are netted off the technical provisions for solvency purposes.

2.5.7 Reinsurance payables

Net reinsurance payables are netted off the reinsurance recoveries for solvency purposes.

There are no valuation differences between GAAP accounts and net reinsurance payables for solvency purposes other than to recognise additional recoverable amounts as a result of considering contract boundaries.

2.5.8 Events not in data loading

Technical provisions for solvency purposes are required to allow for all possible events, including those that may not have been historically realised before. Such events not presented in a set of observable historical loss data are often called Events Not In Data ("ENID").

This is a difference in valuation methodology compared to the GAAP accounts which consider best estimates which can be reasonably foreseen, and therefore leads to a loading on the technical provisions to consider the probability weighted effect of events which have not previously been observed.

The Company and Group have undertaken an assessment of previously unobserved events for each line of business and sought to consider the probability weighted effect

of such events and given the business model, believe that such unobserved events are unlikely.

As such, the ENID loading applied by the Company and the Group as at:

(£'000)	Dec-20	Dec-19
ENIDs	£378	£367

2.5.9 Counterparty default provision

The Company and the Group have considered a provision for default by one or more of its reinsurance providers. The provision is based on the total exposure to the counterparty, the rating of the counterparty and the existence of any collateral arrangements with the counterparty.

The Company and Group estimate the counterparty default provision and consider each of the exposures, net of collateral arrangements in existence, apply the estimated probability of default by rating and derive a weighted average probability of default.

The Company and Group have calculated the weighted average probability of default of reinsurers as 0.04% (2019: 0.004%), and thus the counterparty default adjustment is:

(£'000)	Dec-20	Dec-19
Counterparty default provision	£19	£17

2.5.10 Run-off provision

Technical provisions for solvency purposes are required to take account of all expenses that will be incurred in servicing insurance obligations. This is commonly referred to as a 'run-off' provision as it therefore considers all future expenses which would be incurred to allow the existing obligations to run-off.

The Company and the Group have considered a run-off period of fourteen years and estimated the level of future expenses based on the current level of expenses, weighted by a ratio which represents the amount that the ongoing business assumption is not covering the expected expenses projected and underlying expense inflation.

The run-off provision applied by the Company and the Group as at:

(£'000)	Dec-20	Dec-19
Run-off provision	£2,707	£2,634

2.5.11 Discounting

Discounting has been applied in the technical provisions based on the yield curves as at 31 December 2020 as issued by the European Insurance and Occupational Pensions Authority ("EIOPA").

(£'000)	Dec-20	Dec-19
Discounting Gross TPs impact	£42	£1,237
Discounting RI share of TPs impact	£21	£903

2.5.12 Risk Margin

The risk margin has been considered to ensure that the value of the technical provisions is equivalent to the amount that would be expected to have to be paid to a third-party insurance company in order to take over and meet the insurance obligations of the Company.

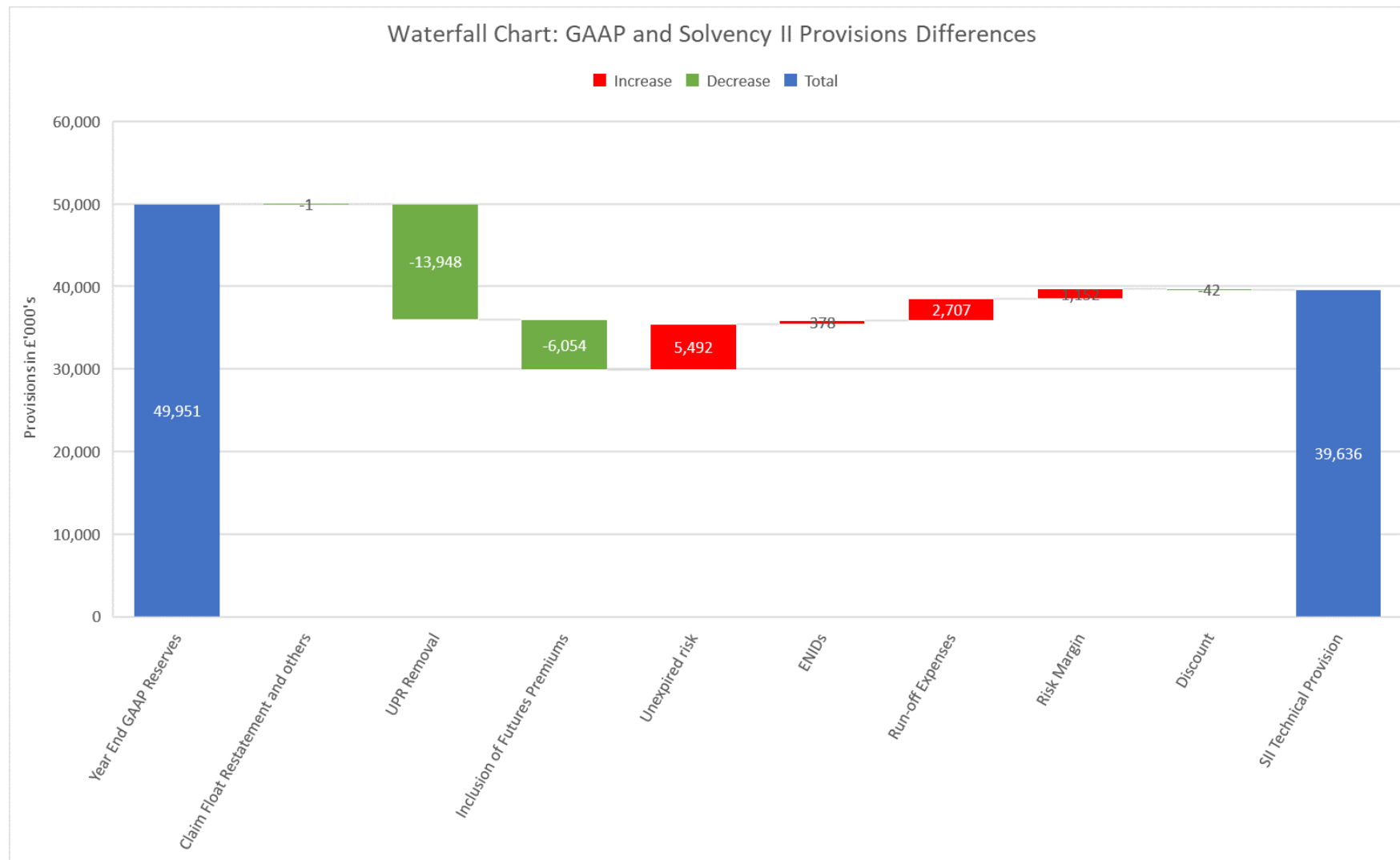
The risk margin has been calculated based on the estimated capital requirements to run off the Company's obligations and applying a cost of capital of 6%.

The capital required to run-off the portfolio is based on the future estimated SCRs, taking account of underwriting risk and reinsurance counterparty risk. This results in a risk margin for the Company and Group of:

(£'000)	Dec-20	Dec-19
Risk Margin	£1,152	£1,108

2.6 Neither the Group nor the Company have applied the matching adjustment, volatility adjustment, transitional risk-free interest term structure or the transitional deduction in calculating its technical provisions.

