

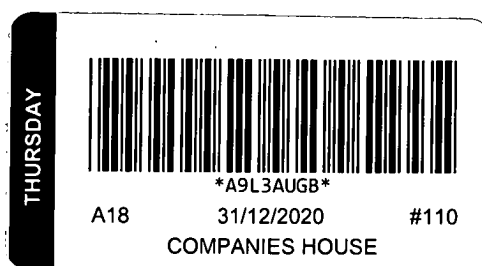
Company Registration Number: 3431334

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)

**Annual Report
31 December 2019**

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Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Company Information

Directors

Mr M W Webb
APCL Corporate Director No.1 Limited
APCL Corporate Director No.2 Limited

Company Secretary

Argenta Secretariat Limited

Registered Office

5th Floor, 70 Gracechurch Street
London
EC3V 0XL

Auditors

Mazars LLP
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)

Strategic Report

The Directors submit their Strategic Report for the Company for the year ended 31 December 2019.

Business Review

The Company continues to write insurance business in the Lloyd's insurance market as a Lloyd's Corporate Capital Member.

The Financial Statements incorporate the annual accounting results of the Syndicates on which the Company participates for the 2017, 2018 and 2019 years of account, as well as any 2016 and prior run-off years. The 2017 year closed at 31 December 2019 with a result of £(15,410) (2016 - £11,485). The 2018 and 2019 open underwriting accounts will normally close at 31 December 2020 and 2021 respectively.

Results and Dividends

The results for the year are set out on pages 8 to 9 of the Financial Statements. Dividends totalling £Nil were paid in the year (2018 - £Nil).

Financial Risk Management Objectives and Policies

The Company is principally exposed to financial risk through its participation on Lloyd's Syndicates. It has delegated sole management and control of its underwriting through each Syndicate to the managing agent of that Syndicate and it looks to the managing agents to implement appropriate policies, procedures and internal controls to manage each Syndicate's exposures to insurance risk, credit risk, market risk, liquidity risk and operational risk. The Company is also directly exposed to these risks, but they are not considered material for the assessment of the assets, liabilities, financial position and profit or loss of the Company.

Hedge accounting is not used by the Company.

Key Performance Indicators

	2019	2018
Capacity (youngest underwriting year)	£ 626,641	£ 652,085
Gross premium written as a % of capacity	106.5%	91.3%
Underwriting profit of latest closed year:		
as a % of capacity	-2.9%	0.0%
Run-off years of account movement	£ -	£ -
Combined ratio	96.6%	100.1%

The combined ratio is the ratio of net claims incurred, commissions and expenses to net premiums earned.

Principal Risks and Uncertainties

Brexit

The UK left the EU on 31 January 2020. There is still significant uncertainty whether a trade deal with the EU will be agreed and ratified by 31 December 2020. All legacy European Economic Area business will be moving to Lloyd's Brussels before the end of 2020 via a part VII transfer, providing certainty for the market and Lloyd's clients. The Directors are monitoring the Lloyd's market preparations along with general market conditions to identify whether it is appropriate to make any changes to the current strategy of the Company.

Coronavirus

In March 2020, the World Health Organisation declared Coronavirus (Covid-19) to be a global pandemic. Consideration has been given to the potential risks and uncertainties which may occur, however it is too early to assess the full impact on market conditions. As the Company participates on multiple syndicates they are regarded as having mitigated the potential effect as far as possible due to underwriting diversified risks.

Approved by the Board on
and signed on its behalf by:

Mike Webb

Digitally signed by Mike
Webb
Date: 2020.12.22
16:40:26 Z

M W Webb
Director

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)

Report of the Directors

The Directors submit their Report together with the audited Financial Statements of the Company for the year ended 31 December 2019.

Principal Activities

The principal activity of the Company is that of trading as a Lloyd's Corporate Capital Member. The Company continues to underwrite for the 2020 year of account.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, Report of the Directors' and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Accounting Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under Company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The Directors who served at any time during the year and to the date of this report were as follows:

Mr M W Webb (Appointed 29 March 2019)
APCL Corporate Director No.1 Limited
APCL Corporate Director No.2 Limited
Mr J A Mackay (Resigned 29 March 2019)

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)

Report of the Directors (continued)

Auditors

Mazars LLP have signified their willingness to act and continue to be appointed as the Company's auditors.

In the case of each of the persons who are Directors at the time this report is approved, the following applies:

- a) So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board on
and signed on its behalf by:

Mike Webb

Digitally signed by Mike
Webb
Date: 2020.12.22
16:40:39 Z

M W Webb

Director

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)

Independent Auditor's Report

Independent auditor's report to the members of Crowe Capital Limited (Formerly Nameco (No. 68) Limited)

Opinion

We have audited the Financial Statements of Crowe Capital Limited (Formerly Nameco (No. 68) Limited) (the 'Company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the Company financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 as disclosed on page 2, and the consideration in the going concern basis of preparation on page 15 and non-adjusting post balance sheet events on page 41.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

Conclusions relation to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Directors have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)

Independent Auditor's Report (continued)

Other information (continued)

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities set out on page 3, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

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


A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)

Independent Auditor's Report (continued)

Use of the audit report

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


Andrew Goldsworthy (Dec 29, 2020 15:44 GMT)

Andrew Goldsworthy (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St. Katharine's Way
London E1W 1DD

29/12/2020

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Statement of Comprehensive Income
Technical Account – general business
For the year ended 31 December 2019

	Note	2019 £	2018 £
Premiums			
Gross premiums written	1	667,424	595,466
Outward reinsurance premiums	1	(161,497)	(131,343)
Net premiums written		<u>505,927</u>	<u>464,123</u>
Change in the provision for unearned premiums			
Gross provision	1	(25,885)	(39,696)
Reinsurers' share	1	8,699	8,092
Earned premiums, net of reinsurance		<u>488,741</u>	<u>432,519</u>
Allocated investment return transferred from the non-technical account		23,111	5,729
Other technical income, net of reinsurance		-	-
Claims paid			
Gross amount	1	(330,980)	(299,432)
Reinsurers' share	1	83,876	68,463
Net claims paid		<u>(247,104)</u>	<u>(230,969)</u>
Change in provision for claims			
Gross amount	1	(80,314)	(27,876)
Reinsurers' share	1	37,891	(396)
Change in net provision for claims		<u>(42,423)</u>	<u>(28,272)</u>
Claims incurred, net of reinsurance		(289,527)	(259,241)
Changes in other technical provisions, net of reinsurance		(1,687)	(1,635)
Net operating expenses	1,2	(182,819)	(173,887)
Other technical charges, net of reinsurance	1	-	-
Balance on the technical account for general business		<u>37,819</u>	<u>3,485</u>

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Statement of Comprehensive Income
Non Technical Account
For the year ended 31 December 2019

	Note	2019 £	2018 £
Balance on technical account for general business		37,819	3,485
Investment income	3	47,829	6,666
Allocated investment return transferred to the general business technical account		(23,111)	(5,729)
Other income		100	(16)
Other charges, including value adjustments		(27,475)	(83,376)
Profit/(loss) on ordinary activities before taxation	4	<u>35,162</u>	<u>(78,970)</u>
Tax on profit/(loss) on ordinary activities	5	(6,423)	14,064
Profit/(loss) for the financial year		<u>28,739</u>	<u>(64,906)</u>
Other comprehensive income/(expenditure):			
Currency translation differences		1,300	(1,602)
Tax on other comprehensive income/(expenditure)		(225)	260
Total comprehensive income/(expenditure)	10	<u>29,814</u>	<u>(66,248)</u>

All amounts relate to continuing operations.

