

Company Registration No. 06854026 (England and Wales)

RANSOME'S TRADING HOLDING COMPANY LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

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RANSOME'S TRADING HOLDING COMPANY LIMITED

DIRECTORS AND ADVISERS

Directors	P N R Cooke K L H Cooke C F Nesbit J J F Cooke
Secretary	K L H Cooke
Company number	06854026
Registered office	Connexions 159 Princes Street Ipswich IP1 1QJ
Auditors	Ensors Accountants LLP Connexions 159 Princes Street Ipswich IP1 1QJ
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ

RANSOME'S TRADING HOLDING COMPANY LIMITED

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RANSOME'S TRADING HOLDING COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors submit their Strategic Report for the group for the year ended 31 December 2021.

Business review

The principal activity of the company is that of a holding company. The principal activity of the group is that of a holding company of subsidiaries trading as a Lloyd's corporate capital member, conducting silviculture and the thinning, felling and sale of the timber crop, and other trading activities.

The group has ceased to write insurance business in the Lloyd's insurance market as a Lloyd's corporate capital member as at 31 December 2021 and the directors consider that the retained activities are well placed for future development.

With regard to the group's activity of trading as a Lloyd's corporate capital member, the financial statements incorporate the annual accounting results of the Syndicates on which the group participates for the 2019, 2020 and 2021 years of account, as well as any 2018 and prior run-off years. The 2019 year closed at 31 December 2021 with a result of £(2,663,248).

Results and dividends

The results for the year are set out on pages 9 to 10 of the financial statements. Dividends totalling £Nil were paid in the year (2020 - £Nil).

Financial risk management objectives and policies

The financial risk management objectives of the group are set by the directors to enable the group to achieve its long-term growth objective.

The group 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 group is also directly exposed to investment risks in respect of the Funds deposited at Lloyd's under the Lloyd's Deposit Trust Deed and its other investments. The group is exposed to investment risk, liquidity risk and interest rate risk and ensures these funds and other investments are managed to mitigate these risks by investing in highly rated and readily realisable investments.

Hedge accounting is not used by the group.

Key performance indicators

The directors monitor the performance of the group by reference to the following key performance indicators:

	2021	2020
Capacity (youngest underwriting year)	£10,050,000	£21,406,426
Gross premium written as a % of capacity	152.8%	140.7%
Underwriting result of latest run-off/closed year:		
as a % of capacity	-12.6%	-8.7%
Run-off years of account movement	£(547,094)	£-
Combined ratio	93.7%	113.7%

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

RANSOME'S TRADING HOLDING COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

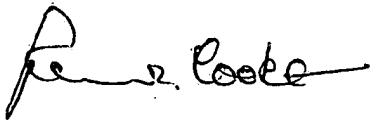
Section 172(1) statement

The directors have considered the matters set out in Section 172(1)(a) to (f) when performing their duties and comment as follows:

- a) The group operated in the Lloyd's insurance market. The majority of its activities were carried out by the syndicates on which it participates. The group is not involved directly in the management of the syndicates' activities, as these are the responsibility of the Managing Agents.
- b) Other than the directors the group has no employees. The directors do not receive any remuneration from the group.
- c) The group's only suppliers are those who provide services for the administration of the group. The directors ensure supplier invoices are paid on time in line with any agreed terms.
- d) The group's operations do not by their very nature produce significant environmental emissions.
- e) The group and the syndicates are required to operate within the guidelines and code of conduct of the Lloyd's market. Behind the Lloyd's market is the Lloyd's Corporation, an independent organisation and regulator that acts to protect and maintain the market's reputation and provides services and original research, reports and analysis to the industry's knowledge base. The directors ensure compliance with relevant legislation and promote high standards of business conduct.
- f) The directors work very closely with the members of the group to discuss all significant decisions including the level of participation on the syndicates.

More information on this can be found at <https://www.argentagroup.com/Section172>.

By order of the board



P N R Cooke
Director

21 December 2022

RANSOME'S TRADING HOLDING COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and audited financial statements of the group for the year ended 31 December 2021.

Principal activities

The principal activity of the company is that of a holding company. The principal activity of the group is that of a holding company of subsidiaries trading as a Lloyd's corporate capital member in run-off, conducting silviculture and the thinning, felling and sale of the timber crop, and other trading activities. The group ceased underwriting at 31 December 2021.

Directors

The directors who served at any time during the year were as follows:

P N R Cooke
K L H Cooke
C F Nesbit
J J F Cooke

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom 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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RANSOME'S TRADING HOLDING COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

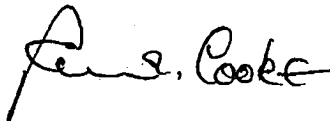
Auditors

Ensors Accountants LLP have signified their willingness to act and continue to be appointed as the group'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 group'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 group's auditors are aware of that information.

By order of the board

A handwritten signature in black ink, appearing to read 'P N R Cooke', written in a cursive style.

P N R Cooke
Director

21 December 2022

RANSOME'S TRADING HOLDING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of Ransome's Trading Holding Company Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the profit and loss account, balance sheets, statements of changes in equity, cash flow statement 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 group's and parent company's affairs as at 31 December 2021 and of the group's 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

RANSOME'S TRADING HOLDING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (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.

Opinion 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

RANSOME'S TRADING HOLDING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (CONTINUED)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we have undertaken to detect irregularities, including fraud, are detailed below:

- We obtained an understanding of the group and the sectors in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussion with management and the application of our knowledge and experience of the sectors in which the group operates. We determined the principal laws and regulations relevant to the group in this regard to be those arising from the Companies Act 2006, Lloyd's byelaws as they relate to the group and UK taxation legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to:
 1. discussion with management of any known, or suspected, instances of non-compliance by the group with those laws and regulations;
 2. discussion with management of any, or suspected, incidence of fraud;
 3. review of the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
 4. review of the minutes of the board of directors and other correspondence as we deemed appropriate; and
 5. review and testing of the system of controls established by management to ensure the accuracy of the financial statements.
- We identified the risks of material misstatement of the financial statements due to fraud as being those arising from management override of controls. We have addressed this risk by performing audit procedures which included, but were not limited to, the testing of journals, reviewing material accounting estimates for evidence of bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business that came to our attention.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

RANSOME'S TRADING HOLDING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%e2%80%99s-responsibilities-for> This description forms part of our auditor's report.

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.