2.7 The changes to technical provisions as at 31 December 2020 highlighted above are reflected in the waterfall diagrams below:



2.8 The key reinsurance arrangements in place are as follows:

2.8.1 Motor vehicle liability and other motor insurance

The Company caps its underwriting risk at £750k for UK policies via a non-proportional (“XoL”) treaty.

The panel of reinsurers in the XoL treaty are predominately counterparties with good ratings from a well-known rating agency.

The Company also has a proportional (“QS”) treaty with two well rated counterparties, which limits the Company’s underwriting risk to 25% of the total exposure, after large losses are recovered from the XoL treaty (i.e., “net losses”).

2.8.2 Liability

The Company caps its underwriting risk at £500k for UK business or €650k for European business via an XoL treaty with well rated counterparties.

The Company also has a QS treaty in place which limits the Company’s underwriting risk to 25% of the net losses.

2.8.3 Credit and suretyship

The Company has a QS treaty with a well rated counterparty in respect of its Italian bonds, limiting the Company’s underwriting risk to 35% of the net losses, and some variable QS placements on the Norwegian business.

There is an XOL treaty in place for the Dommage Ouvrage, UK Structural Defects, Spanish Bond and French Surety accounts.

2.8.4 Legal expenses

The Company has a QS treaty with a well rated counterparty, limiting the Company’s underwriting risk of the net losses to nil.

2.8.5 Pet Insurance – Liability

The Company caps its third-party liability risk at £25k per claim for its UK Pet business with an “A” rated reinsurer.

There is a whole account Quota Share in place with the group’s related reinsurer on a funds withheld basis.

10. Other Liabilities

3.1 As at 31 December 2020, the Group recorded the following classes of liabilities for solvency purposes:

Other Liability	GAAP Accounts Value (£'000)	Solvency Value (£'000)	Explanation of differences
Subordinated liabilities	5,000	-	Reclassified to tier 2 capital. See section[F]
Reinsurance payables	15,000	-	Reclassified to technical provisions
Payables (trade, not insurance)	1,508	1,292	Reclassification of technical balances to technical provisions
Any other liabilities, not elsewhere shown	1,288	-	Reversal of deferred income and inclusion of accruals Commissions payable to intermediaries reclassified to technical provisions

There have been no valuation adjustments for solvency purposes.

3.2 As at 31 December 2019, the Group recorded the following classes of liabilities for solvency purposes:

Other Liability	GAAP Accounts Value (£'000)	Solvency Value (£'000)	Explanation of Differences
Subordinated Debt	5,000	-	Reclassified to tier 2 capital. See section F.
Accruals & Deferred Income	333	-	Reversal of deferred income and inclusion of accruals
Reinsurance Accounts payable	11,970	-	Commissions payable to intermediaries reclassified to technical provisions
Other Creditors, Including Corporation Tax & IPT	257	-	Reclassification of technical balances to technical provisions

3.3 As at 31 December 2020, the Company recorded the following classes of liabilities for solvency purposes:

Other Liability	GAAP Accounts Value (£'000)	Solvency Value (£'000)	Explanation of differences
Subordinated liabilities	5,000	-	Reclassified to tier 2 capital. See section[F]
Reinsurance payables	15,000	-	Reclassified to technical provisions
Payables (trade, not insurance)	1,747	1,292	Reclassification of technical balances to technical provisions
Any other liabilities, not elsewhere shown	1,288	-	Reversal of deferred income and inclusion of accruals Commissions payable to intermediaries reclassified to technical provisions

There have been no valuation adjustments for solvency purposes.

3.4 As at 31 December 2019, the Company recorded the following classes of liabilities for solvency purposes:

Other Liability	GAAP Accounts Value (£'000)	Solvency Value (£'000)	Explanation of Differences
Subordinated Debt	5,000	-	Reclassified to tier 2 capital. See section E.
Accruals & Deferred Income	333	-	Reversal of deferred income and inclusion of accruals
Reinsurance Accounts payable	11,970	-	Commissions payable to intermediaries reclassified to technical provisions
Other Creditors, Including Corporation Tax & IPT	241	-	Reclassification of technical balances to technical provisions

There have been no valuation adjustments for solvency purposes.

11. Alternative Methods for Valuation

Not applicable for the Group or the Company.

12. Any Other Information

There is no other material information regarding the “Valuation for Solvency Purposes” that has not already been disclosed in the above Sections E1 to E5.

F. Capital Management

1. Own Funds

- 1.1. The Group and the Company undertake an Own Risk and Solvency Assessment ('ORSA') exercise at least annually, or when the risk profile of the Group or the Company changes.

The ORSA exercise incorporates the business planning process which is typically considered over a three-year time horizon. There have been no significant changes in the reporting period.

- 1.2. The Company and Group classifies its own funds as tier 1, tier 2 or tier 3 depending on the characteristics of the capital. Tier 1 capital is the best form of capital for the purposes of absorbing losses.

The Group's own funds are as follows:

		2020		2019	
Own fund items	Tier	£'000	%	£'000	%
Share Capital and Share Premium	1	2,250	16	2,050	16
Reconciliation Reserve	1	6,324	46	5,025	40
Subordinated Debt	2	5,000	36	5,000	40
Deferred Tax Asset	3	287	2	420	3
		13,861	100	12,495	100

The Company's own funds are as follows:

		2020		2019	
Own fund items	Tier	£'000	%	£'000	%
Share Capital and Share Premium	1	2,200	15	2,000	15
Reconciliation Reserve	1	7,476	50	6,300	46
Subordinated Debt	2	5,000	33	5,000	36
Deferred Tax Asset	3	286	2	418	3
		14,962	100	13,718	100

The reconciliation reserve represents retained earnings and reconciliation adjustments from GAAP balance sheet to SII balance sheet.

1.3. The movement in own funds during the year ended 31 December 2020 is shown below:

	GROUP		COMPANY	
	£'000	£'000	£'000	£'000
(Deficit)/surplus at 31 December 2019		1,513		2,694
Profit per management accounts	1,547		1,435	
<i>Adjustments to reconcile GAAP to SII profit:</i>				
<i>Changes in disallowable assets</i>	-606		-616	
<i>Change in RI counterparty default provision</i>	-2		-2	
<i>Change in risk margin and expense adjust.</i>	-116		-116	
<i>Change resulting from discounting</i>	-270		-270	
<i>Net changes in premium provisions, ENIDs, etc.</i>	809		809	
<i>Other changes (including deferred tax)</i>	4		5	
Solvency II loss		1,366		1,244
Previous period SCR	10,982		11,025	
Current period SCR	11,775		10,916	
Decrease/(increase) in SCR		-793		109
Surplus as at 31 December 2020		2,085		4,046

1.4. The eligible capital which may be used towards meeting the Solvency Capital Requirement ('SCR') and Minimum Capital Requirement ('MCR') of the Group are as follows:

		2020		2019	
		Eligible capital for the		Eligible capital for the	
Own fund items	Tier	SCR (£'000)	MCR (£'000)	SCR (£'000)	MCR (£'000)
Share Capital and Share Premium	1	2,250	2,250	2,050	2,050
Reconciliation Reserve	1	6,324	6,324	5,025	5,025
Subordinated Debt	2	5,000	669.18	5,000	637
Deferred Tax Asset	3	286.53	-	420	-
		13,861	9,243	12,495	7,712

2. Solvency Capital Requirements & Minimum Capital Requirements

2.1. The SCR and MCR of the Company and Group as at 31 December 2020 was:

	COMPANY	GROUP
SCR	10,916.00	11,775.24
MCR	3,345.91	3,345.91

The SCR of the Company and Group is made up as follows:

2.1.1. The Company and the Group are exposed to market risks derived predominately from the assets held by the Company and the Group to meet its insurance liabilities, although exposures to shocks in interest rates and currency rates also considered in the exposure from underwriting risks.

