

APPENDIX 1

# Monument Insurance Designated Activity Company

Solvency and Financial  
Condition Report

Disclosures

31 December

**2018**

(Monetary amounts in GBP thousands)

## General information

Undertaking name	Monument Insurance Designated Activity Company
Undertaking identification code	635400VKGCSQJ4CCZV89
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	IE
Language of reporting	en
Reporting reference date	31 December 2018
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

## List of reported templates

- S.02.01.02 - Balance sheet
- S.05.01.02 - Premiums, claims and expenses by line of business
- S.05.01.02 - Premiums, claims and expenses by line of business
- S.05.02.01 - Premiums, claims and expenses by country
- S.05.02.01 - Premiums, claims and expenses by country
- S.12.01.02 - Life and Health SLT Technical Provisions
- S.17.01.02 - Non-Life Technical Provisions
- S.19.01.21 - Non-Life insurance claims
- S.23.01.01 - Own Funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02

Balance sheet

		Solvency II value
		C0010
<b>Assets</b>		
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	40,078
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	29,547
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	
R0120	<i>Equities - unlisted</i>	
R0130	<i>Bonds</i>	9,365
R0140	<i>Government Bonds</i>	1,204
R0150	<i>Corporate Bonds</i>	8,161
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	1,165
R0190	<i>Derivatives</i>	
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	
R0260	<i>Other loans and mortgages</i>	
R0270	Reinsurance recoverables from:	0
R0280	<i>Non-life and health similar to non-life</i>	0
R0290	<i>Non-life excluding health</i>	0
R0300	<i>Health similar to non-life</i>	0
R0310	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	0
R0320	<i>Health similar to life</i>	0
R0330	<i>Life excluding health and index-linked and unit-linked</i>	0
R0340	<i>Life index-linked and unit-linked</i>	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	1,479
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	6
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	2,436
R0420	Any other assets, not elsewhere shown	
R0500	<b>Total assets</b>	<b>44,000</b>

## S.02.01.02

## Balance sheet

		Solvency II value
		C0010
<b>Liabilities</b>		
R0510	Technical provisions - non-life	3,333
R0520	<i>Technical provisions - non-life (excluding health)</i>	3,333
R0530	<i>TP calculated as a whole</i>	0
R0540	<i>Best Estimate</i>	2,832
R0550	<i>Risk margin</i>	501
R0560	<i>Technical provisions - health (similar to non-life)</i>	0
R0570	<i>TP calculated as a whole</i>	0
R0580	<i>Best Estimate</i>	0
R0590	<i>Risk margin</i>	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	3,605
R0610	<i>Technical provisions - health (similar to life)</i>	3,605
R0620	<i>TP calculated as a whole</i>	0
R0630	<i>Best Estimate</i>	3,559
R0640	<i>Risk margin</i>	46
R0650	<i>Technical provisions - life (excluding health and index-linked and unit-linked)</i>	0
R0660	<i>TP calculated as a whole</i>	0
R0670	<i>Best Estimate</i>	0
R0680	<i>Risk margin</i>	0
R0690	Technical provisions - index-linked and unit-linked	0
R0700	<i>TP calculated as a whole</i>	0
R0710	<i>Best Estimate</i>	0
R0720	<i>Risk margin</i>	0
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	43
R0790	Derivatives	
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	2,323
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	1,021
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in BOF</i>	
R0870	<i>Subordinated liabilities in BOF</i>	0
R0880	Any other liabilities, not elsewhere shown	176
R0900	<b>Total liabilities</b>	10,501
R1000	<b>Excess of assets over liabilities</b>	33,499











S.12.01.02

Life and Health SLT Technical Provisions

	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, including Unit-Linked)	Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)	
	Insurance with profit participation	Contracts without options and guarantees	Contracts with options or guarantees	Contracts without options and guarantees	Contracts with options or guarantees	Contracts without options and guarantees				Contracts with options or guarantees						
	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150	C0160	C0170	C0180	C0190	C0200	C0210
<b>R0010 Technical provisions calculated as a whole</b>											0					0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole											0					0
<b>R0020</b>																
<b>Technical provisions calculated as a sum of BE and RM</b>																
<b>Best estimate</b>																
<b>R0030 Gross Best Estimate</b>												3,559	0			3,559
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default																0
<b>R0080</b>																
Best estimate minus recoverables from reinsurance/SPV and Finite Re												3,559	0			3,559
<b>R0090</b>																
<b>R0100 Risk margin</b>											46					46
<b>Amount of the transitional on Technical Provisions</b>																
<b>R0110</b> Technical Provisions calculated as a whole											0					0
<b>R0120</b> Best estimate																0
<b>R0130</b> Risk margin																0
<b>R0200</b> Technical provisions - total											3,605					3,605