Helen Rumsey (Senior statutory auditor)
for and on behalf of Ensors Accountants LLP

Chartered Accountants
Statutory Auditor

Connexions
159 Princes Street
Ipswich
IP1 1QJ

22 December 2022

RANSOME'S TRADING HOLDING COMPANY LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT TECHNICAL ACCOUNT – GENERAL BUSINESS FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Discontinued activities £	Continued activities £	2021 Total £	Discontinued activities £	Continued activities £	2020 Total £
Premiums written							
Gross premiums written	2	15,356,878	-	15,356,878	30,116,174	-	30,116,174
Outward reinsurance premiums	2	(6,589,770)	-	(6,589,770)	(12,483,385)	-	(12,483,385)
Net premiums written		8,767,108	-	8,767,108	17,632,789	-	17,632,789
Change in the provision for unearned premiums							
Gross provision	2	7,520,111	-	7,520,111	(742,281)	-	(742,281)
Reinsurers' share	2	(2,893,073)	-	(2,893,073)	1,879,472	-	1,879,472
Earned premiums, net of reinsurance		13,394,146	-	13,394,146	18,769,980	-	18,769,980
Allocated investment return transferred from the non-technical account		17,194	-	17,194	433,759	-	433,759
Claims paid							
Gross amount	2	(13,536,982)	-	(13,536,982)	(16,662,995)	-	(16,662,995)
Reinsurers' share	2	5,594,981	-	5,594,981	5,931,280	-	5,931,280
Net claims paid		(7,942,001)	-	(7,942,001)	(10,731,715)	-	(10,731,715)
Change in provision for claims							
Gross amount	2	1,656,052	-	1,656,052	(7,363,516)	-	(7,363,516)
Reinsurers' share	2	(910,733)	-	(910,733)	4,117,305	-	4,117,305
Change in net provision for claim		745,319	-	745,319	(3,246,211)	-	(3,246,211)
Claims incurred, net of reinsurance		(7,196,682)	-	(7,196,682)	(13,977,926)	-	(13,977,926)
Net operating expenses	2, 3	(5,348,286)	-	(5,348,286)	(7,363,189)	-	(7,363,189)
Balance on the technical account for general business		866,372	-	866,372	(2,137,376)	-	(2,137,376)

The accounting policies and notes on pages 17 to 52 form part of these financial statements.

RANSOME'S TRADING HOLDING COMPANY LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT NON - TECHNICAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Discontinued activities £	Continued activities £	2021 Total £	Discontinued activities £	Continued activities £	2020 Total £
Balance on the technical account for general business		866,372	-	866,372	(2,137,376)	-	(2,137,376)
Investment income	4	1,455,454	738,674	2,194,128	1,717,888	1,002,079	2,719,967
Allocated investment return transferred to the general business technical account		(17,194)	-	(17,194)	(433,759)	-	(433,759)
Other income		72,767	108,654	181,421	259,245	148,115	407,360
Other charges, including value adjustments		(33,361)	(188,984)	(222,345)	(91,045)	(202,480)	(293,525)
Profit on movement in fair value of biological assets		-	2,179,287	2,179,287	-	995,936	995,936
Profit on ordinary activities before taxation	5	2,344,038	2,837,631	5,181,669	(685,047)	1,943,650	1,258,603
Tax on profit on ordinary activities	6	(32,858)	(119,590)	(152,448)	(401,084)	(171,963)	(573,047)
Total comprehensive income	15	2,311,180	2,718,041	5,029,221	(1,086,131)	1,771,687	685,556

The accounting policies and notes on pages 17 to 52 form part of these financial statements.

RANSOME'S TRADING HOLDING COMPANY LIMITED

BALANCE SHEET - GROUP AS AT 31 DECEMBER 2021

	Note	Group 2021			Group 2020		
		Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Assets							
Intangible assets	9	-	-	-	-	-	-
Tangible assets		-	48,897	48,897	-	48,990	48,990
Biological assets	10	-	7,214,607	7,214,607	-	5,064,892	5,064,892
Investments							
Other financial investments	11.1/ 11.4	15,804,931	15,878,550	31,683,481	15,662,679	14,680,828	30,343,507
Deposits with ceding undertakings		89,279	-	89,279	3,849	-	3,849
		15,894,210	23,142,054	39,036,264	15,666,528	19,794,710	35,461,238
Reinsurers' share of technical provisions							
Provision for unearned premiums	12	2,202,278	-	2,202,278	5,143,564	-	5,143,564
Claims outstanding	12	15,348,252	-	15,348,252	16,316,967	-	16,316,967
		17,550,530	-	17,550,530	21,460,531	-	21,460,531
Debtors							
Amounts falling due within one year	11.3	13,262,070	398,501	13,660,571	12,841,959	391,064	13,233,023
Amounts falling due after one year	11.3	68,111	-	68,111	92,097	-	92,097
		13,330,181	398,501	13,728,682	12,934,056	391,064	13,325,120
Other assets							
Cash at bank and in hand		1,339,932	8,969,303	10,309,235	1,116,869	6,944,833	8,061,702
Current asset investments – other listed investments	11.2	-	4,230,835	4,230,835	-	6,806,847	6,806,847
Other		4,042,646	-	4,042,646	3,585,133	-	3,585,133
		5,382,578	13,200,138	18,582,716	4,702,002	13,751,680	18,453,682
Prepayments and accrued income							
Accrued interest		1,233	-	1,233	6,980	-	6,980
Deferred acquisitions costs	12	1,846,636	-	1,846,636	3,988,359	-	3,988,359
Other prepayments and accrued income		62,650	2,100	64,750	114,576	5,165	119,741
		1,910,519	2,100	1,912,619	4,109,915	5,165	4,115,080
Total assets		54,068,018	36,742,793	90,810,811	58,873,032	33,942,619	92,815,651

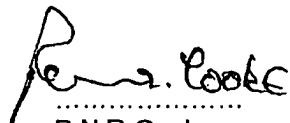
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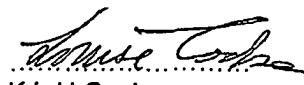
RANSOME'S TRADING HOLDING COMPANY LIMITED

BALANCE SHEET - GROUP (CONTINUED) AS AT 31 DECEMBER 2021

	Note	Group 2021			Group 2020		
		Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Liabilities and shareholders' funds							
Capital and reserves							
Called up share capital	13	-	42,000	42,000	-	42,000	42,000
Share premium account	14	-	14,363,394	14,363,394	-	14,363,394	14,363,394
Profit and loss account	15	(2,092,439)	21,242,184	19,149,745	(4,854,812)	18,975,336	14,120,524
Shareholders' funds – attributable to equity interests		(2,092,439)	35,647,578	33,555,139	(4,854,812)	33,380,730	28,525,918
Technical provisions							
Provision for unearned premiums	12	6,652,306	-	6,652,306	14,309,487	-	14,309,487
Claims outstanding	12	35,514,555	-	35,514,555	37,381,566	-	37,381,566
Provisions for other risks and charges	16						
Deferred taxation		-	285,797	285,797	-	166,207	166,207
Deposit received from reinsurers		8,483	-	8,483	15,535	-	15,535
Creditors							
Amounts falling due within one year	11.5	7,976,823	620,985	8,597,808	5,755,112	208,307	5,963,419
Amounts falling due after one year	11.5	5,223,184	-	5,223,184	4,668,232	-	4,668,232
		13,200,007	620,985	13,820,992	10,423,344	208,307	10,631,651
		55,375,351	906,782	56,282,133	62,129,932	374,514	62,504,446
Accruals and deferred income		785,106	188,433	973,539	1,597,912	187,375	1,785,287
Total liabilities		54,068,018	36,742,793	90,810,811	58,873,032	33,942,619	92,815,651

Approved by the Board and authorised for issue on 21 December 2022


P N R Cooke
Director


K L H Cooke
Director

Company Registration No. 06854026

The accounting policies and notes on pages 17 to 52 form part of these financial statements.