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Statement of Financial Position
As at 31 December 2019

		31 December 2019			31 December 2018		
	Note	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Assets							
Intangible assets	6	-	18,501	18,501	-	23,434	23,434
Investments							
Other financial investments	7	562,051	79,022	641,073	551,255	79,534	630,789
Deposits with ceding undertakings		41	-	41	42	-	42
		562,092	79,022	641,114	551,297	79,534	630,831
Reinsurers' share of technical provisions							
Provision for unearned premiums	8	54,538	-	54,538	47,506	-	47,506
Claims outstanding	8	272,150	-	272,150	245,461	-	245,461
Other technical provisions		670	-	670	2,009	-	2,009
		327,358	-	327,358	294,976	-	294,976
Debtors							
Amounts falling due within one year	7	242,069	8,385	250,454	216,947	14,513	231,460
Amounts falling due after one year	7	31,413	9,380	40,793	36,778	10,680	47,458
		273,482	17,765	291,247	253,725	25,193	278,918
Other assets							
Cash at bank and in hand		31,996	64,744	96,740	29,428	50,209	79,637
Other		35,786	-	35,786	31,450	-	31,450
		67,782	64,744	132,526	60,878	50,209	111,087
Prepayments and accrued income							
Accrued interest		2,002	-	2,002	1,873	-	1,873
Deferred acquisitions costs	8	76,715	-	76,715	75,029	-	75,029
Other prepayments and accrued income		3,868	-	3,868	5,230	-	5,230
		82,585	-	82,585	82,132	-	82,132
Total assets		1,313,299	180,032	1,493,331	1,243,008	178,370	1,421,378

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Statement of Financial Position
As at 31 December 2019

		31 December 2019			31 December 2018		
	Note	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Liabilities and shareholders' funds							
Capital and reserves							
Called up share capital	9	-	1	1	-	1	1
Capital redemption		-	-	-	-	-	-
Capital contribution		-	-	-	-	-	-
Share premium account		-	-	-	-	-	-
Profit and loss account	10	(62,757)	140,492	77,735	(89,935)	137,856	47,921
Shareholders' funds – attributable to equity interests		(62,757)	140,493	77,736	(89,935)	137,857	47,922
Technical provisions							
Provision for unearned premiums	8	291,381	-	291,381	274,546	-	274,546
Claims outstanding	8	918,565	-	918,565	892,681	-	892,681
Other technical provisions		704	-	704	707	-	707
Provisions for other risks							
Deferred taxation	11	-	-	-	-	-	-
Other		825	-	825	2,079	-	2,079
Deposit received from reinsurers		3,486	-	3,486	3,063	-	3,063
Creditors							
Amounts falling due within one year	7	122,933	33,018	155,951	125,908	33,018	158,926
Amounts falling due after one year	7	21,034	-	21,034	18,879	-	18,879
		143,967	33,018	176,985	144,787	33,018	177,805
Accruals and deferred income		17,128	6,521	23,649	15,080	7,495	22,575
Total liabilities		1,313,299	180,032	1,493,331	1,243,008	178,370	1,421,378

Approved and authorised for issue by the Board of Directors on
and signed on its behalf by:

Mike Webb Digitally signed by Mike Webb
Date: 2020.12.22
16:40:54 Z

M W Webb
Director

Company registration number: 3431334

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Statement of Changes in Equity
For the year ended 31 December 2019

	Called up share capital £	Capital redemption reserve £	Share premium account £	Profit and loss account £	Capital contribution reserve £	Total £
Opening balance	1	-	-	114,169	-	114,170
Loss for the year	-	-	-	(64,906)	-	(64,906)
Other comprehensive expenditure	-	-	-	(1,342)	-	(1,342)
Total comprehensive expenditure	-	-	-	(66,248)	-	(66,248)
Proceeds from the issue of shares	-	-	-	-	-	-
Movement in reserves	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
As at 31 December 2018	1	-	-	47,921	-	47,922
Profit for the year	-	-	-	28,739	-	28,739
Other comprehensive income	-	-	-	1,075	-	1,075
Total comprehensive income	-	-	-	29,814	-	29,814
Proceeds from the issue of shares	-	-	-	-	-	-
Movement in reserves	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
As at 31 December 2019	1	-	-	77,735	-	77,736

Called up share capital represents the nominal value of shares that have been issued.

Capital redemption reserve records the nominal value of shares repurchased by the Company.

The share premium account records the amount above the nominal value received for shares issued, less transaction costs.

The profit and loss account represents cumulative profits and losses of the Company.

Capital contribution reserve relates to contributions to the equity capital of the Company.

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Statement of Cash Flows
For the year ended 31 December 2019

	2019 £	2018 £
Operating activities		
Profit/(loss) on ordinary activities before tax	35,162	(78,970)
(Profit)/loss attributable to Syndicate transactions	(25,878)	36,972
Profit/(loss) - excluding Syndicate transactions	9,284	(41,998)
Adjusted for:		
Decrease in debtors	1,300	18,911
(Decrease)/increase in creditors	(974)	30,174
(Loss)/profit on disposal of intangible assets	(100)	16
Amortisation of Syndicate capacity	8,082	8,080
Realised/unrealised (losses)/gains on investments	(18,786)	6,243
Investment income	(5,932)	(7,180)
Corporation and overseas taxes paid	(519)	(12,373)
Net cash (outflow)/inflow from operating activities	(7,645)	1,873
Investing activities		
Investment income	5,932	7,180
Purchase of Syndicate capacity	(3,149)	1
Proceeds from sale of Syndicate capacity	100	-
Purchase of financial investments	(36,894)	(42,116)
Proceeds from sale of financial investments	56,191	71,812
Net cash inflow from investing activities	22,180	36,877
Financing activities		
Issue of shares	-	-
Share issue expenses	-	-
Capital contribution/redemption	-	-
Equity dividends paid	-	-
Net cash inflow from financing activities	-	-
Net cash increase in cash and cash equivalents	14,535	38,750
Effect of exchange rates on cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	50,209	11,459
Cash and cash equivalents at the end of the year	64,744	50,209
Consisting of:		
Cash at bank and in hand	64,744	50,209
Cash equivalents	-	-
	64,744	50,209

The Company has no control over the disposition of assets and liabilities at Lloyd's. Consequently, the cash flow statement is prepared reflecting only the movement in corporate funds, which includes transfers to and from the Syndicates at Lloyd's.

The accounting policies and notes on pages 14 to 41 form part of these Financial Statements.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

Basis of preparation of Financial Statements

General information

The Company is a private company limited by shares and incorporated in England, United Kingdom.

The Financial Statements have been presented in Pounds Sterling ("Sterling") as this is the Company's functional currency, being the primary economic environment in which the Company operates.

Basis of preparation

These Financial Statements have been prepared in accordance with FRS 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland*, FRS103 *Insurance Contracts* and applicable legislation, as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 ("SI 2008/410"). These Financial Statements have been prepared under the historical costs convention as modified for certain financial instruments held at fair value.

Recognition of insurance transactions

The Company recognises its proportion of all the transactions undertaken by the Lloyd's Syndicates in which it participates ("the Syndicates") in aggregation with the transactions undertaken by the Company at entity level ("the Corporate").

The Financial Statements are prepared using the annual basis of accounting. Under the annual basis of accounting, a result is determined at the end of each accounting period reflecting the profit and loss from providing insurance coverage during that period and any adjustments to the profit or loss of providing insurance cover during earlier accounting periods.

For each such Syndicate, the Company's proportion of the underwriting transactions, investment return and operating expenses has been reflected within the Company's profit and loss account. Similarly, its proportion of the Syndicate's assets and liabilities has been reflected in its balance sheet (under the column heading "Syndicate Participation"). The Syndicate's assets are held subject to trust deeds for the benefit of the Company's insurance creditors.

The proportion referred to above is calculated by reference to the Company's participation as a percentage of the Syndicate's total capacity.

The Company has delegated sole management and control of its underwriting through each Syndicate to the managing agent of the Syndicate ("the Managing Agent") and it has further undertaken not to interfere with the exercise of such management and control. The Managing Agents of the Syndicates are therefore responsible for determining the insurance transactions to be recognised by the Company.

Sources of data

The information used to compile the technical account and the "Syndicate" balance sheet is based on returns prepared for this purpose by the Managing Agents of the Syndicates ("the Returns"). These Returns have been subjected to audit by the Syndicate auditors and are consistent with the audited annual reports to Syndicate members.