	2020		2019	
Market Risk	Company (£'000)	Group (£'000)	Company (£'000)	Group (£'000)
Interest Rate	25	14	109	105
Spread	806	589	144	126
Equity	1,083	1,525	1,754	1,762
Currency	1,589	1,444	1,412	1,412
Property	171	171	574	574
Concentration	3,949	5,255	5,992	5,937
Diversification	-2,785	-3,004	-3,247	-3,230
TOTAL	4,838	5,994	6,738	6,686

1.1.2. The Company and Group are exposed to counterparty risks in the form of cash deposits and recoveries from reinsurers and from receivables from other debtors.

	2020		2019	
Counterparty Risk	Company (£'000)	Group (£'000)	Company (£'000)	Group (£'000)
Type 1	1,353	1,382	607	608
Type 2	-	-	-	-
Diversification	-	-	-	-
TOTAL	1,353	1,382	607	608

- 1.1.3. The Company and Group are exposed to non-life underwriting risk as a result of the insurance policies it sells. The risks are based on volatility around earned premiums and claims reserves, to catastrophe events to which the Company and Group may be exposed as well as the event that policyholders discontinue profitable policies.

	2020		2019	
Non-Life Underwriting Risk	Company (£'000)	Group (£'000)	Company (£'000)	Group (£'000)
Premium & Reserve	4,804	4,804	3,174	3,174
Catastrophe	3,174	3,174	3,821	3,821
Lapse	339	339	182	182
Diversification	-1,923	-1,923	-1,630	-1,630
TOTAL	6,395	6,395	5,547	5,547

- 1.1.4. The final solvency capital requirement of the Company and the Group is the aggregation of the market, counterparty and non-life underwriting risks, less a credit for diversification, and then an additional charge to represent the operational risks faced by the Company and the Group.

	2020		2019	
Solvency Capital Requirement	Company (£'000)	Group (£'000)	Company (£'000)	Group (£'000)
Market	4,838	5,994	6,738	6,686
Counterparty	1,353	1,382	607	608
Non-life Underwriting	6,395	6,395	5,547	5,547
Basic SCR Diversification	-2,915	-3,241	-2,860	-2,852
Operational	1,245	1,245	993	993
TOTAL	10,916	11,775	11,024	10,982

- 1.2. Neither the Company nor the Group have utilised simplified calculations in applying the standard model and there has been no use of undertaking specific parameters in the non-life underwriting risk calculations.

1.3. The inputs used to calculate the MCR of the Company are as follows:

	Net (of Reinsurance) Best Estimate and Technical Provisions Calculated as a Whole		Net (of Reinsurance) Written Premiums in the Last 12 Months	
Line of business	2020 (£'000)	2019 (£'000)	2020 (£'000)	2019 (£'000)
Motor Vehicle Liability	923	1,086	-	-
Other Motor Insurance	5	4	-	-
Fire & Other Damage to Property	3,300	2,196	3,132	1,974
General Liability	2,544	2,774	2	-
Credit & Suretyship	-	-	5,821	4,621
Legal Expenses	-	4	622	-
Miscellaneous Financial Loss	-	-	228	-

3. Non-Compliance with the MCR and Non-Compliance with the SCR

- 2.1. The Company has maintained capital sufficient to meet its minimum capital requirement throughout the period covered by this report.
- 2.2. The Company has maintained capital sufficient to meet its solvency capital requirement throughout the period covered by this report.

4. Any Other Information

There is no other material information regarding Capital Management that has not already been disclosed in the above Sections F1 to F3.

G. Quantitative Reporting Templates

CG Holdings (Gibraltar) Limited

Annual QRTs
Year ended 31st December 2020

S.02.01.01

Balance sheet

		Solvency II value
		C0010
Assets		
R0010	Goodwill	
R0020	Deferred acquisition costs	
R0030	Intangible assets	0.00
R0040	Deferred tax assets	286,525.35
R0050	Pension benefit surplus	0.00
R0060	Property, plant & equipment held for own use	0.00
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	7,615,349.31
R0080	<i>Property (other than for own use)</i>	684,999.26
R0090	<i>Holdings in related undertakings, including participations</i>	0.00
R0100	<i>Equities</i>	6,930,350.05
R0110	<i>Equities - listed</i>	0.00
R0120	<i>Equities - unlisted</i>	6,930,350.05
R0130	<i>Bonds</i>	0.00
R0140	<i>Government Bonds</i>	0.00
R0150	<i>Corporate Bonds</i>	0.00
R0160	<i>Structured notes</i>	0.00
R0170	<i>Collateralised securities</i>	0.00
R0180	<i>Collective Investments Undertakings</i>	0.00
R0190	<i>Derivatives</i>	0.00
R0200	<i>Deposits other than cash equivalents</i>	0.00
R0210	<i>Other investments</i>	0.00
R0220	Assets held for index-linked and unit-linked contracts	0.00
R0230	Loans and mortgages	4,672,168.99
R0240	<i>Loans on policies</i>	0.00
R0250	<i>Loans and mortgages to individuals</i>	336,775.04
R0260	<i>Other loans and mortgages</i>	4,335,393.95
R0270	Reinsurance recoverables from:	32,464,869.56
R0280	<i>Non-life and health similar to non-life</i>	32,464,869.56
R0290	<i>Non-life excluding health</i>	32,464,869.56
R0300	<i>Health similar to non-life</i>	0.00
R0310	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	0.00
R0320	<i>Health similar to life</i>	0.00
R0330	<i>Life excluding health and index-linked and unit-linked</i>	0.00
R0340	<i>Life index-linked and unit-linked</i>	0.00
R0350	Deposits to cedants	0.00
R0360	Insurance and intermediaries receivables	0.00
R0370	Reinsurance receivables	1,418,699.02
R0380	Receivables (trade, not insurance)	0.00
R0390	Own shares (held directly)	0.00
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0.00
R0410	Cash and cash equivalents	8,393,380.00
R0420	Any other assets, not elsewhere shown	-62,448.98
R0500	Total assets	54,788,543.26