RANSOME'S TRADING HOLDING COMPANY LIMITED

BALANCE SHEET - COMPANY AS AT 31 DECEMBER 2021

	Note	Company 2021			Company 2020		
		Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Assets							
Intangible assets	9	-	-	-	-	-	-
Tangible assets		-	-	-	-	-	-
Biological assets	10	-	-	-	-	-	-
Investments							
Other financial investments	11.1/ 11.4	-	14,405,394	14,405,394	-	14,405,394	14,405,394
Deposits with ceding undertakings		-	-	-	-	-	-
		-	14,405,394	14,405,394	-	14,405,394	14,405,394
Reinsurers' share of technical provisions							
Provision for unearned premiums	12	-	-	-	-	-	-
Claims outstanding	12	-	-	-	-	-	-
		-	-	-	-	-	-
Debtors							
Amounts falling due within one year	11.3	-	-	-	-	-	-
Amounts falling due after one year	11.3	-	-	-	-	-	-
		-	-	-	-	-	-
Other assets							
Cash at bank and in hand		-	-	-	-	-	-
Current asset investments – other listed investments	11.2	-	-	-	-	-	-
Other		-	-	-	-	-	-
		-	-	-	-	-	-
Prepayments and accrued income							
Accrued interest		-	-	-	-	-	-
Deferred acquisitions costs	12	-	-	-	-	-	-
Other prepayments and accrued income		-	-	-	-	-	-
		-	-	-	-	-	-
Total assets		-	14,405,394	14,405,394	-	14,405,394	14,405,394

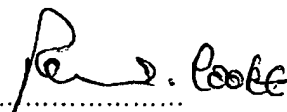
The accounting policies and notes on pages 17 to 52 form part of these financial statements.


RANSOME'S TRADING HOLDING COMPANY LIMITED

BALANCE SHEET - COMPANY (CONTINUED) AS AT 31 DECEMBER 2021

	Note	Company 2021			Company 2020		
		Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Liabilities and shareholders' funds							
Capital and reserves							
Called up share capital	13	-	42,000	42,000	-	42,000	42,000
Share premium account	14	-	14,363,394	14,363,394	-	14,363,394	14,363,394
Profit and loss account	15	-	-	-	-	-	-
Shareholders' funds – attributable to equity interests		-	14,405,394	14,405,394	-	14,405,394	14,405,394
Technical provisions							
Provision for unearned premiums	12	-	-	-	-	-	-
Claims outstanding – gross amount	12	-	-	-	-	-	-
Provisions for other risks and charges							
Deferred taxation	16	-	-	-	-	-	-
Deposit received from reinsurers		-	-	-	-	-	-
Creditors							
Amounts falling due within one year	11.5	-	-	-	-	-	-
Amounts falling due after one year	11.5	-	-	-	-	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
Accruals and deferred income		-	-	-	-	-	-
Total liabilities		-	14,405,394	14,405,394	-	14,405,394	14,405,394

Approved by the Board and authorised for issue on 21 December 2022


P N R Cooke
Director


K L H Cooke
Director

Company Registration No. 06854026

The accounting policies and notes on pages 17 to 52 form part of these financial statements.

RANSOME'S TRADING HOLDING COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY - GROUP FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
Opening balance	42,000	14,363,394	13,434,968	27,840,362
Profit for the year	-	-	685,556	685,556
As at 31 December 2020	42,000	14,363,394	14,120,524	28,525,918
Profit for the year	-	-	5,029,221	5,029,221
As at 31 December 2021	42,000	14,363,394	19,149,745	33,555,139

STATEMENT OF CHANGES IN EQUITY - COMPANY FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
Opening balance	42,000	14,363,394	-	14,405,394
Profit for the year	-	-	-	-
As at 31 December 2020	42,000	14,363,394	-	14,405,394
Profit for the year	-	-	-	-
As at 31 December 2021	42,000	14,363,394	-	14,405,394

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

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

The profit and loss account represents cumulative profits and losses of the group/company.

The accounting policies and notes on pages 17 to 52 form part of these financial statements.

RANSOME'S TRADING HOLDING COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Operating activities		
Profit on ordinary activities before tax	5,181,669	1,258,603
(Profit)/loss attributable to Syndicate transactions	(2,762,373)	1,827,279
Profit – excluding Syndicate transactions	2,419,296	3,085,882
Adjusted for:		
Decrease in debtors	4,548	1,016
Increase/(decrease) in creditors	515,047	(2,898,574)
Profit on disposal of intangible assets	(20,602)	(229,244)
Unrealised gains on biological assets	(2,179,287)	(995,936)
Amortisation of Syndicate capacity	-	-
Realised/unrealised gains on investments	(1,872,380)	(2,139,047)
Investment income	(304,554)	(143,967)
Corporation and overseas taxes paid	(143,089)	(193,870)
Net cash outflow from operating activities	(1,581,021)	(3,513,740)
Investing activities		
Investment income	304,554	143,967
Proceeds from sale of Syndicate capacity	20,602	229,244
Sale of tangible assets	93	57
Sale of biological assets	29,572	17,728
Purchase of financial investments	(23,152)	(3,117,605)
Proceeds from sale of financial investments	3,273,822	3,871,675
Net cash inflow from investing activities	3,605,491	1,145,066
Financing activities		
Equity dividends paid	-	-
Net cash inflow from financing activities	-	-
 Net increase/(decrease) in cash and cash equivalents	 2,024,470	 (2,368,674)
Cash and cash equivalents at the beginning of the year	6,944,833	9,313,507
Cash and cash equivalents at the end of the year	8,969,303	6,944,833
 Consisting of		
Cash at bank and in hand	8,969,303	6,944,833

The group 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 17 to 52 form part of these financial statements.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Basis of preparation of financial statements

1.1 General information

Ransome's Trading Holding Company Limited ('the company') is a private company limited by shares and incorporated in England, United Kingdom. The registered office is Connexions, 159 Princes Street, Ipswich, IP1 1QJ. The company registration number is 06854026. The group consists of Ransome's Trading Holding Company Limited and its subsidiaries.

The financial statements have been presented in pounds sterling ('Sterling') as this is the group's functional currency, being the primary economic environment in which the group operates.

1.2 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* ('FRS 102'), FRS 103 *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 cost convention as modified for certain financial instruments and biological assets held at fair value.

1.3 Going concern

One of the company's subsidiaries ceased underwriting at 31 December 2021, and its financial statements were prepared on a break up basis. The group, however, continues and these financial statements have been prepared on a going concern basis.

1.4 Discontinued activities

Discontinued activities are included in the group accounts on a break up basis, however the break up basis is not materially different to preparation of those accounts on a going concern basis. Accordingly, the accounting policies below continue to apply to the group accounts as a whole.

1.5 Recognition of insurance transactions

The group recognises its proportion of all the transactions undertaken by the Lloyd's Syndicates on which it participates ('the Syndicates') in aggregation with the transactions undertaken by the group 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 group's proportion of the underwriting transactions, investment return and operating expenses has been reflected within the group'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 group's insurance creditors.

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

The group 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 group.

1.6 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 on which the group participates.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1. Basis of preparation of financial statements (continued)

1.7 Basis of consolidation

The consolidated profit and loss account, balance sheet and cash flow statement include the financial statements of the company and its subsidiary undertakings made up to 31 December 2021. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation. Acquisitions are accounted for under the acquisition method.

1.8 Premiums

Premiums written comprise the total premiums receivable for the whole period of cover provided by the contracts incepting during the financial period, together with any adjustments arising in the period 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 1.13 below). Outward reinsurance premiums may include 'reinsurance to close' premiums payable (see 1.13 below). Premiums written by a Syndicate may also include the reinsurance of other Syndicates on which the group 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.