The format of the Returns is established by Lloyd's. Lloyd's collates this data at a Syndicate level analysing it into corporate member level results which reflects the relevant data in respect of all the Syndicates in which the Company participates.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

Accounting policies

i Going concern

These Financial Statements have been prepared on a going concern basis. The Directors have considered the impact of Coronavirus (Covid-19) and believe that, due to participating on multiple syndicates and thus diversifying their risk, it will not impact on the Company's ability to continue as a going concern.

ii Premiums

Premiums written comprise the total premiums receivable for the whole period of cover provided by the contracts incepting during the financial year, together with any adjustments arising in the year to such premiums receivable in respect of business written in prior years. Premiums are shown gross of commission payable to intermediaries and exclude insurance premium tax. Gross premiums written may include "reinsurance to close" premiums receivable (see vii below). Outward reinsurance premiums may include "reinsurance to close" premiums payable (see vii below). Premiums written by a Syndicate may also include the reinsurance of other Syndicates on which the Company participates. No adjustments have been made to gross premiums written or outward reinsurance premiums (or to gross and reinsurers' claims) to remove this inter - Syndicate reinsurance. Unearned premiums represent the proportion of premiums written in the year that relate to the unexpired terms of policies in force at the balance sheet date, calculated on the basis of established earnings patterns or time apportionment as appropriate.

iii Claims incurred

Claims incurred include the costs of claims handling expenses. Recoverable amounts arising out of subrogation or salvage are deducted from the cost of claims. Claims incurred comprise amounts paid or provided in respect of claims occurring during the year to 31 December, together with the amount by which settlement or reassessment of claims from prior years differ from the provision at the beginning of the year.

iv Provision for claims outstanding

Claims outstanding comprise amounts set aside for claims notified and claims incurred but not yet reported (IBNR). Provision is made for claims incurred but not paid in respect of events up to 31 December. The provision is based on the Returns and reports from the Managing Agents and the Company's licensed adviser or Members' Agent. When appropriate, statistical methods have been applied to past experience of claims frequency and severity.

The two most critical assumptions with regards to claims provisions are that the past is a reasonable predictor of the likely level of claims development, and that the rating and other models used for current business are fair reflections of the likely level of ultimate claims to be incurred. The Directors consider the provision for gross claims and related reinsurance recoveries, as based on the Returns to be fairly stated. However, ultimate liability will vary as a result of subsequent information and events, and this may result in significant adjustments to the amounts provided. Adjustments to amounts of claims provisions established in prior years are reflected in the Financial Statements for the period in which the adjustments are made.

v Unexpired risk provision

A provision for unexpired risk is made by the underlying Syndicates where claims, related expenses and deferred acquisition costs, likely to arise after the end of the financial period in respect of contracts concluded before that date, are expected to exceed the unearned premiums and premiums receivable under these contracts, after the deduction of any acquisition costs deferred.

vi Deferred acquisition costs

Acquisition costs, which represent commission and other related expenses, are deferred over the period in which the related premiums are earned.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

Accounting policies (continued)

vii Reinsurance to close

A reinsurance to close is a particular type of reinsurance contract entered into by Lloyd's Syndicates. Under it, underwriting members (the reinsured members) who are members of a Syndicate for a year of account (the closed year), agree with underwriting members who comprise that or another Syndicate for a later year of account (the reinsuring members) that the reinsuring members will indemnify, discharge or procure the discharge, of the reinsured members against all known and unknown liabilities of the reinsured members arising out of insurance business undertaken through that Syndicate and allocated to the closed year in consideration of:

- (1) a premium; and
- (2) either
 - (a) the assignment, or agreement to assign, to the reinsuring members of all the rights of the reinsured members arising out of, or in connection with, that insurance business (including without limitation the right to receive all future premiums, reinsurances and other monies receivable in connection with that insurance business); or
 - (b) an agreement by the reinsured members that the reinsuring members shall collect on behalf of the reinsured members the proceeds of all such rights and retain them for their own benefit so far as they are not applied in discharges of the liabilities of the reinsured members.

Where the reinsurance to close is between members on successive years of account of the same Syndicate, the Managing Agent has a duty to ensure both sets of members are treated equitably and to set the reinsurance to close with the intention that neither a profit nor a loss accrues to either group of members. To the extent that the Company participates on successive years of account of the same Syndicate and there is a reinsurance to close between those years, the Company has offset its share of the reinsurance to close received against its share of the reinsurance to close paid.

If the Company has increased its participation from one year of account to the next, the reinsurance to close paid is eliminated, as a result of this offset, leaving an element of the reinsurance to close received. This reflects the fact that the Company has assumed a greater proportion of the business of the Syndicate. If the Company has reduced its participation from one year of account to the next, the reinsurance to close received is eliminated, leaving an element of the reinsurance to close paid. This reflects the reduction in the Company's exposure to risks previously written by the Syndicate. The reinsurance to close is technically a reinsurance contract and, as such, the payment of a reinsurance to close does not remove from members of that year of account ultimate responsibility for claims payable on risks they have written. If the reinsuring members under the reinsurance to close become insolvent and the other elements of the Lloyd's chain of security also fail, the reinsured members remain theoretically liable for the settlement of any outstanding claims. However, payment of a reinsurance to close is conventionally accepted as terminating a reinsured member's participation on a Syndicate year of account and it is treated for accounts purposes as settling all the Company's outstanding gross liabilities in respect of the business so reinsured.

viii Financial instruments

The Company has chosen to apply the provisions of Section 11 *Basic Financial Instruments* and Section 12 *Other Financial Instruments* in full.

The Company holds both basic and non-basic financial instruments. The Company's financial instruments comprise of cash and cash equivalents, trade and other debtors, trade and other creditors and investments in a variety of basic and non-basic financial instruments, through both the Corporate and through the Syndicates.

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument.

Basic financial instruments are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment in the case of financial assets. Amounts that are receivable/payable within one year are measured at the undiscounted amount of the cash expected to be received/settled. Financial instruments subsequently measured at amortised cost include cash, debtors and creditors.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

Accounting policies (continued)

viii Financial instruments (continued)

Where a financial instrument constitutes a financing transaction, it is initially measured at the present value of the future payments, discounted at a market rate of interest, and subsequently measured at amortised cost using the effective interest rate method.

All other financial instruments are measured at fair value through profit or loss, except for investments in equity instruments that are not publicly traded, and whose fair value cannot otherwise be measured reliably, which are measured at cost less impairment.

At the end of each reporting year, the Company assesses whether there is objective evidence that any financial asset may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in the profit and loss.

Investment income is initially recorded in the non-technical account. All investment income arising on Syndicate participations is allocated to the technical account.

Interest income is recognised as it accrues using the effective interest method.

Dividend income receivable is recognised when the rights to receive the distributions have been established.

ix Derivative financial instruments

The Company uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Company does not hold or issue derivative financial instruments for speculative purposes. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately.

x Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above. Overdrafts are reported separately in creditors.

xi Derecognition of financial assets

A financial asset or, when applicable, a part of a financial asset is derecognised when:

- The rights to the cash flows from the asset have expired; or
- The Company retains the right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay. In that case, the Company also recognises an associated liability.

xii Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if, and only if there is a currently enforceable legal right to offset the recognised amounts; and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

Accounting policies (continued)

xiii Net operating expenses

Operating expenses are recognised when incurred. They include the Company's share of Syndicate operating expenses, the remuneration payable to Managing Agents (and the Company's Members' Agent/licensed adviser) and the direct costs of membership of Lloyd's.

xiv Foreign currencies

Transactions in United States Dollars, Canadian Dollars and Euros are translated at the rates of exchange ruling at the date the transaction is processed or at an appropriate average rate. Unless otherwise stated, transactions in currencies other than United States Dollars, Canadian Dollars and Euros are translated at the rate of exchange ruling at the date the transaction is processed. Monetary assets and liabilities are retranslated into Sterling at the rate of exchange at the balance sheet date. Non-monetary assets and liabilities at the balance sheet date are maintained at the rate of exchange ruling when the contract was entered into, except for non-monetary assets and liabilities arising out of insurance contracts which are treated as monetary items in accordance with FRS 103 *Insurance Contracts* ("FRS 103"). Exchange differences arising on translation to the functional currency are dealt with through the non-technical account in the profit and loss account.

xv Intangible assets

Intangible assets include purchased rights to participate on Syndicates. The purchase cost is capitalised and amortised on a straight line basis over the useful life of the rights which is five years.

xvi Insurance contracts – product classification

Insurance contracts are those contracts when the Company (the insurer/reinsurer) has accepted significant insurance risk from another party (the policyholder/reinsured) by agreeing to compensate the policyholder if a specified uncertain future event (the re/insured event) adversely affects the policyholder. As a general guideline, the Company determines whether it has significant insurance risk, by comparing benefits paid with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire.