		Solvency II value
		C0010
Liabilities		
R0510	Technical provisions - non-life	39,635,495.23
R0520	<i>Technical provisions - non-life (excluding health)</i>	39,635,495.23
R0530	<i>TP calculated as a whole</i>	0.00
R0540	<i>Best Estimate</i>	38,483,638.43
R0550	<i>Risk margin</i>	1,151,856.80
R0560	<i>Technical provisions - health (similar to non-life)</i>	0.00
R0570	<i>TP calculated as a whole</i>	
R0580	<i>Best Estimate</i>	
R0590	<i>Risk margin</i>	
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0.00
R0610	<i>Technical provisions - health (similar to life)</i>	0.00
R0620	<i>TP calculated as a whole</i>	
R0630	<i>Best Estimate</i>	
R0640	<i>Risk margin</i>	
R0650	<i>Technical provisions - life (excluding health and index-linked and unit-linked)</i>	0.00
R0660	<i>TP calculated as a whole</i>	
R0670	<i>Best Estimate</i>	
R0680	<i>Risk margin</i>	
R0690	Technical provisions - index-linked and unit-linked	0.00
R0700	<i>TP calculated as a whole</i>	
R0710	<i>Best Estimate</i>	
R0720	<i>Risk margin</i>	
R0730	Other technical provisions	
R0740	Contingent liabilities	0.00
R0750	Provisions other than technical provisions	0.00
R0760	Pension benefit obligations	0.00
R0770	Deposits from reinsurers	0.00
R0780	Deferred tax liabilities	0.00
R0790	Derivatives	0.00
R0800	Debts owed to credit institutions	0.00
R0810	Financial liabilities other than debts owed to credit institutions	0.00
R0820	Insurance & intermediaries payables	0.00
R0830	Reinsurance payables	0.00
R0840	Payables (trade, not insurance)	1,292,386.93
R0850	Subordinated liabilities	5,000,000.00
R0860	<i>Subordinated liabilities not in BOF</i>	0.00
R0870	<i>Subordinated liabilities in BOF</i>	5,000,000.00
R0880	Any other liabilities, not elsewhere shown	0.00
R0900	Total liabilities	45,927,882.16
R1000	Excess of assets over liabilities	8,860,661.09

S.05.01.01
Premiums, claims and expenses by line of business
Non-life

Non-life		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)							Total
		Motor vehicle liability insurance	Other motor insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Miscellaneous financial loss	
		C0040	C0050	C0070	C0080	C0090	C0100	C0120	
Premiums written									
R0110	Gross - Direct Business	0.00	0.00	6,775,253.22	3,326.51	18,506,279.51	8,531,240.00	459,044.59	34,275,143.83
R0120	Gross - Proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0130	Gross - Non-proportional reinsurance accepted								0.00
R0140	Reinsurers' share	0.00	0.00	3,642,911.68	1,663.26	12,685,390.63	7,909,416.00	231,526.60	24,470,908.15
R0200	Net	0.00	0.00	3,132,341.55	1,663.26	5,820,888.88	621,824.00	227,518.00	9,804,235.68
Premiums earned									
R0210	Gross - Direct Business	0.00	0.00	5,605,418.21	3,326.51	15,560,722.50	8,531,240.00	19,126.86	29,719,834.08
R0220	Gross - Proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0230	Gross - Non-proportional reinsurance accepted								0.00
R0240	Reinsurers' share	0.00	0.00	3,057,994.17	1,663.26	10,618,922.86	7,909,416.00	9,646.94	21,597,643.23
R0300	Net	0.00	0.00	2,547,424.04	1,663.26	4,941,799.64	621,824.00	9,479.92	8,122,190.86
Claims incurred									
R0310	Gross - Direct Business	-1,677,546.56	-367,493.74	3,973,432.15	-629,479.59	6,245,027.49	5,118,744.00	11,476.11	12,674,159.86
R0320	Gross - Proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0330	Gross - Non-proportional reinsurance accepted								0.00
R0340	Reinsurers' share	-1,564,096.59	-342,640.69	2,241,751.92	-568,087.63	4,746,815.53	4,745,649.60	5,738.06	9,265,130.20
R0400	Net	-113,449.97	-24,853.05	1,731,680.23	-61,391.96	1,498,211.96	373,094.40	5,738.06	3,409,029.66
Changes in other technical provisions									
R0410	Gross - Direct Business	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0420	Gross - Proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0430	Gross - Non-proportional reinsurance accepted								0.00
R0440	Reinsurers' share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0500	Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0550	Expenses incurred	0.00	0.00	1,401,078.15	59,507.57	4,122,359.77	770,418.24	44,993.73	6,398,357.47
R1300	Total expenses								6,398,357.47

S.05.02.01
Premiums, claims and expenses by country

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Non-life	Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country	
		ES	GB	FR	IT	NO		
R0010		C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written								
R0110	Gross - Direct Business	0.00	10,550,928.85	17,066,747.47	3,786,331.46	2,829,132.09	42,003.96	34,275,143.83
R0120	Gross - Proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0130	Gross - Non-proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0140	Reinsurers' share	0.00	6,716,255.73	12,643,082.91	2,629,652.80	2,460,914.74	21,001.98	24,470,908.15
R0200	Net	0.00	3,834,673.12	4,423,664.56	1,156,678.66	368,217.35	21,001.98	9,804,235.68
Premiums earned								
R0210	Gross - Direct Business	0.00	8,847,224.31	14,709,042.99	3,605,132.79	2,516,430.03	42,003.96	29,719,834.08
R0220	Gross - Proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0230	Gross - Non-proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0240	Reinsurers' share	0.00	5,585,855.43	11,369,809.36	2,492,181.41	2,128,795.04	21,001.98	21,597,643.23
R0300	Net	0.00	3,261,368.88	3,339,233.63	1,112,951.38	387,634.99	21,001.98	8,122,190.86
Claims incurred								
R0310	Gross - Direct Business	0.00	939,693.54	6,505,257.85	1,319,368.67	4,010,585.44	361,042.96	13,135,948.46
R0320	Gross - Proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0330	Gross - Non-proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0340	Reinsurers' share	0.00	582,765.04	4,532,432.46	997,364.93	3,354,878.09	180,521.48	9,647,962.00
R0400	Net	0.00	356,928.50	1,972,825.39	322,003.74	655,707.35	180,521.48	3,487,986.46
Changes in other technical provisions								
R0410	Gross - Direct Business	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0420	Gross - Proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0430	Gross - Non-proportional reinsurance accepted	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0440	Reinsurers' share	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0500	Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0550	Expenses incurred	0.00	2,565,432.70	2,063,476.68	1,347,077.80	378,678.06	43,692.22	6,398,357.47
R1200	Other expenses							
R1300	Total expenses							6,398,357.47

S.23.01.04
Own Funds

Basic own funds before deduction for participations in other financial sector

R0010	Ordinary share capital (gross of own shares)
R0020	Non-available called but not paid in ordinary share capital at group level
R0030	Share premium account related to ordinary share capital
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings
R0050	Subordinated mutual member accounts
R0060	Non-available subordinated mutual member accounts at group level
R0070	Surplus funds
R0080	Non-available surplus funds at group level
R0090	Preference shares
R0100	Non-available preference shares at group level
R0110	Share premium account related to preference shares
R0120	Non-available share premium account related to preference shares at group level
R0130	Reconciliation reserve
R0140	Subordinated liabilities
R0150	Non-available subordinated liabilities at group level
R0160	An amount equal to the value of net deferred tax assets
R0170	The amount equal to the value of net deferred tax assets not available at the group level
R0180	Other items approved by supervisory authority as basic own funds not specified above
R0190	Non available own funds related to other own funds items approved by supervisory authority
R0200	Minority interests (if not reported as part of a specific own fund item)
R0210	Non-available minority interests at group level