1.9 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 period 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.

1.10 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 group'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.

1.11 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.

1.12 Deferred acquisition costs

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

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1. Basis of preparation of financial statements (continued)

1.13 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 group participates on successive years of account of the same Syndicate and there is a reinsurance to close between those years, the group has offset its share of the reinsurance to close received against its share of the reinsurance to close paid.

If the group 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 group has assumed a greater proportion of the business of the Syndicate. If the group 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 group'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 group's outstanding gross liabilities in respect of the business so reinsured.

1.14 Financial instruments

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

The group holds both basic and non-basic financial instruments. The group'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 group 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.

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.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1. Basis of preparation of financial statements (continued)

1.14 Financial instruments (continued)

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 group 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 group 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 rate method.

Dividend income receivable is recognised when the right to receive the distributions has been established.

1.15 Derivative financial instruments

The group uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The group 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.

1.16 Cash and cash equivalents

Cash and cash equivalents in the balance sheet 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.

1.17 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 group 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 group has transferred substantially all the risks and rewards of the asset; or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group 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 derecognised to the extent of the group'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 group could be required to repay. In that case, the group also recognises an associated liability.

1.18 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.

1.19 Net operating expenses

Operating expenses are recognised when incurred. They include the group'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.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1. Basis of preparation of financial statements (continued)

1.20 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 in the profit and loss account.

1.21 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.

1.22 Insurance contracts – product classification

Insurance contracts are those contracts when the group (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 group determines whether it has significant insurance risk, by comparing 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 FRS 102 unless the embedded derivative is itself an insurance contract (ie the derivative is not separated if the policyholder benefits from the derivative only when the insured event occurs).

1.23 Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

For its underwriting activities, the group 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.

1.24 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 transactions or other event that resulted in the tax expense.

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.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1. Basis of preparation of financial statements (continued)

1.24 Deferred taxation (continued)

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.

1.25 Biological assets

A biological asset is a living animal or plant and is recognised in the balance sheet only when:

- the asset is controlled by an entity;
- it is probable that future economic benefits associated with the asset will flow to an entity;
- the fair value or the cost of the asset can be measured reliably.

Biological assets are measured on initial recognition as well as at each balance sheet date at their fair value less estimated point of sale costs, except for such biological assets whose fair value cannot be estimated reliably. The discounted net cash flow model is used to determine the fair value of an asset.

1.26 Critical accounting judgements and key sources of estimation uncertainty

In applying the group'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 group 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 group's accounting policies and that have 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 asset impairments, 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 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 group 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 individuals or groups of customers.

Valuation of biological assets

In the balance sheet the forest properties owned by the group are divided into land (tangible assets) and forest (biological assets). Biological assets are the trees that are growing in the forest property. Forest properties are valued at fair value every balance sheet date using the method of discounted cash flow, based on the age and species composition and on the market value of forest and agricultural land, with discounting rate 3,82 %.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2. Class of business

2021	Gross premiums written £	Gross premiums earned £	Gross claims incurred £	Net operating expenses £	Re - insurance balance £	Total £
Direct insurance						
Accident and health	5,767	61,368	(59,507)	(26,672)	26,294	1,483
Motor – third party liability	(9,154)	3,879	1,834	(1,700)	10,751	14,764
Motor – other classes	110,585	303,347	(102,563)	(156,019)	(37,164)	7,601
Marine, aviation and transport	1,844,398	2,447,837	(1,720,404)	(787,642)	(214,857)	(275,066)
Fire and other damage to property	4,173,513	7,208,435	(2,342,534)	(1,956,389)	(1,941,850)	967,662
Third party liability	5,249,647	7,357,514	(4,177,472)	(1,342,858)	(1,867,160)	(29,976)
Credit and suretyship	438,357	828,489	(379,953)	(107,606)	(238,488)	102,442
Legal expenses	-	-	-	-	-	-
Miscellaneous	-	-	-	(315)	-	(315)
	11,813,113	18,210,869	(8,780,599)	(4,379,201)	(4,262,474)	788,595
Reinsurance	3,543,765	4,666,120	(3,100,331)	(969,085)	(536,121)	60,583
Total	15,356,878	22,876,989	(11,880,930)	(5,348,286)	(4,798,595)	849,178

2020	Gross premiums written £	Gross premiums earned £	Gross claims incurred £	Net Operating expenses £	Re - insurance balance £	Total £
Direct insurance						
Accident and health	164,032	242,266	(265,394)	(96,610)	51,541	(68,197)
Motor - third party liability	55,565	46,962	(49,849)	(12,579)	(2,805)	(18,271)
Motor – other classes	493,281	528,951	(317,713)	(201,350)	(3,469)	6,419
Marine, aviation and transport	3,536,281	3,656,408	(2,872,604)	(1,024,913)	631,482	390,373
Fire and other damage to property	9,682,882	10,377,564	(12,481,649)	(2,948,025)	1,642,673	(3,409,437)
Third party liability	8,015,833	6,647,591	(3,046,117)	(1,481,016)	(1,961,818)	158,640
Credit and suretyship	959,255	834,423	(586,394)	(96,670)	(96,368)	54,991
Legal expenses	12,529	13,082	(6,164)	(3,505)	(2,335)	1,078
Miscellaneous	3	3	(47)	(1)	17	(28)
	22,919,661	22,347,250	(19,625,931)	(5,864,669)	258,918	(2,884,432)
Reinsurance	7,196,513	7,026,643	(4,400,580)	(1,498,520)	(814,246)	313,297
Total	30,116,174	29,373,893	(24,026,511)	(7,363,189)	(555,328)	(2,571,135)

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.

3. Net operating expenses

	2021 £	2020 £
Acquisition costs	4,935,806	8,820,345
Change in deferred acquisition costs	2,106,426	(211,256)
Administrative expenses	424,746	581,133
Reinsurance commissions and profit participations	(2,304,895)	(2,183,960)
Personal expenses	186,203	356,927
	5,348,286	7,363,189

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4. Investment income	2021	2020
	£	£
Financial instruments held at fair value through profit or loss:		
Interest and dividend income	562,771	413,859
Realised gains/(losses)	289,298	(28,712)
Unrealised gains	1,360,304	2,341,824
	<u>2,212,373</u>	<u>2,726,971</u>
Financial instruments held at amortised cost:		
Interest	48	11,351
	<u>48</u>	<u>11,351</u>
Investment management expenses, including interest	(18,293)	(18,355)
	<u>(18,293)</u>	<u>(18,355)</u>
	<u>2,194,128</u>	<u>2,719,967</u>
5. Profit on ordinary activities before taxation	2021	2020
	£	£
Operating (loss)/profit is stated after charging/(crediting):		
Directors' remuneration	-	-
Amortisation of Syndicate capacity	-	-
Profit on disposal of intangible fixed assets	(20,602)	(229,244)
Profit on exchange	(54,686)	(19,198)
Auditor's remuneration		
Fees payable to the group's auditor for the audit of the group's annual accounts (company £8,500 (2020: £8,250))	16,525	14,830