S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020

Accident year / underwriting year

Gross Claims Paid (non-cumulative)																
(absolute amount)																
Year	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180			
	0	1	2	3	Development year		4	5	6	7	8	9	10 & +	In Current year	Sum of years (cumulative)	
R0100	Prior												1	1	1	
R0160	2009	14,646	16,590	2,848	348	43	23	4	20	1	2			2	34,525	
R0170	2010	4,270	6,913	1,932	199	39	3	1	1	0				0	13,358	
R0180	2011	4,627	8,457	2,054	143	13	3	0	0					0	15,297	
R0190	2012	5,680	6,501	1,428	76	2	1	0						0	13,689	
R0200	2013	3,603	4,514	1,068	36	7	4							4	9,233	
R0210	2014	2,217	2,701	741	66	6								6	5,731	
R0220	2015	1,672	2,428	596	26									26	4,722	
R0230	2016	1,536	2,162	503										503	4,201	
R0240	2017	1,133	1,828											1,828	2,961	
R0250	2018	959												959	959	
R0260														<b>Total</b>	<b>3,329</b>	<b>104,677</b>

Gross Undiscounted Best Estimate Claims Provisions															
(absolute amount)															
Year	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360			
	0	1	2	3	Development year		4	5	6	7	8	9	10 & +	Year end (discounted data)	
R0100	Prior												0	0	
R0160	2009	0	0	0	0	0	0	0	0	0	0	0		0	
R0170	2010	0	0	0	0	0	0	0	0	0				0	
R0180	2011	0	0	0	0	0	0	0	0					0	
R0190	2012	0	0	0	0	0	0	0						0	
R0200	2013	0	0	0	0	0	0							0	
R0210	2014	0	0	0	0	0								0	
R0220	2015	0	105	0	0									0	
R0230	2016	5,241	105	0										0	
R0240	2017	3,494	98											97	
R0250	2018	2,856												2,826	
R0260														<b>Total</b>	<b>2,924</b>

## S.23.01.01

## Own Funds

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

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

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

R0230 Deductions for participations in financial and credit institutions

R0290 Total basic own funds after deductions

## Ancillary own funds

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

## Available and eligible own funds

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

R0580 SCR

R0600 MCR

R0620 Ratio of Eligible own funds to SCR

R0640 Ratio of Eligible own funds to MCR

## Reconciliation reserve

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

## Expected profits

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

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
8,100	8,100		0	
0	0		0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
25,399	25,399			
0		0	0	0
0				0
0	0	0	0	0
0				
0				
33,499	33,499	0	0	0

0				
0				
0				
0				
0				
0				
0				
0				
0				
0				
0				
0			0	0

33,499	33,499	0	0	0
33,499	33,499	0	0	
33,499	33,499	0	0	0
33,499	33,499	0	0	

11,832
3,148
283.13%
1064.04%

C0060
33,499
0
8,100
0
25,399

65
91
156

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

R0010 Market risk  
 R0020 Counterparty default risk  
 R0030 Life underwriting risk  
 R0040 Health underwriting risk  
 R0050 Non-life underwriting risk  
 R0060 Diversification

R0070 Intangible asset risk

R0100 **Basic Solvency Capital Requirement**

**Calculation of Solvency Capital Requirement**

R0130 Operational risk  
 R0140 Loss-absorbing capacity of technical provisions  
 R0150 Loss-absorbing capacity of deferred taxes  
 R0160 Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC  
 R0200 **Solvency Capital Requirement excluding capital add-on**  
 R0210 Capital add-ons already set  
 R0220 **Solvency capital requirement**

**Other information on SCR**

R0400 Capital requirement for duration-based equity risk sub-module  
 R0410 Total amount of Notional Solvency Capital Requirements for remaining part  
 R0420 Total amount of Notional Solvency Capital Requirements for ring fenced funds  
 R0430 Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios  
 R0440 Diversification effects due to RFF nSCR aggregation for article 304

Gross solvency capital requirement	USP	Simplifications
C0110	C0090	C0120
6,649		
114		
0		
263		
7,203		
-3,175		
0		
11,055		
C0100		
776		
0		
0		
0		
11,832		
0		
11,832		
0		
0		
0		
0		
0		

**USP Key**

**For life underwriting risk:**  
 1 - Increase in the amount of annuity benefits  
 9 - None

**For health underwriting risk:**  
 1 - Increase in the amount of annuity benefits  
 2 - Standard deviation for NSLT health premium risk  
 3 - Standard deviation for NSLT health gross premium risk  
 4 - Adjustment factor for non-proportional reinsurance  
 5 - Standard deviation for NSLT health reserve risk  
 9 - None

**For non-life underwriting risk:**  
 4 - Adjustment factor for non-proportional reinsurance  
 6 - Standard deviation for non-life premium risk  
 7 - Standard deviation for non-life gross premium risk  
 8 - Standard deviation for non-life reserve risk  
 9 - None

S.28.01.01

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

Linear formula component for non-life insurance and reinsurance obligations

R0010 MCR<sub>NL</sub> Result

C0010

1,972

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
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C0020

C0030

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

0	
0	
0	
0	
0	
0	
0	
0	
0	
0	
0	
0	
0	
2,832	11,845
0	
0	
0	
0	

Linear formula component for life insurance and reinsurance obligations

R0200 MCR<sub>L</sub> Result

C0040

1,176

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

C0060

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

3,559	
	1,573,806

Overall MCR calculation

R0300 Linear MCR  
 R0310 SCR  
 R0320 MCR cap  
 R0330 MCR floor  
 R0340 Combined MCR  
 R0350 Absolute floor of the MCR  
 R0400 Minimum Capital Requirement

C0070

3,148
11,832
5,324
2,958
3,148
2,236
3,148