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own

R0280	Total deductions
R0290	Total basic own funds after deductions
R0400	Total ancillary own funds
R0440	Total own funds of other financial sectors
Own funds when using the D&A, exclusively or in combination of method 1	
R0450	Own funds aggregated when using the D&A and combination of method
R0460	Own funds aggregated when using the D&A and combination of method net of IGT
R0520	Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)
R0530	Total available own funds to meet the minimum consolidated group SCR
R0560	Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)
R0570	Total eligible own funds to meet the minimum consolidated group SCR (group)
R0590	Consolidated Group SCR
R0610	Minimum consolidated Group SCR
R0630	Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)
R0650	Ratio of Eligible own funds to Minimum Consolidated Group SCR
R0660	Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)
R0670	SCR for entities included with D&A method
R0680	Group SCR
R0690	Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A

Reconciliation reserve

R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Foreseeable dividends, distributions and charges
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0750	Other non available own funds
R0760	Reconciliation reserve

Expected profits

R0770	Expected profits included in future premiums (EPIFP) - Life business
R0780	Expected profits included in future premiums (EPIFP) - Non- life business
R0790	Total Expected profits included in future premiums (EPIFP)

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
28,311.00	28,311.00		0.00	
0.00				
2,222,100.00	2,222,100.00		0.00	
0.00	0.00		0.00	
0.00		0.00	0.00	0.00
0.00				
0.00	0.00			
0.00	0.00			
0.00		0.00	0.00	0.00
0.00				
0.00				
0.00		0.00	0.00	0.00
0.00				
6,323,724.74	6,323,724.74			
5,000,000.00		0.00	5,000,000.00	0.00
0.00				
286,525.35				286,525.35
0.00				0.00
0.00	0.00	0.00	0.00	0.00
0.00				
0.00				
0.00				

0.00	0.00	0.00	0.00	0.00
13,860,661.09	8,574,135.74	0.00	5,000,000.00	286,525.35
0.00			0.00	0.00
0.00	0.00	0.00	0.00	0.00

0.00				
0.00				
13,860,661.09	8,574,135.74	0.00	5,000,000.00	286,525.35
13,574,135.74	8,574,135.74	0.00	5,000,000.00	
13,860,661.09	8,574,135.74	0.00	5,000,000.00	286,525.35
9,243,317.74	8,574,135.74	0.00	669,182.00	
11,775,240.04				
3,345,910.00				
117.71%				
276.26%				
13,860,661.09	8,574,135.74	0.00	5,000,000.00	286,525.35
0.00				
11,775,240.04				
117.71%				

C0060
8,860,661.09
2,536,936.35
0.00
6,323,724.74

3,189,517.94
3,189,517.94

S.25.01.04

Solvency Capital Requirement - for groups on Standard Formula

Z0010

Article 112

Regular reporting

	Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustment portfolios	USP	Simplifications
	C0030	C0040	C0050	C0090	C0120
R0010 Market risk	5,994,267.18	5,994,267.18	0.00		
R0020 Counterparty default risk	1,381,863.39	1,381,863.39	0.00		
R0030 Life underwriting risk			0.00		
R0040 Health underwriting risk			0.00		
R0050 Non-life underwriting risk	6,394,970.57	6,394,970.57	0.00		
R0060 Diversification	-3,241,066.95	-3,241,066.95			
R0070 Intangible asset risk		0.00			
R0100 Basic Solvency Capital Requirement	10,530,034.18	10,530,034.18			
Calculation of Solvency Capital Requirement					
	C0100				
R0120 Adjustment due to RFF/MAP nSCR aggregation					
R0130 Operational risk	1,245,205.86				
R0140 Loss-absorbing capacity of technical provisions	0.00				
R0150 Loss-absorbing capacity of deferred taxes					
R0160 Capital requirement for business operated in accordance					
R0200 Solvency Capital Requirement excluding capital add-on	11,775,240.04				
R0210 Capital add-ons already set					
R0220 Solvency capital requirement for undertakings under	11,775,240.04				
Other information on SCR					
R0400 Capital requirement for duration-based equity risk sub-module					
R0410 Total amount of Notional Solvency Capital Requirements for remaining part					
R0420 Total amount of Notional Solvency Capital Requirements					
R0430 Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios					
R0440 Diversification effects due to RFF nSCR aggregation for					
R0450 Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	No adjustment				
R0460 Net future discretionary benefits	0.00				
R0470 Minimum consolidated group solvency capital requirement	3,345,910.00				
Information on other entities					
R0500 Capital requirement for other financial sectors (Non-credit institutions, investment firms and financial institutions for occupational retirement provisions)	0.00				
R0510 Capital requirement for non-regulated entities carrying					
R0520 Capital requirement for non-controlled participation					
R0530 Capital requirement for residual undertakings					
R0540 Capital requirement for non-controlled participation					
R0550 Capital requirement for residual undertakings					
Overall SCR					
R0560 SCR for undertakings included via D&A					
R0570 Solvency capital requirement	11,775,240.04				

S.32.01.04

Undertakings in the scope of the group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/n on mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GI	213800FSQ29M4EK1L167	LEI	Casualty & General Insurance Company (Europe) Limited	2	limited company	2	Gibraltar Financial Services Cd	100.00%	100.00%	100.00%		1	100.00%	1		1
GB	2138009LPJXGN23JW66GB00CGUK	Specific code	Casualty & General (UK) Limited	99	limited company	2		100.00%	100.00%	100.00%		1	100.00%	1		1
GB	2138009LPJXGN23JW66GB00VCM	Specific code	Velocity Claims Management Limited	10	limited company	2		100.00%	100.00%	100.00%		1	100.00%	1		1
GI	2138009LPJXGN23JW66	LEI	CG Holdings (Gibraltar) Limited	5	limited company	2						1		1		1
GB	2138009LPJXGN23JW66GB00ARM	Specific code	Armum	99	limited company	2		45.00%	45.00%	45.00%		2	45.00%	1		1
GG	254900DIBRZGOB7DJW22	LEI	He1 Limited	11	limited company	2		100.00%	100.00%	100.00%		1	100.00%	1		1

Casualty & General Insurance Company (Europe) Limited

Annual QRTs
Year ended 31st December 2020

S.02.01.01

Balance sheet

		Solvency II value
		C0010
Assets		
R0010	Goodwill	
R0020	Deferred acquisition costs	
R0030	Intangible assets	
R0040	Deferred tax assets	285,821.20
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0.00
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	5,606,888.26
R0080	Property (other than for own use)	684,999.26
R0090	Holdings in related undertakings, including participations	0.00
R0100	Equities	4,921,889.00
R0110	Equities - listed	0.00
R0120	Equities - unlisted	4,921,889.00
R0130	Bonds	0.00
R0140	Government Bonds	0.00
R0150	Corporate Bonds	0.00
R0160	Structured notes	0.00
R0170	Collateralised securities	0.00
R0180	Collective Investments Undertakings	0.00
R0190	Derivatives	
R0200	Deposits other than cash equivalents	0.00
R0210	Other investments	0.00
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	5,795,188.16
R0240	Loans on policies	0.00
R0250	Loans and mortgages to individuals	330,833.36
R0260	Other loans and mortgages	5,464,354.80
R0270	Reinsurance recoverables from:	32,464,869.56
R0280	Non-life and health similar to non-life	32,464,869.56
R0290	Non-life excluding health	32,464,869.56
R0300	Health similar to non-life	0.00
R0310	Life and health similar to life, excluding index-linked and unit-linked	0.00
R0320	Health similar to life	
R0330	Life excluding health and index-linked and unit-linked	
R0340	Life index-linked and unit-linked	
R0350	Deposits to cedants	0.00
R0360	Insurance and intermediaries receivables	2,991,499.74
R0370	Reinsurance receivables	1,418,699.02
R0380	Receivables (trade, not insurance)	
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0.00
R0410	Cash and cash equivalents	7,375,356.72
R0420	Any other assets, not elsewhere shown	-48,165.82
R0500	Total assets	55,890,156.85