The group has no employees and no staff costs are met by the group.
The directors are considered to be the key management personnel of the group.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6. Taxation	2021 £	2020 £
Analysis of charge in year		
Current tax:		
UK corporation tax on profit for the year	-	236,581
Adjustment in respect of previous period	40,593	31,221
	<u>40,593</u>	<u>267,802</u>
Foreign tax	1,069	1,578
Total current tax	<u>41,662</u>	<u>269,380</u>
Deferred tax:		
Origination and reversal of timing differences	90,950	363,766
Change in tax rate	19,836	(60,099)
Total deferred tax	<u>110,786</u>	<u>303,667</u>
Tax on profit on ordinary activities	<u>152,448</u>	<u>573,047</u>
Factors affecting tax charge for year		
The tax assessed for the period is different to the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%). The differences are explained below:		
Profit on ordinary activities before tax	5,181,669	1,258,603
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	984,517	239,135
Effects of:		
Change in deferred tax rate	19,836	(60,099)
Creation of tax losses	-	-
Foreign tax	1,069	1,578
Expenses not deductible for tax purposes	(446,777)	(204,802)
Other corporation tax computation adjustments	(446,790)	566,014
Marginal rates of taxation and prior period adjustment	40,593	31,221
Total tax charge for the period	<u>152,448</u>	<u>573,047</u>

The results of the group's participation on any years of account in run off will not be assessed until the year after the calendar year results of each run-off year is reported.

An increase in the UK corporation tax rate from 19% to 25% was enacted within the Finance Act 2021 and will be effective from 1 April 2023. As a result, the relevant deferred tax balances have been remeasured. Deferred tax expected to reverse in the year to 31 December 2022 has been measured using the effective rate that will apply in the UK for the period (19%). Deferred tax expected to reverse in the year to 31 December 2023 has been measured using a rate of 23.5%. For years ending after 31 December 2023, the group has used the new tax rate of 25%.

7. Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2021 £	2020 £
Holding company's profit for the financial year	-	-

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

8. Dividends	2021	2020
	£	£
Amounts recognised as distributions to equity holders in the year:		
Interim dividends paid	-	-
9. Intangible assets	Group	Company
Purchased Syndicate capacity	£	£
Cost		
At 1 January 2021	-	-
Additions	-	-
Disposals	-	-
At 31 December 2021	-	-
Amortisation		
At 1 January 2021	-	-
Provided during the year	-	-
Disposals	-	-
At 31 December 2021	-	-
Net book value		
At 31 December 2021	-	-
At 31 December 2020	-	-
10. Biological assets	Group	Company
	£	£
Cost		
At 1 January 2021	2,681,846	-
Disposal	(29,572)	-
At 31 December 2021	2,652,274	-
Revaluations		
At 1 January 2021	(2,383,046)	-
Provided during the year	(2,179,287)	-
At 31 December 2021	(4,562,333)	-
Net book value		
At 31 December 2021	7,214,607	-
At 31 December 2020	5,064,892	-

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management

11.1 Financial investments

GROUP

Other financial investments – Syndicate participation

	2021 Market Value £	2020 Market Value £
Shares and other variable yield securities and units in unit trusts	2,663,370	2,681,515
Debt securities and other fixed income securities	11,825,097	11,626,850
Participation in investment pools	1,285,486	1,318,021
Loans guaranteed by mortgage	-	-
Other investments	93	297
Other loans	27,353	27,353
Deposits with credit institutions	3,532	8,643
Other	-	-
	<u>15,804,931</u>	<u>15,662,679</u>

Other financial investments - Corporate

Shares and other variable yield securities and units in unit trusts	15,878,550	14,680,828
	<u>15,878,550</u>	<u>14,680,828</u>

	2021 Cost £	2020 Cost £
Shares and other variable yield securities and units in unit trusts	2,663,426	2,678,026
Debt securities and other fixed income securities	11,943,141	11,510,413
Participation in investment pools	1,286,362	1,287,980
Loans guaranteed by mortgage	-	-
Other investments	-	-
Other loans	27,353	27,353
Deposits with credit institutions	3,532	8,643
Other	-	-
	<u>15,923,814</u>	<u>15,512,415</u>

COMPANY

Shares in group undertakings	£
Cost	
At 1 January and 31 December 2021	<u>14,405,394</u>
Net book value	
At 31 December 2021	<u>14,405,394</u>
At 31 December 2020	<u>14,405,394</u>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.1 Financial investments (continued)

COMPANY (continued)

Shares in group undertakings

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
Subsidiary undertakings		Class	%
Ransome's Trading Limited	England & Wales	Ordinary	100
Ransome's Underwriting Limited *	England & Wales	Ordinary	100
Metsatalu Ou *	Estonia	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Ransome's Trading Limited	Holding company of trading subsidiaries
Ransome's Underwriting Limited *	Lloyd's corporate capital member
Metsatalu Ou *	Silviculture and the thinning, felling and sale of the timber crop

* Ransome's Underwriting Limited and Metsatalu Ou are wholly owned subsidiaries of Ransome's Trading Limited

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.2 Current asset investments

The group holds investments in listed equity investments for trading purposes. The fair value of these investments has been determined based on the quoted market price available in an active market. The quoted price used is the current bid price.

	Group 2021			Company 2021		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Other – listed	-	4,230,835	4,230,835	-	-	-
	-	4,230,835	4,230,835	-	-	-

	Group 2020			Company 2020		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Other – listed	-	6,806,847	6,806,847	-	-	-
	-	6,806,847	6,806,847	-	-	-

Current asset investments are valued using quoted market prices.

11.3 Debtors

	Group 2021			Company 2021		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Amounts falling due within one year:						
Arising out of direct insurance operations	7,174,912	-	7,174,912	-	-	-
Arising out of reinsurance operations	5,008,462	-	5,008,462	-	-	-
Other debtors	1,078,696	398,501	1,477,197	-	-	-
	13,262,070	398,501	13,660,571	-	-	-
Amounts falling due after one year:						
Arising out of direct insurance operations	9,475	-	9,475	-	-	-
Arising out of reinsurance operations	56,873	-	56,873	-	-	-
Other debtors	1,763	-	1,763	-	-	-
	68,111	-	68,111	-	-	-
	13,330,181	389,501	13,728,682	-	-	-

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.3 Debtors (continued)

	Group 2020			Company 2020		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Amounts falling due within one year:						
Arising out of direct insurance operations	7,025,682	-	7,025,682	-	-	-
Arising out of reinsurance operations	5,405,067	-	5,405,067	-	-	-
Other debtors	411,210	391,064	802,274	-	-	-
	<u>12,841,959</u>	<u>391,064</u>	<u>13,233,023</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts falling due after one year:						
Arising out of direct insurance operations	10,303	-	10,303	-	-	-
Arising out of reinsurance operations	79,079	-	79,079	-	-	-
Other debtors	2,715	-	2,715	-	-	-
	<u>92,097</u>	<u>-</u>	<u>92,097</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>12,934,056</u>	<u>391,064</u>	<u>13,325,120</u>	<u>-</u>	<u>-</u>	<u>-</u>

11.4 Funds at Lloyd's

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

	Group 2021			Company 2021		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Cash	-	2,769,679	2,769,679	-	-	-
Investments	-	15,878,550	15,878,550	-	-	-
	<u>-</u>	<u>18,648,229</u>	<u>18,648,229</u>	<u>-</u>	<u>-</u>	<u>-</u>

	Group 2020			Company 2020		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Cash	-	3,815,488	3,815,488	-	-	-
Investments	-	14,680,828	14,680,828	-	-	-
	<u>-</u>	<u>18,496,316</u>	<u>18,496,316</u>	<u>-</u>	<u>-</u>	<u>-</u>

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.4 Funds at Lloyd's (continued)

Funds at Lloyd's represents assets deposited with the Corporation of Lloyd's (Lloyd's) to support the group's underwriting activities as described in the Accounting Policies. The group 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 group's liabilities in respect of its underwriting.