Any separable embedded derivatives within an insurance contract are separated and accounted for in accordance with sections 11 and 12 of FRS102 unless the embedded derivative is itself an insurance contract (i.e. the derivative is not separated if the policyholder benefits from the derivative only when the insured event occurs).

xvii Taxation

The Company is taxed on its share of the underwriting results declared by Syndicates and these are deemed to accrue evenly over the calendar year in which they are declared. The Syndicate results included in these Financial Statements (excluding any losses on open years of account) are only declared for tax purposes in the calendar year following closure of the year of account. HM Revenue & Customs agrees the taxable results of Syndicates at a Syndicate level on the basis of computations submitted by the Managing Agent. At the date of approval of these Financial Statements, the Syndicate taxable results of this year have not been agreed. Any adjustments that may be necessary to the tax provision as a result of HM Revenue & Customs agreement of Syndicate taxable results will be reflected in the Financial Statements of subsequent periods.

xviii Deferred taxation

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the Financial Statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the Financial Statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

Accounting policies (continued)

xviii Deferred taxation (continued)

Deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

xix Critical accounting judgements and key sources of estimated uncertainty

In applying the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The estimates and underlying assumptions are reviewed on an ongoing basis.

The management and control of each Syndicate is carried out by the managing agent of that Syndicate, and the Company looks to the managing agent to implement appropriate policies, procedures and internal controls to manage each Syndicate. The critical accounting judgements and key sources of estimation uncertainty set out below therefore relate to those made by the Directors in respect of the Corporate only, and do not include estimates and judgements made in respect of the Syndicates.

Critical accounting judgements

The critical judgements that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the statutory Financial Statements are discussed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the Directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment review

The impairment of the Syndicate Assets is performed by the Syndicate themselves. The Directors perform an impairment review when indications of impairment arise.

Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the Directors consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

Determining the useful life of purchased Syndicate capacity

The Directors have assessed the useful life of syndicate capacity to be five years. This is on the basis that the Directors consider this to be the life over which value is created from the investment made.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

1. Class of Business

2019	Gross Premiums Written £	Gross Premiums Earned £	Gross Claims Incurred £	Net Operating Expenses £	Reinsurance Balance £	Total £
Direct Insurance						
Accident and health	22,436	23,504	(13,979)	(10,098)	(1,148)	(1,721)
Motor – third party liability	1,408	1,488	(859)	(460)	(81)	88
Motor – other classes	63,375	61,217	(39,578)	(18,513)	(1,399)	1,727
Marine, aviation and transport	54,072	53,615	(26,221)	(18,389)	(5,183)	3,822
Fire and other damage to property	193,435	180,555	(104,808)	(51,300)	(22,832)	1,615
Third party liability	159,228	153,925	(91,665)	(48,428)	(4,759)	9,073
Credit and suretyship	20,642	20,640	(9,815)	(6,570)	(1,845)	2,410
Legal expenses	1,077	968	(357)	(506)	(58)	47
Assistance	-	-	-	-	-	-
Miscellaneous	1,532	1,604	(1,289)	(578)	(3)	(266)
	517,205	497,516	(288,571)	(154,842)	(37,308)	16,795
Reinsurance	150,219	144,023	(122,723)	(27,977)	6,277	(400)
Total	667,424	641,539	(411,294)	(182,819)	(31,031)	16,395

2018	Gross Premiums Written £	Gross Premiums Earned £	Gross Claims Incurred £	Net Operating Expenses £	Reinsurance Balance £	Total £
Direct Insurance						
Accident and health	23,462	23,881	(11,826)	(10,031)	(463)	1,561
Motor – third party liability	1,675	1,693	(890)	(546)	(193)	64
Motor – other classes	58,026	58,017	(21,685)	(17,968)	(15,753)	2,611
Marine, aviation and transport	49,165	49,337	(23,697)	(18,438)	(6,833)	369
Fire and other damage to property	163,072	149,093	(89,821)	(45,746)	(19,382)	(5,856)
Third party liability	148,577	127,593	(76,053)	(47,985)	(3,987)	(432)
Credit and suretyship	14,585	13,615	(6,675)	(4,494)	(621)	1,825
Legal expenses	760	726	(231)	(475)	3	23
Assistance	-	-	-	-	-	-
Miscellaneous	5,563	5,174	(2,989)	(1,923)	(473)	(211)
	464,885	429,129	(233,867)	(147,606)	(47,702)	(46)
Reinsurance	130,581	126,641	(93,441)	(26,281)	(7,482)	(563)
Total	595,466	555,770	(327,308)	(173,887)	(55,184)	(609)

All insurance business is underwritten in the United Kingdom in the Lloyd's insurance market. Consequently all insurance contracts are deemed to be concluded in the United Kingdom.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

2. Net Operating Expenses

	2019	2018
	£	£
Acquisition costs	169,257	154,890
Change in deferred acquisition costs	(3,866)	(9,167)
Administrative expenses	33,900	36,060
Reinsurance commissions and profit participations	(26,997)	(21,318)
Personal expenses	10,525	13,422
	<u>182,819</u>	<u>173,887</u>

3. Investment Income

	2019	2018
	£	£
Financial instruments held at fair value through profit or loss:		
Interest and dividend income	20,672	18,818
Realised gains and losses	20,133	(3,647)
Unrealised gains and losses	7,261	(8,799)
Other	-	-
	<u>48,066</u>	<u>6,372</u>
Financial instruments held at amortised cost:		
Interest	472	985
Other	-	-
	<u>472</u>	<u>985</u>
Investment management expenses, including interest	(709)	(691)
	<u>(709)</u>	<u>(691)</u>
	<u>47,829</u>	<u>6,666</u>

4. Profit/(loss) on Ordinary Activities before Taxation

	2019	2018
	£	£
Operating profit/(loss) is stated after charging:		
Directors' remuneration	-	-
Amortisation of Syndicate capacity	8,082	8,080
(Profit)/loss on disposal of intangible fixed assets	(100)	16
Loss on exchange	3,818	2,238

The Company has no employees and no staff costs are met by the Company.

The Directors are considered to be the key management personnel of the Company.

The auditors charge a fixed fee to Argenta Private Capital Limited of £365 for the provision of the statutory audit, they also provide non-audit services through an outsourcing arrangement of approximately £515.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

5. Taxation	2019 £	2018 £
Analysis of charge in year		
Current tax:		
UK corporation tax on profit/(loss) of the year	-	1
Adjustment in respect of previous period	-	341
	<u>-</u>	<u>342</u>
Foreign tax	519	884
	<u>519</u>	<u>1,226</u>
Total current tax	519	1,226
Deferred tax:		
Origination and reversal of timing differences	6,129	(17,050)
Change in tax rate	-	1,500
	<u>-</u>	<u>1,500</u>
Total tax charge/(credit)	<u>6,648</u>	<u>(14,324)</u>
Factors affecting tax charge for period		
The tax assessed for the period is different to the standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%). The differences are explained below:		
Profit/(loss) on ordinary activities before tax	<u>35,162</u>	<u>(78,970)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%)	6,681	(15,004)
Effects of:		
Difference in current and deferred tax rates	(544)	1,500
Deferred tax asset unrecognised	-	-
Foreign tax	420	716
Expenses and income not deductible for tax purposes	(595)	-
Other corporation computation adjustments for Lloyds corporate members	686	(1,177)
Prior period adjustments	-	341
Other adjustments	<u>-</u>	<u>(700)</u>
Total tax charge/(credit) for the period	<u>6,648</u>	<u>(14,324)</u>

The results of the Company's participation on the 2017, 2018 and 2019 years of account and any calendar year movement on 2016 and prior run-offs, will not be assessed to tax until the year ended 31 December 2020, 2021 and 2022 respectively being the year after the calendar year result of each run-off year or the normal date of closure of each year of account.