		Solvency II value
		C0010
Liabilities		
R0510	Technical provisions - non-life	39,635,495.23
R0520	<i>Technical provisions - non-life (excluding health)</i>	39,635,495.23
R0530	<i>TP calculated as a whole</i>	0.00
R0540	<i>Best Estimate</i>	38,483,638.43
R0550	<i>Risk margin</i>	1,151,856.80
R0560	<i>Technical provisions - health (similar to non-life)</i>	0.00
R0570	<i>TP calculated as a whole</i>	0.00
R0580	<i>Best Estimate</i>	0.00
R0590	<i>Risk margin</i>	0.00
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0.00
R0610	<i>Technical provisions - health (similar to life)</i>	0.00
R0620	<i>TP calculated as a whole</i>	
R0630	<i>Best Estimate</i>	
R0640	<i>Risk margin</i>	
R0650	<i>Technical provisions - life (excluding health and index-linked and unit-linked)</i>	0.00
R0660	<i>TP calculated as a whole</i>	
R0670	<i>Best Estimate</i>	
R0680	<i>Risk margin</i>	
R0690	Technical provisions - index-linked and unit-linked	0.00
R0700	<i>TP calculated as a whole</i>	
R0710	<i>Best Estimate</i>	
R0720	<i>Risk margin</i>	
R0730	Other technical provisions	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	1,292,386.93
R0850	Subordinated liabilities	5,000,000.00
R0860	<i>Subordinated liabilities not in BOF</i>	
R0870	<i>Subordinated liabilities in BOF</i>	5,000,000.00
R0880	Any other liabilities, not elsewhere shown	
R0900	Total liabilities	45,927,882.16
R1000	Excess of assets over liabilities	9,962,274.69

S.05.01.01
Premiums, claims and expenses by line of business
Non-life
Premiums written

R0110 Gross - Direct Business

R0120 Gross - Proportional reinsurance accepted

R0130 Gross - Non-proportional reinsurance accepted

R0140 Reinsurers' share

R0200 Net

Premiums earned

R0210 Gross - Direct Business

R0220 Gross - Proportional reinsurance accepted

R0230 Gross - Non-proportional reinsurance accepted

R0240 Reinsurers' share

R0300 Net

Claims incurred

R0310 Gross - Direct Business

R0320 Gross - Proportional reinsurance accepted

R0330 Gross - Non-proportional reinsurance accepted

R0340 Reinsurers' share

R0400 Net

Changes in other technical provisions

R0500 Net

R0550 Expenses incurred

R1300 Total expenses

Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)							Total
Motor vehicle liability insurance	Other motor insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Miscellaneous financial loss	
C0040	C0050	C0070	C0080	C0090	C0100	C0120	C0200
		6,775,253.22	3,326.51	18,506,279.51	8,531,240.00	459,044.59	34,275,143.83
							0.00
							0.00
		3,642,911.68	1,663.26	12,685,390.63	7,909,416.00	231,526.60	24,470,908.15
0.00	0.00	3,132,341.55	1,663.26	5,820,888.88	621,824.00	227,518.00	9,804,235.68
		5,605,418.21	3,326.51	15,560,722.50	8,531,240.00	19,126.86	29,719,834.08
							0.00
							0.00
		3,057,994.17	1,663.26	10,618,922.86	7,909,416.00	9,646.94	21,597,643.23
0.00	0.00	2,547,424.04	1,663.26	4,941,799.64	621,824.00	9,479.92	8,122,190.86
-1,677,546.56	-367,493.74	3,973,432.15	-629,479.59	6,245,027.49	5,118,744.00	11,476.11	12,674,159.86
							0.00
							0.00
-1,564,096.59	-342,640.69	2,241,751.92	-568,087.63	4,746,815.53	4,745,649.60	5,738.06	9,265,130.20
-113,449.97	-24,853.05	1,731,680.23	-61,391.96	1,498,211.96	373,094.40	5,738.06	3,409,029.66
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	1,371,949.85	59,493.27	4,042,797.20	733,740.56	43,020.20	6,251,001.07
							6,251,001.07

S.05.02.01
Premiums, claims and expenses by country

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Non-life	Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country	
		ES	GB	FR	IT	NO		
R0010		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business		10,550,928.85	17,066,747.47	3,786,331.46	2,829,132.09	42,003.96	34,275,143.83
R0120	Gross - Proportional reinsurance accepted							0.00
R0130	Gross - Non-proportional reinsurance accepted							0.00
R0140	Reinsurers' share		6,716,255.73	12,643,082.91	2,629,652.80	2,460,914.74	21,001.98	24,470,908.15
R0200	Net	0.00	3,834,673.12	4,423,664.56	1,156,678.66	368,217.35	21,001.98	9,804,235.68
	Premiums earned							
R0210	Gross - Direct Business		8,847,224.31	14,709,042.99	3,605,132.79	2,516,430.03	42,003.96	29,719,834.08
R0220	Gross - Proportional reinsurance accepted							0.00
R0230	Gross - Non-proportional reinsurance accepted							0.00
R0240	Reinsurers' share		5,585,855.43	11,369,809.36	2,492,181.41	2,128,795.04	21,001.98	21,597,643.23
R0300	Net	0.00	3,261,368.88	3,339,233.63	1,112,951.38	387,634.99	21,001.98	8,122,190.86
	Claims incurred							
R0310	Gross - Direct Business		939,693.54	6,505,257.85	1,319,368.67	4,010,585.44	361,042.96	13,135,948.46
R0320	Gross - Proportional reinsurance accepted							0.00
R0330	Gross - Non-proportional reinsurance accepted							0.00
R0340	Reinsurers' share		582,765.04	4,532,432.46	997,364.93	3,354,878.09	180,521.48	9,647,962.00
R0400	Net	0.00	356,928.50	1,972,825.39	322,003.74	655,707.35	180,521.48	3,487,986.46
	Changes in other technical provisions							
R0410	Gross - Direct Business							0.00
R0420	Gross - Proportional reinsurance accepted							0.00
R0430	Gross - Non-proportional reinsurance accepted							0.00
R0440	Reinsurers' share							0.00
R0500	Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R0550	Expenses incurred		2,520,071.93	1,990,102.97	1,330,799.53	366,515.00	43,511.64	6,251,001.07
R1200	Other expenses							
R1300	Total expenses							6,251,001.07

S.17.01.01

Non-Life Technical Provisions

R0010	Technical provisions calculated as a whole
R0020	Direct business
R0030	Accepted proportional reinsurance business
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole

Technical provisions calculated as a sum of BE and RM

Best estimate

Premium provisions

R0060	Gross - Total
R0070	Gross - direct business
R0080	Gross - accepted proportional reinsurance business
R0100	Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default
R0110	Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses
R0120	Recoverables from SPV before adjustment for expected losses
R0130	Recoverables from Finite Reinsurance before adjustment for expected losses
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default
R0150	Net Best Estimate of Premium Provisions