11.5 Creditors

	Group 2021			Company 2021		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Amounts falling due within one year:						
Arising out of direct insurance operations	2,483,539	-	2,483,539	-	-	-
Arising out of reinsurance operations	5,213,463	-	5,213,463	-	-	-
Other creditors:						
Corporation tax	-	-	-	-	-	-
Other creditors	279,821	620,985	900,806	-	-	-
	<u>7,976,823</u>	<u>620,985</u>	<u>8,597,808</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts falling due after one year:						
Arising out of direct insurance operations	2,778	-	2,778	-	-	-
Arising out of reinsurance operations	5,220,406	-	5,220,406	-	-	-
Other creditors:						
Other creditors	-	-	-	-	-	-
	<u>5,223,184</u>	<u>-</u>	<u>5,223,184</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>13,200,007</u>	<u>620,985</u>	<u>13,820,992</u>	<u>-</u>	<u>-</u>	<u>-</u>

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.5 Creditors (continued)

	Group 2020			Company 2020		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Amounts falling due within one year:						
Arising out of direct insurance operations	835,131	-	835,131	-	-	-
Arising out of reinsurance operations	4,793,647	-	4,793,647	-	-	-
Other creditors:						
Corporation tax	-	5,668	5,668	-	-	-
Other creditors	126,334	202,639	328,973	-	-	-
	<u>5,755,112</u>	<u>208,307</u>	<u>5,963,419</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts falling due after one year:						
Arising out of direct insurance operations	2,028	-	2,028	-	-	-
Arising out of reinsurance operations	4,568,437	-	4,568,437	-	-	-
Other creditors:						
Other creditors	97,767	-	97,767	-	-	-
	<u>4,668,232</u>	<u>-</u>	<u>4,668,232</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>10,423,344</u>	<u>208,307</u>	<u>10,631,651</u>	<u>-</u>	<u>-</u>	<u>-</u>

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.6 Classification of financial instruments – Group only

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

Other financial investments – Syndicate participation

	2021			2020		
	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	15,804,931	-	15,804,931	15,662,679	-	15,662,679
Deposits with ceding undertakings	-	89,279	89,279	-	3,849	3,849
Insurance debtors	-	7,184,387	7,184,387	-	7,035,985	7,035,985
Reinsurance debtors	-	5,065,335	5,065,335	-	5,484,146	5,484,146
Other debtors	-	1,080,459	1,080,459	-	413,925	413,925
Cash at bank and in hand	-	1,339,932	1,339,932	-	1,116,869	1,116,869
Other assets	4,042,646	-	4,042,646	3,585,133	-	3,585,133
	<u>19,847,577</u>	<u>14,759,392</u>	<u>34,606,969</u>	<u>19,247,812</u>	<u>14,054,774</u>	<u>33,302,586</u>
Financial liabilities						
Borrowings	-	-	-	-	-	-
Derivative financial instruments	14,567	-	14,567	1,087	-	1,087
Insurance creditors	-	2,486,317	2,486,317	-	837,159	837,159
Reinsurance creditors	-	10,433,869	10,433,869	-	9,362,084	9,362,084
Amounts owed to credit institutions	-	-	-	-	-	-
Other creditors	-	279,821	279,821	-	224,101	224,101
	<u>14,567</u>	<u>13,200,007</u>	<u>13,214,574</u>	<u>1,087</u>	<u>10,423,344</u>	<u>10,424,431</u>

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.6 Classification of financial instruments – Group only (continued)

Other financial investments – Corporate

	2021			2020		
	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	15,878,550	-	15,878,550	14,680,828	-	14,680,828
Other debtors	-	398,501	398,501	-	391,064	391,064
Cash at bank and in hand	-	8,969,303	8,969,303	-	6,944,833	6,944,833
Other assets	4,230,835	-	4,230,835	6,806,847	-	6,806,847
	<u>20,109,385</u>	<u>9,367,804</u>	<u>29,477,189</u>	<u>21,487,675</u>	<u>7,335,897</u>	<u>28,823,572</u>
Financial liabilities						
Other creditors	-	620,985	620,985	-	208,307	208,307
	<u>-</u>	<u>620,985</u>	<u>620,985</u>	<u>-</u>	<u>208,307</u>	<u>208,307</u>

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

	2021		2020	
	Notional amount £	Fair value £	Notional amount £	Fair value £
Foreign exchange forward contracts	789,714	2,175	(20,984)	682
Interest rate future contracts	762,718	(2,082)	446,612	(385)
Foreign exchange options	-	-	-	-
Equity options	-	-	-	-
Foreign exchange contract for difference	-	-	-	-
Other	-	-	-	-
	<u>1,552,432</u>	<u>93</u>	<u>425,628</u>	<u>297</u>

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.7 Financial instruments held at fair value through profit or loss – Group only

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 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.

The tables below set out the group'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 £
2021						
Financial assets						
Shares and other variable yield securities and units in unit trusts	2,162,987	96,620	403,763	2,663,370	-	2,663,370
Debt securities and other fixed income securities	156,578	11,668,519	-	11,825,097	-	11,825,097
Participation in investment pools	225	1,285,261	-	1,285,486	-	1,285,486
Loans and deposits with credit institutions	30,885	-	-	30,885	-	30,885
Overseas deposits	673,640	3,369,006	-	4,042,646	-	4,042,646
Derivatives	93	-	-	93	-	93
Financial assets classified as held for sale	-	-	-	-	-	-
	<u>3,024,408</u>	<u>16,419,406</u>	<u>403,763</u>	<u>19,847,577</u>	<u>-</u>	<u>19,847,577</u>

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.7 Financial instruments held at fair value through profit or loss – Group only (continued)

Other financial investments – Syndicate participation (continued)

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
Financial liabilities						
Borrowings	-	-	-	-	-	-
Derivative liabilities	14,567	-	-	14,567	-	14,567
Financial liabilities classified as held for sale	-	-	-	-	-	-
	<u>14,567</u>	<u>-</u>	<u>-</u>	<u>14,567</u>	<u>-</u>	<u>14,567</u>

2020

Financial assets

Shares and other variable yield securities and units in unit trusts	2,033,655	244,097	403,763	2,681,515	-	2,681,515
Debt securities and other fixed income securities	150,268	11,476,582	-	11,626,850	-	11,626,850
Participation in investment pools	64	1,317,957	-	1,318,021	-	1,318,021
Loans and deposits with credit institutions	35,996	-	-	35,996	-	35,996
Overseas deposits	862,865	2,722,268	-	3,585,133	-	3,585,133
Derivatives	297	-	-	297	-	297
Financial assets classified as held for sale	-	-	-	-	-	-
	<u>3,083,145</u>	<u>15,760,904</u>	<u>403,763</u>	<u>19,247,812</u>	<u>-</u>	<u>19,247,812</u>