The current UK corporation tax rate is 19%, and will continue to be 19% in 2020.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

6. Intangible Assets	Total £
Purchased Syndicate Capacity	
Cost	
At 1 January 2019	46,871
Additions	3,149
Disposals	(2,308)
	<hr/>
At 31 December 2019	47,712
Amortisation	
At 1 January 2019	23,437
Charge	8,082
Disposals	(2,308)
	<hr/>
At 31 December 2019	29,211
Net Book Value	
At 31 December 2019	<hr/> 18,501
At 31 December 2018	<hr/> 23,434

7. Financial Instruments and Financial Risk Management

7.1 Financial Investments

Other financial investments – Syndicate participation

	2019 Market Value £	2018 Market Value £
Shares and other variable yield securities and units in unit trusts	90,464	75,625
Debt securities and other fixed income securities	448,879	441,437
Participation in investment pools	9,548	19,583
Loans with credit institutions	-	6
Derivative financial instruments	(641)	292
Other investments	1,829	529
Deposits with credit institutions	2,226	3,410
Other	9,746	10,373
	<hr/> 562,051	<hr/> 551,255

Other financial investments – Corporate

Shares and other variable yield securities and units in unit trusts	79,022	-
Debt securities and other fixed income securities	-	79,534
Other investments	-	-
	<hr/> 79,022	<hr/> 79,534

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

7. Financial Instruments and Financial Risk Management (continued)

7.2 Debtors

	2019			2018		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Amounts falling due within one year:						
Arising out of direct insurance operations	135,819	-	135,819	124,787	-	124,787
Arising out of reinsurance operations	92,788	-	92,788	72,537	-	72,537
Other Debtors:						
Amounts due from group undertakings	-	-	-	-	-	-
Other	13,462	8,385	21,847	19,623	14,513	34,136
Total Amounts falling due within one year	242,069	8,385	250,454	216,947	14,513	231,460
Amounts falling due after one year:						
Arising out of direct insurance operations	3,068	-	3,068	4,292	-	4,292
Arising out of reinsurance operations	24,015	-	24,015	27,900	-	27,900
Other Debtors:						
Amounts due from group undertakings	-	-	-	-	-	-
Other	4,330	9,380	13,710	4,586	10,680	15,266
Total Amounts falling due after one year	31,413	9,380	40,793	36,778	10,680	47,458
	273,482	17,765	291,247	253,725	25,193	278,918

7.3 Funds at Lloyd's

The amount of Funds at Lloyd's is represented in the balance sheet as:

	2019			2018		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Cash	-	55,153	55,153	-	38,303	38,303
Investments	-	79,022	79,022	-	79,534	79,534
	-	134,175	134,175	-	117,837	117,837

Funds at Lloyd's represents assets deposited with the Corporation of Lloyd's (Lloyd's) to support the Company's underwriting activities as described in the Accounting Policies. The Company has entered into a Lloyd's Deposit Trust Deed which gives Lloyd's the right to apply these monies in settlement of any claims arising from the participation on the Syndicates. These monies can only be released from the provision of this Deed with Lloyd's express permission and only in circumstances where the amounts are either replaced by an equivalent asset, or after the expiration of the Company's liabilities in respect of its underwriting.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

7. Financial Instruments and Financial Risk Management (continued)

7.4 Creditors

	2019			2018		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Amounts falling due within one year:						
Arising out of direct insurance operations	17,223	-	17,223	14,335	-	14,335
Arising out of reinsurance operations	81,674	-	81,674	62,584	-	62,584
Amounts owed to credit institutions	-	-	-	-	-	-
Other creditors:						
Corporation tax	-	-	-	-	-	-
Directors' loan accounts	-	-	-	-	-	-
Third party funds	-	33,018	33,018	-	33,018	33,018
Other creditors	24,036	-	24,036	48,989	-	48,989
Amount due to group undertakings	-	-	-	-	-	-
Total Amounts falling due within one year	122,933	33,018	155,951	125,908	33,018	158,926
Amounts falling due after one year:						
Arising out of direct insurance operations	161	-	161	215	-	215
Arising out of reinsurance operations	19,910	-	19,910	18,160	-	18,160
Amounts owed to credit institutions	-	-	-	-	-	-
Other creditors:						
Corporation tax	-	-	-	-	-	-
Directors' loan accounts	-	-	-	-	-	-
Third party funds	-	-	-	-	-	-
Other creditors	963	-	963	504	-	504
Amount due to group undertakings	-	-	-	-	-	-
Total Amounts falling due after one year	21,034	-	21,034	18,879	-	18,879
	143,967	33,018	176,985	144,787	33,018	177,805

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
Notes to the Financial Statements
For the year ended 31 December 2019

7. Financial Instruments and Financial Risk Management (continued)

7.5 Classification of Financial Instruments

The tables below set out the Company's financial instruments by classification.

Other financial investments – Syndicate participation

	2019			2018		
	At fair value through profit or loss £	At amortised cost £	Total £	At fair value through profit or loss £	At amortised cost £	Total £
Financial assets						
Investments	561,681	370	562,051	551,255	-	551,255
Deposits with ceding undertakings	-	41	41	-	42	42
Insurance debtors	-	138,887	138,887	-	129,079	129,079
Reinsurance debtors	-	116,803	116,803	-	100,437	100,437
Other debtors	-	17,792	17,792	-	24,209	24,209
Cash at bank and in hand	-	31,996	31,996	-	29,428	29,428
Other assets	35,786	-	35,786	31,450	-	31,450
	597,467	305,889	903,356	582,705	283,195	865,900
Financial liabilities						
Borrowings	-	-	-	-	-	-
Derivative financial instruments	311	-	311	307	-	307
Insurance creditors	-	17,384	17,384	-	14,550	14,550
Reinsurance creditors	-	101,584	101,584	-	80,744	80,744
Amounts owed to credit institutions	-	-	-	-	-	-
Other creditors	-	-	-	-	-	-
	311	118,968	119,279	307	95,294	95,601

Other financial investments – Corporate

	2019			2018		
	At fair value through profit or loss £	At amortised cost £	Total £	At fair value through profit or loss £	At amortised cost £	Total £
Financial assets						
Investments	79,022	-	79,022	-	79,534	79,534
Other debtors	-	17,765	17,765	-	25,193	25,193
Cash at bank and in hand	-	64,744	64,744	-	50,209	50,209
Other assets	-	-	-	-	-	-
	79,022	82,509	161,531	-	154,936	154,936
Financial liabilities						
Other creditors	-	33,018	33,018	-	33,018	33,018
	-	33,018	33,018	-	33,018	33,018

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
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7. Financial Instruments and Financial Risk Management (continued)

7.5 Classification of Financial Instruments (continued)

The table below sets out details of the Company's derivative financial instruments.

	2019		2018	
	Notional amount £	Fair value £	Notional amount £	Fair value £
Foreign exchange forward contracts	11,363	(644)	8,899	292
Interest rate future contracts	3,524	4	-	-
Foreign exchange options	-	-	-	-
Equity options	-	-	-	-
Foreign exchange contract for difference	-	-	-	-
Other	-	(1)	-	-
	14,887	(641)	8,899	292

7.6 Financial Instruments held at fair value through profit or loss

The assets and liabilities carried at fair value through profit or loss have been categorised between the three levels of the fair value hierarchy that reflects the observability and significance of inputs used when establishing the fair value. The categorisation of these instruments is based on the lowest level input that is significant to the fair value measurement in its entirety.