Claims provisions

R0160	Gross - Total
R0170	Gross - direct business
R0180	Gross - accepted proportional reinsurance business
R0200	Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default
R0210	Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses
R0220	Recoverables from SPV before adjustment for expected losses
R0230	Recoverables from Finite Reinsurance before adjustment for expected losses
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default
R0250	Net Best Estimate of Claims Provisions

Total best estimate - gross

Total best estimate - net

Risk margin

Amount of the transitional on Technical Provisions

R0290	TP as a whole
R0300	Best estimate
R0310	Risk margin

Technical provisions - total

Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total

Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total

Direct business and accepted proportional reinsurance							Total Non-Life obligation
Motor vehicle liability insurance	Other motor insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Miscellaneous financial loss	
C0050	C0060	C0080	C0090	C0100	C0110	C0130	C0180
							0.00
							0.00
							0.00

0.00	0.00	1,233,635.25	-57,249.61	-105,346.37	-924,931.26	-152,785.25	-6,677.24
0.00	0.00	1,233,635.25	-57,249.61	-105,346.37	-924,931.26	-152,785.25	-6,677.24
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.49	0.00	780,712.29	-0.29	2,465,269.12	0.00	137,676.05	3,383,657.67
0.49	0.00	780,712.29	-0.29	2,465,269.12	0.00	137,676.05	3,383,657.67
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.49	0.00	779,148.97	-0.29	2,464,164.40	0.00	137,636.46	3,380,950.03
-0.49	0.00	454,486.29	-57,249.32	-2,569,510.77	-924,931.26	-290,421.71	-3,387,627.27

5,731,831.82	28,820.28	6,523,147.43	12,195,355.42	8,470,597.74	5,528,321.76	12,241.22	38,490,315.67
5,731,831.82	28,820.28	6,523,147.43	12,195,355.42	8,470,597.74	5,528,321.76	12,241.22	38,490,315.67
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,810,617.26	24,155.49	3,684,210.60	9,599,973.11	6,163,303.48	4,812,339.12	5,740.96	29,100,340.02
4,810,617.26	24,155.49	3,684,210.60	9,599,973.11	6,163,303.48	4,812,339.12	5,740.96	29,100,340.02
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,809,065.98	24,150.53	3,677,845.00	9,593,799.95	6,161,968.13	4,811,350.17	5,739.78	29,083,919.53
922,765.84	4,669.75	2,845,302.43	2,601,555.48	2,308,629.61	716,971.59	6,501.44	9,406,396.14

5,731,831.82	28,820.28	7,756,782.68	12,138,105.81	8,365,251.37	4,603,390.50	-140,544.04	38,483,638.43
922,765.35	4,669.75	3,299,788.72	2,544,306.15	-260,881.16	-207,959.67	-283,920.27	6,018,768.87

170,935.64	859.48	231,324.06	361,984.61	249,469.92	137,283.08	0.00	1,151,856.80
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0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

5,902,767.46	29,679.76	7,988,106.75	12,500,090.42	8,614,721.29	4,740,673.58	-140,544.04	39,635,495.23
4,809,066.47	24,150.53	4,456,993.96	9,593,799.66	8,626,132.53	4,811,350.17	143,376.24	32,464,869.56
1,093,700.99	5,529.23	3,531,112.79	2,906,290.77	-11,411.24	-70,676.59	-283,920.27	7,170,625.67

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020

Accident year / underwriting year

Gross Claims Paid (non-cumulative) (absolute amount)															
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		C0170	C0180	
Year	Development year											In Current year	Sum of years (cumulative)		
	0	1	2	3	4	5	6	7	8	9	10 & +				
R0100	Prior											527,784.88		527,784.88	527,784.88
R0160	N-9	30,893.80	179,924.82	270,453.00	262,498.53	299,106.70	200,120.30	433,686.05	160,045.46	16,467.46	103,281.23		527,784.88	1,956,477.35	
R0170	N-8	7,810.25	112,021.27	92,031.44	287,185.71	466,569.95	362,115.30	274,762.67	130,264.94	53,608.21			103,281.23	1,786,369.74	
R0180	N-7	23,412.54	148,291.26	337,377.49	242,260.56	315,954.74	984,349.71	219,100.43	640,316.11				53,608.21	2,911,062.85	
R0190	N-6	29,799.53	164,314.56	610,707.75	1,640,197.52	1,606,381.24	1,317,442.00	871,380.48					640,316.11	6,240,223.09	
R0200	N-5	19,692.42	120,881.67	326,653.75	2,572,947.09	2,746,518.96	1,997,012.93						871,380.48	7,783,706.83	
R0210	N-4	60,745.59	266,284.71	918,467.61	2,149,749.83	2,903,842.63							1,997,012.93	6,299,090.37	
R0220	N-3	0.00	772,141.90	1,212,355.68	1,426,822.30								2,903,842.63	3,411,319.88	
R0230	N-2	0.00	337,244.35	1,518,852.65									1,426,822.30	1,856,097.00	
R0240	N-1	0.00	202,719.38										1,518,852.65	202,719.38	
R0250	N	0.00											202,719.38	0.00	
R0260													0.00	32,974,851.37	
	Total											10,245,620.80			

Gross undiscounted Best Estimate Claims Provisions (absolute amount)												C0360	
Year	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	Year end (discounted data)	
	Development year												
	0	1	2	3	4	5	6	7	8	9	10 & +		
Prior												-1,836,294.69	-1,848,206.22
N-9	0.00	0.00	0.00	0.00	0.00	0.00	4,174.09	1,025,266.37	410,423.37	314,000.81		316,494.23	
N-8	0.00	0.00	0.00	0.00	0.00	23,275.89	1,117,140.64	745,529.96	675,338.90			683,338.09	
N-7	0.00	0.00	0.00	0.00	14,372.39	4,182,796.96	1,210,116.15	678,612.67				685,452.18	
N-6	0.00	0.00	0.00	91,843.78	4,082,363.09	3,914,627.73	2,208,066.92					2,216,824.15	
N-5	0.00	0.00	871,309.83	3,811,423.36	9,113,608.73	7,205,852.24						7,228,870.26	
N-4	0.00	2,745,276.78	6,401,279.73	10,389,292.18	6,474,952.55							6,521,657.64	
N-3	787,757.07	3,715,273.98	4,939,831.98	3,874,304.12								3,834,782.56	
N-2	360,514.50	1,870,899.06	2,017,102.65									1,995,736.04	
N-1	2,304,961.68	5,680,211.57										5,659,078.35	
N	11,233,340.41											11,189,611.15	
Total												38,483,638.43	

S.23.01.01 Own Funds

Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35

R0010	Ordinary share capital (gross of own shares)
R0030	Share premium account related to ordinary share capital
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings
R0050	Subordinated mutual member accounts
R0070	Surplus funds
R0090	Preference shares
R0110	Share premium account related to preference shares
R0130	Reconciliation reserve
R0140	Subordinated liabilities
R0160	An amount equal to the value of net deferred tax assets
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own

R0220	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own
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Deductions

R0230	Deductions for participations in financial and credit institutions
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R0290 Total basic own funds after deductions

Ancillary own funds

R0300	Unpaid and uncalled ordinary share capital callable on demand
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
R0320	Unpaid and uncalled preference shares callable on demand
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC
R0390	Other ancillary own funds
R0400	Total ancillary own funds