Financial liabilities

Borrowings	-	-	-	-	-	-
Derivative liabilities	1,087	-	-	1,087	-	1,087
Financial liabilities classified as held for sale	-	-	-	-	-	-
	<u>1,087</u>	<u>-</u>	<u>-</u>	<u>1,087</u>	<u>-</u>	<u>1,087</u>

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.7 Financial instruments held at fair value through profit or loss – Group only (continued)

Other financial investments – Corporate

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2021						
Financial assets						
Shares and other variable yield securities and units in unit trusts	20,109,385	-	-	20,109,385	-	20,109,385
Debt securities and other fixed income securities	-	-	-	-	-	-
Other investments	-	-	-	-	-	-
	<u>20,109,385</u>	<u>-</u>	<u>-</u>	<u>20,109,385</u>	<u>-</u>	<u>20,109,385</u>
2020						
Financial assets						
Shares and other variable yield securities and units in unit trusts	21,487,675	-	-	21,487,675	-	21,487,675
Debt securities and other fixed income securities	-	-	-	-	-	-
Other investments	-	-	-	-	-	-
	<u>21,487,675</u>	<u>-</u>	<u>-</u>	<u>21,487,675</u>	<u>-</u>	<u>21,487,675</u>

11.8 Financial risk management – Group only

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

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

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

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.8 Financial risk management – Group only (continued)

The management and control of each Syndicate is carried out by the Managing Agent of that Syndicate, and the group 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 activities.

Credit risk

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

The group 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 group 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 group's financial assets represents the group's maximum exposure to credit risk.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.8 Financial risk management – Group only (continued)

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 £
2021						
Shares and other variable yield securities and units in unit trusts	1,860,900	-	27,353	-	775,117	2,663,370
Debt securities and other fixed income securities	982,491	7,533,834	2,313,525	983,505	11,742	11,825,097
Participation in investment pools	575,982	433,615	145,213	122,910	7,766	1,285,486
Loans secured with credit institutions	27,353	-	-	-	-	27,353
Deposits with credit institutions	-	-	3,532	-	-	3,532
Overseas deposits	1,521,653	499,357	261,565	1,200,078	559,993	4,042,646
Derivative investments	-	-	-	93	-	93
Other investments	-	-	-	-	-	-
Deposits with ceding undertakings	-	-	85,514	-	3,765	89,279
Reinsurers share of claims outstanding	1	1,953,492	12,997,392	-	397,367	15,348,252
Cash at bank and in hand	-	-	1,339,932	-	-	1,339,932
Insurance debtors	-	-	-	-	-	-
Other debtors	-	-	-	-	-	-
	<u>4,968,380</u>	<u>10,420,298</u>	<u>17,174,026</u>	<u>2,306,586</u>	<u>1,755,750</u>	<u>36,625,040</u>

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.8 Financial risk management – Group only (continued)

Syndicate participation	AAA £	AA £	A £	BBB or lower £	Not rated £	Total £
2020						
Shares and other variable yield securities and units in unit trusts	1,960,122	-	27,353	-	694,040	2,681,515
Debt securities and other fixed income securities	6,662,436	1,086,128	3,054,099	809,203	14,984	11,626,850
Participation in investment pools	894,796	161,066	110,956	151,139	64	1,318,021
Loans secured with credit institutions	27,353	-	-	-	-	27,353
Deposits with credit institutions	2,213	-	6,430	-	-	8,643
Overseas deposits	1,843,829	496,439	267,559	319,796	657,510	3,585,133
Derivative investments	-	-	-	297	-	297
Other investments	-	-	-	-	-	-
Deposits with ceding undertakings	-	-	-	-	3,849	3,849
Reinsurers share of claims outstanding	-	1,774,629	14,122,513	2	419,823	16,316,967
Cash at bank and in hand	-	-	1,112,954	3,154	761	1,116,869
Insurance debtors	-	-	-	-	-	-
Other debtors	-	-	-	-	-	-
	<u>11,390,749</u>	<u>3,518,262</u>	<u>18,701,864</u>	<u>1,283,591</u>	<u>1,791,031</u>	<u>36,685,497</u>

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.8 Financial risk management – Group only (continued)

The tables below show the financial assets that are neither due nor impaired, past their due date or impaired:

Syndicate participation	Financial assets that are neither due nor impaired %	Financial assets that are past due but not impaired				Financial assets that have been impaired %
		Up to 3 months %	Between 3 and 6 months %	Between 6 months and 1 year %	Greater than 1 year %	
2021						
Other financial investments	100	-	-	-	-	-
Deposits with ceding undertakings	100	-	-	-	-	-
Reinsurers share of claims outstanding	100	-	-	-	-	-
Reinsurance debtors	10	86	3	1	-	-
Cash at bank and in hand	100	-	-	-	-	-
Insurance debtors	90	3	1	4	2	-
Other	100	-	-	-	-	-
2020						
Other financial investments	100	-	-	-	-	-
Deposits with ceding undertakings	100	-	-	-	-	-
Reinsurers share of claims outstanding	100	-	-	-	-	-
Reinsurance debtors	5	-	83	9	3	-
Cash at bank and in hand	100	-	-	-	-	-
Insurance debtors	86	-	8	4	2	-
Other	100	-	-	-	-	-

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

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.8 Financial risk management – Group only (continued)

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 group 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 group'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 group 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 £
2021						
Derivative financial instruments	-	14,567	-	-	-	14,567
Deposits received from reinsurers	-	8,483	-	-	-	8,483
Claims outstanding	-	14,298,788	12,118,016	4,750,692	4,347,059	35,514,555
Creditors	(2)	7,971,055	5,228,954	-	-	13,200,007
Other	-	-	-	-	-	-
	(2)	22,292,893	17,346,970	4,750,692	4,347,059	48,737,612
2020						
Derivative financial instruments	-	1,087	-	-	-	1,087
Deposits received from reinsurers	-	15,535	-	-	-	15,535
Claims outstanding	-	16,425,827	11,805,626	5,221,799	3,928,314	37,381,566
Creditors	-	5,844,869	4,560,443	18,032	-	10,423,344
Other	-	-	-	-	-	-
	-	22,287,318	16,366,069	5,239,831	3,928,314	47,821,532

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

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.8 Financial risk management – Group only (continued)

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 group 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 group 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 group.

Syndicate participation

	2021	2020
	£	£
Impact of 50 basis point increase on profit or loss	(61,166)	(94,119)
Impact of 50 basis point decrease on profit or loss	64,113	100,066
Impact of 50 basis point increase on equity	(61,166)	(94,119)
Impact of 50 basis point decrease on equity	64,113	100,066

At the Corporate level the group is not exposed to significant cashflow 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 activity.

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

At the Corporate level the group 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.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.8 Financial risk management – Group only (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 group.

Syndicate participation

	2021 £	2020 £
Impact on profit or loss of 5% increase in Stock Market Prices	-	-
Impact on profit or loss of 5% decrease in Stock Market Prices	-	-
Impact on equity of 5% increase in Stock Market Prices	-	-
Impact on equity of 5% decrease in Stock Market Prices	-	-

At the Corporate level the group is not exposed to significant cashflow equity price risk. Consequently, a sensitivity analysis for equity price risk has not been presented for the Corporate activity.