Level (a) in the fair value hierarchy consists of assets and liabilities valued using unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis.

Level (b) in the fair value hierarchy consists of assets and liabilities that do not have directly quoted market prices available from active markets. Instead the price of a recent transaction for an identical asset or liability is used, provided that there has not been a significant change in economic circumstances or a significant lapse of time since the recent transaction.

Level (c) in the fair value hierarchy consists of those types of assets and liabilities for which fair values cannot be obtained directly from quoted market prices in active markets or in a recent transaction. These assets and liabilities are measured using a valuation technique to estimate what the transaction price would have been in an arm's length transaction.

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7. Financial Instruments and Financial Risk Management (continued)

7.6 Financial Instruments held at fair value through profit or loss (continued)

The tables below set out Company's financial instruments held at fair value through profit or loss by level of hierarchy.

Other financial investments – Syndicate participation

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2019						
Financial assets						
Shares and other variable yield securities and units in unit trusts	34,067	54,142	2,255	90,464	-	90,464
Debt securities and other fixed income securities	169,034	279,845	-	448,879	-	448,879
Participation in investment pools	6,293	2,368	887	9,548	-	9,548
Loans and deposits with credit institutions	2,709	976	-	3,685	370	4,055
Overseas deposits	22,576	20,702	1,815	45,093	-	45,093
Derivatives	120	(761)	-	(641)	-	(641)
Other investments	-	-	-	-	-	-
Financial assets classified as held for sale	-	-	-	-	-	-
	234,799	357,272	4,957	597,028	370	597,398
Financial liabilities						
Borrowings	-	-	-	-	-	-
Derivative liabilities	311	-	-	311	-	311
Financial liabilities classified as held for sale	-	-	-	-	-	-
	311	-	-	311	-	311

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7. Financial Instruments and Financial Risk Management (continued)

7.6 Financial Instruments held at fair value through profit or loss (continued)

Other financial investments – Syndicate participation (continued)

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2018						
Financial assets						
Shares and other variable yield securities and units in unit trusts	26,112	49,138	375	75,625	-	75,625
Debt securities and other fixed income securities	175,133	266,304	-	441,437	-	441,437
Participation in investment pools	15,298	2,022	2,263	19,583	-	19,583
Loans and deposits with credit institutions	3,404	12	529	3,945	-	3,945
Overseas deposits	22,695	16,723	1,851	41,269	-	41,269
Derivatives	252	40	-	292	-	292
Other investments	-	-	-	-	-	-
Financial assets classified as held for sale	-	-	-	-	-	-
	242,894	334,239	5,018	582,151	-	582,151
Financial liabilities						
Borrowings	-	-	-	-	-	-
Derivative liabilities	284	23	-	307	-	307
Financial liabilities classified as held for sale	-	-	-	-	-	-
	284	23	-	307	-	307

Other financial investments – Corporate

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2019						
Financial assets						
Shares and other variable yield securities and units in unit trusts	79,022	-	-	79,022	-	79,022
Debt securities and other fixed income securities	-	-	-	-	-	-
Other investments	-	-	-	-	-	-
	79,022	-	-	79,022	-	79,022

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7. Financial Instruments and Financial Risk Management (continued)

7.6 Financial Instruments held at fair value through profit or loss (continued)

Other financial investments – Corporate (continued)

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2018						
Financial assets						
Shares and other variable yield securities and units in unit trusts	-	-	-	-	-	-
Debt securities and other fixed income securities	-	-	-	-	79,534	79,534
Other investments	-	-	-	-	-	-
	-	-	-	-	79,534	79,534

7.7 Financial Risk Management

The Company is a financial institution and therefore provides the following disclosures in respect of the financial instruments it holds.

The Company is exposed to the following financial risks in the course of its operating and financing activities:

- Credit risk
- Liquidity risk
- Interest rate risk
- Equity price risk; and
- Currency risk

The management and control of each Syndicate is carried out by the managing agent of that Syndicate, and the Company looks to the managing agent to implement appropriate policies, procedures and internal controls to manage each Syndicate, including those in respect of financial risk management. The following qualitative risk management disclosures made by the Directors therefore relate to the Corporate only. The quantitative disclosures are made in respect of both the Corporate and the Syndicates.

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7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

Credit risk

Credit risk is the risk that a counterparty to the Company's financial instruments will cause a loss to the Company through failure to perform its obligations. The key areas of exposure to credit risk for the Company result through its reinsurance programme, investments, bank deposits and policyholder receivables.

The Company manages credit risk at the Corporate level by ensuring that investments and cash and cash equivalent deposits are placed only with highly rated credit institutions. At the Corporate level the Company did not hold any collateral as security against its receivables, or have any other credit enhancements at the reporting dates.

The carrying amount of the Company's financial assets represents the Company's maximum exposure to credit risk.

The tables below show the credit quality of financial assets that are neither past due nor impaired.

Syndicate participation	AAA £	AA £	A £	BBB or lower £	Not rated £	Total £
2019						
Shares and other variable yield securities and units in unit trusts	8,810	3,699	40,562	5,572	31,821	90,464
Debt securities and other fixed income securities	55,618	151,461	136,048	95,425	10,327	448,879
Participation in investment pools	442	7,701	513	5	887	9,548
Loans secured with credit institutions	1,175	-	654	-	-	1,829
Deposits with credit institutions	(1)	-	1,541	-	686	2,226
Overseas deposits	19,218	6,963	4,614	4,405	9,893	45,093
Derivative investments	(1)	-	-	121	(761)	(641)
Other investments	-	-	-	-	-	-
Deposits with ceding undertakings	-	-	-	-	41	41
Reinsurers share of claims outstanding	20,692	56,711	179,155	598	14,994	272,150
Reinsurance debtors	251	4,029	14,871	617	5,952	25,720
Cash at bank and in hand	(1)	1,036	20,333	6,211	4,417	31,996
Insurance debtors	-	-	-	-	-	-
Other debtors	-	-	-	-	-	-
	106,203	231,600	398,291	112,954	78,257	927,305

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7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

Syndicate participation	AAA £	AA £	A £	BBB or lower £	Not rated £	Total £
2018						
Shares and other variable yield securities and units in unit trusts	6,998	3,637	28,341	4,356	32,293	75,625
Debt securities and other fixed income securities	76,025	125,949	132,499	92,300	14,664	441,437
Participation in investment pools	408	16,901	7	4	2,263	19,583
Loans secured with credit institutions	-	6	-	-	529	535
Deposits with credit institutions	-	-	2,736	-	674	3,410
Overseas deposits	16,181	6,830	3,462	3,626	11,170	41,269
Derivative investments	1	-	217	34	40	292
Other investments	-	-	-	-	-	-
Deposits with ceding undertakings	-	-	-	-	42	42
Reinsurers share of claims outstanding	22,826	49,662	155,805	271	16,897	245,461
Reinsurance debtors	548	2,827	9,665	-	1,879	14,919
Cash at bank and in hand	331	2,603	18,240	4,738	3,516	29,428
Insurance debtors	-	-	-	-	-	-
Other debtors	-	-	-	-	-	-
	123,318	208,415	350,972	105,329	83,967	872,001

The tables below show the ageing and impairment of financial assets by class of instruments.