Available and eligible own funds

R0500	Total available own funds to meet the SCR
R0510	Total available own funds to meet the MCR
R0540	Total eligible own funds to meet the SCR
R0550	Total eligible own funds to meet the MCR

R0580 SCR

R0600 MCR

R0620 Ratio of Eligible own funds to SCR

R0640 Ratio of Eligible own funds to MCR

Reconciliation reserve

R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Foreseeable dividends, distributions and charges
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0760	Reconciliation reserve

Expected profits

R0770	Expected profits included in future premiums (EPIFP) - Life business
R0780	Expected profits included in future premiums (EPIFP) - Non-life business
R0790	Total Expected profits included in future premiums (EPIFP)

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
40,000.00	40,000.00		0.00	
2,160,100.00	2,160,100.00		0.00	
0.00	0.00		0.00	
0.00		0.00	0.00	0.00
0.00	0.00			
0.00		0.00	0.00	0.00
0.00		0.00	0.00	0.00
7,476,353.48	7,476,353.48			
5,000,000.00		0.00	5,000,000.00	0.00
285,821.20				285,821.20
0.00	0.00	0.00	0.00	0.00

0.00

0.00	0.00	0.00	0.00	
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14,962,274.69	9,676,453.48	0.00	5,000,000.00	285,821.20
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0.00				
0.00				
0.00				
0.00				
0.00				
0.00				
0.00				
0.00				
0.00				
0.00				
0.00			0.00	0.00

14,962,274.69	9,676,453.48	0.00	5,000,000.00	285,821.20
14,676,453.48	9,676,453.48	0.00	5,000,000.00	
14,962,274.69	9,676,453.48	0.00	5,000,000.00	285,821.20
10,345,635.48	9,676,453.48	0.00	669,182.00	

10,915,980.67
3,345,910.00
137.07%
309.20%

C0060
9,962,274.69
0.00
2,485,921.20
0.00
7,476,353.48

3,189,517.94
3,189,517.94

S.25.01.01

Solvency Capital Requirement - for undertakings on Standard Formula

Z0010

Article 112

Regular reporting

	Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios	USP	Simplifications
	C0030	C0040	C0050	C0090	C0120
R0010 Market risk	4,838,130.02	4,838,130.02	0.00		
R0020 Counterparty default risk	1,352,556.07	1,352,556.07	0.00		
R0030 Life underwriting risk			0.00		
R0040 Health underwriting risk			0.00		
R0050 Non-life underwriting risk	6,394,970.57	6,394,970.57	0.00		
R0060 Diversification	-2,914,881.85	-2,914,881.85			
R0070 Intangible asset risk		0.00			

R0100 Basic Solvency Capital Requirement

9,670,774.81 9,670,774.81

Calculation of Solvency Capital Requirement

R0120 Adjustment due to RFF/MAP nSCR aggregation	
R0130 Operational risk	1,245,205.86
R0140 Loss-absorbing capacity of technical provisions	0.00
R0150 Loss-absorbing capacity of deferred taxes	
R0160 Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	
R0200 Solvency Capital Requirement excluding capital add-on	10,915,980.67
R0210 Capital add-ons already set	
R0220 Solvency capital requirement	10,915,980.67

Other information on SCR

R0400 Capital requirement for duration-based equity risk sub-module	
R0410 Total amount of Notional Solvency Capital Requirements for remaining part	
R0420 Total amount of Notional Solvency Capital Requirements for ring fenced funds	
R0430 Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	
R0440 Diversification effects due to RFF nSCR aggregation for article 304	
R0450 Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	No adjustment
R0460 Net future discretionary benefits	0.00

Approach to tax rate

R0590 Approach based on average tax rate

C0109

Not applicable

Calculation of loss absorbing capacity of deferred taxes

	Before the shock	After the shock	LAC DT
	C0110	C0120	C0130
R0600 DTA			
R0610 DTA carry forward			
R0620 DTA due to deductible temporary differences			
R0630 DTL			
R0640 LAC DT			
R0650 LAC DT justified by reversion of deferred tax liabilities			
R0660 LAC DT justified by reference to probable future taxable economic profit			
R0670 LAC DT justified by carry back, current year			
R0680 LAC DT justified by carry back, future years			
R0690 Maximum LAC DT			

S.28.01.01

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

C0010

R0010	MCR _{NL} Result	1,612,730.48
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R0020	Medical expense insurance and proportional reinsurance
R0030	Income protection insurance and proportional reinsurance
R0040	Workers' compensation insurance and proportional reinsurance
R0050	Motor vehicle liability insurance and proportional reinsurance
R0060	Other motor insurance and proportional reinsurance
R0070	Marine, aviation and transport insurance and proportional reinsurance
R0080	Fire and other damage to property insurance and proportional reinsurance
R0090	General liability insurance and proportional reinsurance
R0100	Credit and suretyship insurance and proportional reinsurance
R0110	Legal expenses insurance and proportional reinsurance
R0120	Assistance and proportional reinsurance
R0130	Miscellaneous financial loss insurance and proportional reinsurance
R0140	Non-proportional health reinsurance
R0150	Non-proportional casualty reinsurance
R0160	Non-proportional marine, aviation and transport reinsurance
R0170	Non-proportional property reinsurance

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
C0020	C0030
0.00	0.00
0.00	
0.00	
922,765.35	
4,669.75	
0.00	
3,299,788.72	3,132,341.55
2,544,306.15	1,663.26
0.00	5,820,888.88
0.00	621,824.00
0.00	
0.00	227,518.00
0.00	
0.00	
0.00	
0.00	

Linear formula component for life insurance and reinsurance obligations

C0040

R0200	MCR _L Result	0.00
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R0210	Obligations with profit participation - guaranteed benefits
R0220	Obligations with profit participation - future discretionary benefits
R0230	Index-linked and unit-linked insurance obligations
R0240	Other life (re)insurance and health (re)insurance obligations
R0250	Total capital at risk for all life (re)insurance obligations

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
C0050	C0060

Overall MCR calculation

C0070

R0300	Linear MCR	1,612,730.48
R0310	SCR	10,915,980.67
R0320	MCR cap	4,912,191.30
R0330	MCR floor	2,728,995.17
R0340	Combined MCR	2,728,995.17
R0350	Absolute floor of the MCR	3,345,910.00

R0400	Minimum Capital Requirement	3,345,910.00
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H. Glossary

CGH	CG Holdings (Gibraltar) Limited
CGICE	Casualty & General Insurance Company (Europe) Limited
EIOPA	European Insurance and Occupational Pensions Authority
ENIDs	Events Not In Data
GAAP	Generally Accepted Accounting Principles
GFSC	Gibraltar Financial Services Commission
IBNR	Incurred but Not Reported Claims
LOB	Lines of Business
MCR	Minimum Capital Requirement
ORSA	Own Risk and Solvency Assessment
OSLR	Outstanding Loss Reserves
PPO	Periodic Payment Order
QRT	Quarterly Reporting Template
QS	Quota Share - Type of Reinsurance Coverage
RSR	Regular Supervisory Report
SCR	Solvency Capital Requirement
SFCR	Solvency and Financial Condition Report
TOR	Terms of Reference
XoL	Excess of Loss - Type of Reinsurance Coverage