Currency risk

The group 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 with changes in foreign exchange rates.

At the Corporate level the group 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 group's principal foreign exchange exposures in aggregate.

Net assets and liabilities

	2021		2020	
	Syndicate Participation £	Corporate £	Syndicate Participation £	Corporate £
Sterling	(4,921,842)	8,464,124	(2,863,934)	8,917,419
United States Dollar	623,753	277,436	(2,356,070)	275,334
Euro	109,509	-	316,760	-
Canadian Dollar	626,853	-	718,408	-
Australian Dollar	(165,377)	-	(551,323)	-
Japanese Yen	(346,689)	-	(902,799)	-
Other	1,231,248	-	539,880	-

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments and financial risk management (continued)

11.8 Financial risk management – Group only (continued)

The group 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 group'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 2021		31 December 2020	
	Increase	Decrease	Increase	Decrease
Effect of sterling exchange movement by 10%				
United States Dollar	25,221	(30,826)	25,030	(30,593)
Euro	-	-	-	-
Canadian Dollar	-	-	-	-
Australian Dollar	-	-	-	-
Japanese Yen	-	-	-	-
Other	-	-	-	-

11.9 Capital management – Group only

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.

The funds at Lloyd's represent the capital which allows the group to participate on the Syndicates. Refer to note 11.4 for further information.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12. Insurance contracts – Group only

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

	2021			2020		
	Gross provision	Reinsurance asset	Net	Gross provision	Reinsurance asset	Net
	£	£	£	£	£	£
At 1 January	37,381,566	16,316,967	21,064,599	32,455,037	13,296,650	19,158,387
Movements in the year	(1,656,052)	(910,733)	(745,319)	7,363,516	4,117,305	3,246,211
Other movements	(210,959)	(57,982)	(152,977)	(2,436,987)	(1,096,988)	(1,339,999)
At 31 December	<u>35,514,555</u>	<u>15,348,252</u>	<u>20,166,303</u>	<u>37,381,566</u>	<u>16,316,967</u>	<u>21,064,599</u>

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

	2021			2020		
	Gross provision	Reinsurance asset	Net	Gross provision	Reinsurance asset	Net
	£	£	£	£	£	£
At 1 January	14,309,487	5,143,564	9,165,923	13,794,913	3,374,946	10,419,967
Movements in the year	(7,520,111)	(2,893,073)	(4,627,038)	742,281	1,879,472	(1,137,191)
Exchange differences	(137,070)	(48,213)	(88,857)	(227,707)	(110,854)	(116,853)
At 31 December	<u>6,652,306</u>	<u>2,202,278</u>	<u>4,450,028</u>	<u>14,309,487</u>	<u>5,143,564</u>	<u>9,165,923</u>

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12. Insurance contracts – Group only (continued)

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

	2021 £	2020 £
At 1 January	3,988,359	3,826,657
Movements in the year	(2,106,426)	211,256
Other movements	(35,297)	(49,554)
At 31 December	<u>1,846,636</u>	<u>3,988,359</u>

The other movements category includes exchange differences and the movements attributable to RITC.

12.1 Risks arising from insurance contracts

The group 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 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.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12. Insurance contracts – Group only (continued)

12.1 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 £
2013	3,722,386	7,368,151	7,509,634	7,294,470	7,245,569	7,049,257	6,957,372	6,892,746
2014	3,067,554	6,745,174	6,777,406	6,469,842	6,763,000	6,706,703	6,690,318	6,648,673
2015	3,894,577	8,457,998	9,121,841	9,413,906	9,475,181	9,266,439	9,317,858	
2016	4,280,209	10,425,089	11,775,919	12,816,647	12,659,049	13,053,473		
2017	7,456,485	13,413,330	15,744,026	15,757,505	16,328,204			
2018	7,525,600	17,729,655	20,752,432	20,278,166				
2019	6,884,451	19,769,057	20,089,235					
2020	8,177,900	16,647,796						
2021	2,716,358							

	Eight years later £	Cumulative payments to date £	Estimated balance to pay £	Profit/(loss) on RITC received £
2012 & prior			932,482	
2013	6,899,933	6,541,218	358,715	(662,651)
2014		6,346,407	302,266	(751,109)
2015		8,182,092	1,135,766	(252,551)
2016		10,594,454	2,459,019	730,635
2017		12,939,636	3,388,568	(630,958)
2018		15,368,249	4,909,917	541,644
2019		12,030,371	8,058,864	
2020		5,158,710	11,489,086	
2021		236,486	2,479,872	
			<u>35,514,555</u>	

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

13. Share capital

	2021 Allotted, called-up and fully paid	2020 Allotted, called-up and fully paid
	No	No
Ordinary £1 shares	42,000	42,000

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

14. Share premium account

	Group 2021			Company 2021		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
At 1 January and 31 December 2021	-	14,363,394	14,363,394	-	14,363,394	14,363,394

	Group 2020			Company 2020		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
At 1 January and 31 December 2020	-	14,363,394	14,363,394	-	14,363,394	14,363,394

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

15. Profit and loss account

	Group 2021			Company 2021		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
At 1 January 2021	(4,854,812)	18,975,336	14,120,524	-	-	-
Reallocate distribution	1,843,939	(1,843,939)	-	-	-	-
Profit for the financial year	918,434	4,110,787	5,029,221	-	-	-
Retained profit carried forward	(2,092,439)	21,242,184	19,149,745	-	-	-

	Group 2020			Company 2020		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
At 1 January 2020	(3,027,533)	16,462,501	13,434,968	-	-	-
Reallocate distribution	279,634	(279,634)	-	-	-	-
Profit for the financial year	(2,106,913)	2,792,469	685,556	-	-	-
Retained profit carried forward	(4,854,812)	18,975,336	14,120,524	-	-	-

16. Deferred tax – group only

	Syndicate results £	Tax losses £	Claims equalisation reserve £	Other £	Total £
2021					
At 1 January	(424,808)	-	47,224	154,210	(223,374)
Movement in year	49,838	(11,529)	(47,224)	119,585	110,670
At 31 December	(374,970)	(11,529)	-	273,795	(112,704)
2020					
At 1 January	(516,079)	-	-	(11,050)	(527,129)
Movement in year	91,271	-	47,224	165,260	303,755
At 31 December	(424,808)	-	47,224	154,210	(223,374)

The unused tax losses carried forward at the balance sheet date are £46,117. Unused tax losses are expected to be recoverable against the future profits of the group and have no expiry date.

The deferred tax balance consists of an asset in respect of timing differences relating to the taxation of underwriting results of £398,501 and liability of £285,797. Deferred tax assets are shown within other debtors (note 11.3).

The deferred tax expected to unwind within one year is £518,019. The deferred tax expected to unwind over one year is £119,518.

RANSOME'S TRADING HOLDING COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

17. Related party disclosure

Due to the fact that the subsidiary companies are consolidated into these accounts, advantage is taken of Section 33 of FRS 102 – Related Party Disclosure – not to disclose transactions and balances with group companies and investees of the group.

During the year Ransome's Trading Limited paid a management charge of £10,000 (2020: £10,000) to Ransome's Dock Limited – a company ultimately controlled by P N R Cooke.

18. Ultimate controlling party

The company was under the control of one of the directors – P N R Cooke - throughout the year.