Syndicate participation	Neither due nor impaired £	Less than 6 months £	Between 6 months and 1 year £	Greater than 1 year £	Impaired £	Total past due or impaired £
2019						
Shares and other variable yield securities and units in unit trusts	90,464	-	-	-	-	90,464
Debt securities and other fixed income securities	448,879	-	-	-	-	448,879
Participation in investment pools	9,548	-	-	-	-	9,548
Loans secured with credit institutions	1,829	-	-	-	-	1,829
Deposits with credit institutions	2,226	-	-	-	-	2,226
Overseas deposits	45,093	-	-	-	-	45,093
Derivative investments	(641)	-	-	-	-	(641)
Other investments	-	-	-	-	-	-
Deposits with ceding undertakings	41	-	-	-	-	41
Reinsurers share of claims outstanding	272,227	-	-	-	(77)	272,150
Reinsurance debtors	20,592	4,749	276	105	(2)	25,720
Cash at bank and in hand	31,996	-	-	-	-	31,996
Insurance debtors	123,053	11,767	1,951	2,238	(122)	138,887
Other debtors	235,142	528	24	4	-	235,698
	1,280,449	17,044	2,251	2,347	(201)	1,301,890

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7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

Syndicate participation	Neither due nor impaired £	Less than 6 months £	Between 6 months and 1 year £	Greater than 1 year £	Impaired £	Total past due or impaired £
2018						
Shares and other variable yield securities and units in unit trusts	75,625	-	-	-	-	75,625
Debt securities and other fixed income securities	441,437	-	-	-	-	441,437
Participation in investment pools	19,583	-	-	-	-	19,583
Loans secured with credit institutions	535	-	-	-	-	535
Deposits with credit institutions	3,410	-	-	-	-	3,410
Overseas deposits	41,269	-	-	-	-	41,269
Derivative investments	292	-	-	-	-	292
Other investments	-	-	-	-	-	-
Deposits with ceding undertakings	42	-	-	-	-	42
Reinsurers share of claims outstanding	245,536	-	-	-	(75)	245,461
Reinsurance debtors	11,465	3,342	97	20	(5)	14,919
Cash at bank and in hand	29,428	-	-	-	-	29,428
Insurance debtors	117,758	8,229	1,331	1,901	(140)	129,079
Other debtors	226,978	402	199	-	-	227,579
	1,213,358	11,973	1,627	1,921	(220)	1,228,659

At the Corporate level the Company is not exposed to significant credit risk. Consequently a sensitivity analysis for credit risk has not been presented for the Corporate.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

At the Corporate level the Company manages liquidity by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date of which the Company can be required to pay.

Syndicate participation	No stated maturity £	Less than 1 year £	1 to 3 years £	3 to 5 years £	Greater than 5 years £	Total £
2019						
Derivative financial instruments	-	311	-	-	-	311
Deposits received from reinsurers	-	3,486	-	-	-	3,486
Provisions for other risks and charges	-	825	-	-	-	825
Claims outstanding	(1)	321,692	290,537	159,854	146,483	918,565
Creditors	330	116,531	20,467	2,549	-	139,877
Other	-	(825)	-	-	-	(825)
	329	442,020	311,004	162,403	146,483	1,062,239

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7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

Syndicate participation	No stated maturity £	Less than 1 year £	1 to 3 years £	3 to 5 years £	Greater than 5 years £	Total £
2018						
Derivative financial instruments	-	307	-	-	-	307
Deposits received from reinsurers	-	3,063	-	-	-	3,063
Provisions for other risks and charges	-	1,163	470	198	248	2,079
Claims outstanding	-	309,164	307,584	130,833	145,100	892,681
Creditors	565	108,904	21,087	3,701	-	134,257
Other	-	(1,163)	(470)	(198)	(248)	(2,079)
	565	421,438	328,671	134,534	145,100	1,030,308

At the Corporate level the Company is not exposed to significant liquidity risk. Consequently a maturity profile has not been presented for the Corporate.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rates.

The Company is exposed to the risk of interest rate fluctuations in respect of cash and cash equivalents and other interest bearing securities.

At the Corporate level the Company manages interest rate risk by maintaining an appropriate mix between fixed and floating rate financial instruments.

The table below shows the impact of changes in interest rates on the profit or loss for the period and on the equity of the Company.

Syndicate participation

	2019 £	2018 £
Impact of 50 basis point increase on profit or loss	(4,675)	(4,069)
Impact of 50 basis point decrease on profit or loss	4,588	4,094
Impact of 50 basis point increase on equity	(4,675)	(4,069)
Impact of 50 basis point decrease on equity	4,588	4,094

At the Corporate level the Company is not exposed to significant cash flow interest rate risk as all of the financial instruments attract fixed rates of interest. Consequently a sensitivity analysis for interest rate risk has not been presented for the Corporate.

Equity price risk

Equity price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices.

The Company is exposed to equity price risk in respect of its equity investments.

At the Corporate level the Company manages equity price risk by maintaining an appropriate mix between equity and debt financial instruments, and by spreading the risk on equity investments across a portfolio of investments.

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7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

The table below shows the impact of changes in equity prices on the profit or loss for the period and on the equity of the Company.

Syndicate participation

	2019	2018
	£	£
Impact on profit or loss of 5% increase in Stock Market Prices	660	1,004
Impact on profit or loss of 5% decrease in Stock Market Prices	(663)	(999)
Impact on equity of 5% increase in Stock Market Prices	660	1,004
Impact on equity of 5% decrease in Stock Market Prices	(663)	(999)

At the Corporate level the Company is not exposed to significant cash flow equity price risk. Consequently a sensitivity analysis for equity price risk has not been presented for the Corporate.

Currency risk

The Company holds both assets and liabilities denominated in currencies other than Sterling, its functional currency. It is therefore exposed to currency risk as the value of the foreign currency assets and liabilities will fluctuate in line with changes in foreign exchange rates.

At the Corporate level the Company manages currency risk by ensuring that exchange rate exposures are managed within approved policy parameters.

The table below considers financial assets and financial liabilities denominated in the currencies of the Company's principal foreign exchange exposures in aggregate.

Net assets and liabilities

		2019		2018
	Syndicate		Syndicate	
	Participation	Corporate	Participation	Corporate
	£	£	£	£
Sterling	(129,090)	57,256	(87,921)	66,457
United States Dollar	24,265	64,736	(43,997)	47,966
Euro	36,080	-	16,982	-
Canadian Dollar	15,034	-	28,813	-
Australian Dollar	8,434	-	5,513	-
Japanese Yen	(8,302)	-	(3,854)	-
Other	1,552	-	6,001	-

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7. Financial Instruments and Financial Risk Management (continued)

7.7 Financial Risk Management (continued)

The Company has delegated sole management and control of its underwriting through each Syndicate to the managing agent of the Syndicate and it has further undertaken not to interfere with the exercise of such management and control. The managing agents of the Syndicates are therefore responsible for determining the insurance transactions to be recognised. As such, disclosures in respect of the assumptions and judgements made, and the objectives, policies and processes for managing currency risk arising from assets and liabilities are only presented for the Corporate in these Financial Statements.

The Company's assets are primarily Funds at Lloyd's to support its underwriting. These are held in various currencies but are all either listed investments or cash. As such, any exchange movement would be accounted for in the profit and loss.

	Corporate Profit and loss			
	31 December 2019		31 December 2018	
	Increase	Decrease	Increase	Decrease
	£	£	£	£
Effect of Sterling exchange movement by 10%				
United States Dollar	5,885	(7,193)	4,361	(5,330)
Euro	-	-	-	-
Canadian Dollar	-	-	-	-
Australian Dollar	-	-	-	-
Japanese Yen	-	-	-	-
Other	-	-	-	-

7.8 Capital Management

Lloyd's capital setting process

In order to meet Lloyd's requirements, each Syndicate is required to calculate its Standard Capital Requirement ("SCR") for the prospective underwriting year. This amount must be sufficient to cover a 1 in 200 year loss, reflecting uncertainty in the ultimate run-off of underwriting liabilities (SCR "to ultimate"). The Syndicate must also calculate its SCR at the same confidence level but reflecting uncertainty over a one year time horizon (one year SCR) for Lloyd's to use in meeting Solvency II requirements. The SCRs of each Syndicate are subject to review by Lloyd's and approval by the Lloyd's Capital and Planning Group.

Each Syndicate member is liable for its own share of underwriting liabilities on the Syndicate on which it participates but not other members' shares.

Accordingly, the capital requirement that Lloyd's sets for each member operates on a similar basis. Each member's SCR shall thus be determined by the sum of the member's share of the Syndicate SCR "to ultimate".

Over and above this, Lloyd's applies a capital uplift to the member's capital requirement, the ECA. The purpose of this uplift, which is a Lloyd's not a Solvency II requirement, is to meet Lloyd's financial strength, licence and ratings objectives.

Effective 1 January 2016, Lloyd's is subject to the Solvency II capital regime and the Solvency I figures are no longer applicable from that date. Although the capital regime has changed, this has not significantly impacted the solvency capital requirement of the Syndicate, since this has been previously calculated using Solvency II principles.

The Funds at Lloyd's represent the capital which allows the Company to participate on the Syndicates. Refer to Note 7.3 for further information.

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8. Insurance Contracts

The following reconciliation shows the movement in the provision for claims outstanding during the year.

	2019			2018		
	Gross provision £	Reinsurance asset £	Net £	Gross provision £	Reinsurance asset £	Net £
At 1 January	892,681	245,461	647,220	838,054	238,949	599,105
Movements in the year	80,314	37,891	42,423	27,876	(396)	28,272
Exchange differences	(54,430)	(11,202)	(43,228)	26,751	6,908	19,843
At 31 December	<u>918,565</u>	<u>272,150</u>	<u>646,415</u>	<u>892,681</u>	<u>245,461</u>	<u>647,220</u>

The following reconciliation shows the movement in the provision for unearned premium during the year.

	2019			2018		
	Gross provision £	Reinsurance asset £	Net £	Gross provision £	Reinsurance asset £	Net £
At 1 January	274,546	47,506	227,040	225,768	37,364	188,404
Movements in the year	25,885	8,699	17,186	39,696	8,092	31,604
Exchange differences	(9,050)	(1,667)	(7,383)	9,082	2,050	7,032
At 31 December	<u>291,381</u>	<u>54,538</u>	<u>236,843</u>	<u>274,546</u>	<u>47,506</u>	<u>227,040</u>

The following reconciliation shows the movement in deferred acquisition costs during the year.

	2019 £	2018 £
At 1 January	75,029	63,955
Movements in the year	3,866	9,167
Exchange differences	(2,180)	1,907
At 31 December	<u>76,715</u>	<u>75,029</u>

8.1 Risks arising from Insurance Contracts

The Company has delegated sole management and control of its underwriting through each Syndicate to the managing agent of the Syndicate and it has further undertaken not to interfere with the exercise of such management and control. The managing agents of the Syndicates are therefore responsible for determining the insurance transactions to be recognised. As such, disclosures in respect of the assumptions and judgements made, and the objectives, policies and processes for managing risk arising from insurance contracts, are not presented in these Financial Statements.

The development of insurance liabilities provides a measure of the managing agent's ability to estimate the ultimate value of claims. The top half of each table below illustrates how the estimate of total claims outstanding for each accident year has changed at successive year ends. The bottom half of the table reconciles the cumulative claims to the amount appearing in the balance sheet.

Crowe Capital Limited (Formerly Nameco (No. 68) Limited)
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8. Insurance Contracts (continued)

8.1 Risks arising from Insurance Contracts (continued)

Claims development - gross

	At end of reporting year	One year later	Two years later	Three years later	Four years later	Five years later	Six years later	Seven years later
2011	167,656	265,794	266,014	263,842	258,153	254,047	248,200	245,365
2012	159,603	240,713	233,978	224,989	221,902	216,001	212,064	210,392
2013	123,876	219,227	214,613	207,902	201,742	196,070	193,379	
2014	119,068	211,723	219,002	209,828	208,375	204,770		
2015	116,996	229,559	237,998	230,377	227,894			
2016	133,292	281,362	285,443	282,048				
2017	260,589	391,245	412,097					
2018	229,621	412,148						
2019	215,286							
	Eight years later	Cumulative payments to date	Estimated balance to pay	Profit/(loss) on RITC received				
2010 & prior			81,981					
2011	244,241	223,827	20,414	(16,353)				
2012		190,654	19,738	(33,706)				
2013		171,697	21,682	(20,273)				
2014		170,065	34,705	(43,681)				
2015		171,441	56,453	(45,601)				
2016		196,043	86,005	(37,871)				
2017		248,018	164,079					
2018		167,042	245,106					
2019		26,884	188,402					
			<u>918,565</u>					

Claims development - net

	At end of reporting year	One year later	Two years later	Three years later	Four years later	Five years later	Six years later	Seven years later
2011	142,352	229,896	229,488	223,193	217,318	213,284	210,405	209,793
2012	129,710	206,914	202,567	191,433	187,231	184,117	182,054	180,679
2013	106,625	193,364	187,425	179,534	174,990	172,311	169,885	
2014	100,192	183,979	187,292	179,383	177,600	176,583		
2015	98,819	197,594	205,237	201,728	199,453			
2016	104,164	221,888	230,918	229,884				
2017	155,432	266,996	284,562					
2018	156,332	293,183						
2019	143,126							

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8. Insurance Contracts (continued)

8.1 Risks arising from Insurance Contracts (continued)

Claims development – net (continued)

	Eight years later	Cumulative payments to date	Estimated balance to pay	Profit/(loss) on RITC received
2010 & prior			61,942	
2011	208,237	193,023	15,214	(18,881)
2012		163,676	17,003	(33,072)
2013		151,257	18,628	(28,803)
2014		148,328	28,255	(32,805)
2015		153,563	45,890	(28,096)
2016		165,592	64,292	(33,916)
2017		175,469	109,093	
2018		126,608	166,575	
2019		23,598	119,528	
			<u>646,420</u>	

9. Called-up Share Capital

Issued and fully paid	Number of shares			At 31 December
	At 1 January	Issued during the year	Redeemed during the year	
Par value per share				
1 Ordinary £1 shares	1	-	-	1
Total	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>

The Ordinary £1 shares each hold one voting right. There are no restrictions on the distribution of dividends and the repayments of capital.

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10. Profit and Loss Account

	2019			2018		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Retained profit brought forward	(89,935)	137,856	47,921	(51,361)	165,530	114,169
Reallocate distribution	(11,485)	11,485	-	(37,199)	37,199	-
Profit/(loss) for the financial year	38,663	(8,849)	29,814	(1,375)	(64,873)	(66,248)
Equity dividends	-	-	-	-	-	-
Retained profit carried forward	(62,757)	140,492	77,735	(89,935)	137,856	47,921

11. Deferred Tax

	2019			
	Syndicate Results £	Tax losses £	Claims Equalisation Reserve £	Total £
At 1 January	(15,319)	(6,224)	7,931	(14,514)
Movement in the year	4,573	4,332	(2,817)	6,129
At 31 December	(10,746)	(1,892)	5,114	(8,385)

	2018			
	Syndicate Results £	Tax losses £	Claims Equalisation Reserve £	Total £
At 1 January	(8,761)	-	10,747	1,036
Movement in the year	(6,558)	(6,224)	(2,816)	(15,550)
At 31 December	(15,319)	(6,224)	7,931	(14,514)

The unused tax losses carried forward at the Statement of Financial Position date are £11,132. Unused tax losses are expected to be recoverable against the future profits of the Company and have no expiry date.

The deferred tax balance consists of timing differences relating to the taxation of underwriting results. Deferred tax assets are shown within other debtors (Note 7.2).

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12. Related Party Disclosure

Any related party loans and balances do not attract interest and are repayable on demand.

13. Ultimate Controlling Party

The Company is controlled by Mr Craig T. Crowe, who holds 100% of the issued £1 ordinary share capital.

14. Post Balance Sheet Event Note

In March 2020, the World Health Organisation declared Coronavirus (Covid-19) to be a global pandemic. The full extent of the impact is not yet known, however as the Company participates on multiple syndicates the potential impact is mitigated due to the diverse spread of risks underwritten in them. This is a non-adjusting post balance sheet event.