

Lancashire Holdings Limited

Solvency and Financial Condition Report

Disclosures

31 December

2018

(Monetary amounts in USD thousands)

General information

Participating undertaking name	Lancashire Holdings Limited
Group identification code	5493002UNUYXLHOWF752
Type of code of group	LEI
Country of the group supervisor	GB
Language of reporting	en
Reporting reference date	31 December 2018
Currency used for reporting	USD
Accounting standards	IFRS
Method of Calculation of the group SCR	Standard formula
Method of group solvency calculation	Method 1 is used exclusively
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.05.02.01 - Premiums, claims and expenses by country
- S.23.01.22 - Own Funds
- S.25.01.22 - Solvency Capital Requirement - for groups on Standard Formula
- S.32.01.22 - Undertakings in the scope of the group

S.02.01.02

Balance sheet

Solvency II value	
C0010	
	0
	1,098
	0
	1,363
	1,426,195
	0
	45,925
	0
	0
	0
	1,143,434
	381,513
	567,412
	45,154
	149,355
	234,816
	2,020
	0
	0
	0
	109,239
	0
	0
	109,239
	103,153
	103,153
	103,153
	0
	0
	0
	0
	0
	0
	12,441
	5,455
	4,106
	8,697
	0
	63,884
	1,291
	1,736,922

Assets

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

S.02.01.02

Balance sheet

		Solvency II value
		C0010
Liabilities		
R0510	Technical provisions - non-life	501,481
R0520	<i>Technical provisions - non-life (excluding health)</i>	501,481
R0530	<i>TP calculated as a whole</i>	0
R0540	<i>Best Estimate</i>	448,866
R0550	<i>Risk margin</i>	52,615
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)	0
R0610	<i>Technical provisions - health (similar to life)</i>	0
R0620	<i>TP calculated as a whole</i>	0
R0630	<i>Best Estimate</i>	0
R0640	<i>Risk margin</i>	0
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	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	0
R0790	Derivatives	2,678
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	137,343
R0820	Insurance & intermediaries payables	922
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	30,972
R0850	Subordinated liabilities	96,687
R0860	<i>Subordinated liabilities not in BOF</i>	96,687
R0870	<i>Subordinated liabilities in BOF</i>	0
R0880	Any other liabilities, not elsewhere shown	0
R0900	Total liabilities	770,083
R1000	Excess of assets over liabilities	966,839

S.23.01.22

Own Funds

Basic own funds before deduction for participations in other financial sector

Own funds when using the D&A, exclusively or in combination of method 1

R0450	Own funds aggregated when using the D&A and combination of method
R0460	Own funds aggregated when using the D&A and combination of method net of IGT
R0520	Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)
R0530	Total available own funds to meet the minimum consolidated group SCR
R0560	Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)
R0570	Total eligible own funds to meet the minimum consolidated group SCR (group)
R0610	Minimum consolidated Group SCR
R0650	Ratio of Eligible own funds to Minimum Consolidated Group SCR
R0660	Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)
R0680	Group SCR
R0690	Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A

Reconciliation reserve

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

Expected profits

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

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
0				
0				
662,906	661,808	0	0	1,098
661,808	661,808	0	0	
662,906	661,808	0	0	1,098
661,804	661,808	0	0	
124,171				
532.98%				
662,906	661,808	0	0	1,098
535,061				
123.89%				
C0060				
966,839				
8,697				
102,069				
242,815				
52,106				
561,152				
0				
99,035				
99,035				

Undertakings in the scope of the group

	Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority
Row	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
1	GB	5493002UNUYXLHOWF752	LEI	Lancashire Holdings Limited	Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Company limited by shares or by guarantee or unlimited	Non-mutual	
2	GB	213800SEKTC7F87AAE76	LEI	Lancashire Insurance Company (UK) Ltd	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	Prudential Regulation Authority & Financial Conduct Authority
3	BM	VS0TQHC88NK3ZB6BS534	LEI	Lancashire Insurance Company Ltd	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	Bermuda Monetary Authority
4	GB	213800XGX9PLYH26JY33	LEI	Lancashire Insurance Holdings (UK) Ltd	Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Company limited by shares or by guarantee or unlimited	Non-mutual	
5	BM	213800VB8PBKPE1R09	LEI	Kinesis Capital Management Ltd	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	
6	GB	213800FN11FO7GB7OF68	LEI	KCM Marketing Services Ltd	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	
7	GB	2138004GFJTU6VXWSN31	LEI	Lancashire Insurance Marketing Services Ltd	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	
8	GB	2138006LFHKOSX7L5T75	LEI	Lancashire Insurance Services Ltd	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	
9	CA	213800KEBIZUU2PRL375	LEI	Lancashire Management Services (Canada) Ltd	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	
10	GB	213800273IH1JDT7M942	LEI	Cathedral Capital Holdings Ltd	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
11	GB	213800RIUPP9QTVARE92	LEI	Cathedral Capital Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
12	GB	21380008D8PUCYCLB7378	LEI	Cathedral Capital (1998) Ltd	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
13	GB	213800GKFNABOMEBDU44	LEI	Cathedral Capital (1999) Ltd	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
14	GB	213800VSE6C6IH4H2U88	LEI	Cathedral Capital Services Ltd	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
15	GB	2138007WFQTDGGZAO52	LEI	Cathedral Underwriting Ltd	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
16	BM	5493002UNUYXLHOWF752GB00001	Specific code	Kinesis Holdings 1 Ltd	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
17	US	5493002UNUYXLHOWF752US00002	Specific code	Lancashire Holdings Financing Trust I Limited	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Trust	Non-mutual	
18	JE	5493002UNUYXLHOWF752JE00003	Specific code	Lancashire Holdings Employee Benefit Trust	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Trust	Non-mutual	

Undertakings in the scope of the group

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation	
			% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking	
Row	C0010	C0020	C0030	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
1	GB	5493002UNUYXLHOWF752	LEI							Included in the scope		Method 1: Full consolidation
2	GB	213800SEKTC7F87AAE76	LEI	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
3	BM	V50TOHC88NK3ZB68S534	LEI	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
4	GB	213800XGX9PLYH26JY33	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Full consolidation
5	BM	213800VBV8PBJKPE1R09	LEI	93.50%	93.50%	93.50%		Dominant	0.00%	Included in the scope		Method 1: Full consolidation
6	GB	213800FN11FO7GB7OF68	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Full consolidation
7	GB	2138004GFJTU6VXWSN31	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Full consolidation
8	GB	2138006LFHKOSX7L5T75	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Full consolidation
9	CA	213800KEBIZU2PRL375	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Full consolidation
10	GB	213800273IH1JDT7M942	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Adjusted equity method
11	GB	213800RIUPP9QTVARE92	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Adjusted equity method
12	GB	213800O8D8PUYCLB7378	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Adjusted equity method
13	GB	213800GKFNABQMEBDU44	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Adjusted equity method
14	GB	213800VSE6C6IH4H2U88	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Adjusted equity method
15	GB	2138007WFQTDGGZAO52	LEI	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Adjusted equity method
16	BM	5493002UNUYXLHOWF752GB00001	Specific code	10.00%	10.00%	10.00%		Significant	0.00%	Included in the scope		Method 1: Adjusted equity method
17	US	5493002UNUYXLHOWF752US00002	Specific code	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Full consolidation
18	JE	5493002UNUYXLHOWF752JE00003	Specific code	100.00%	100.00%	100.00%		Dominant	0.00%	Included in the scope		Method 1: Full consolidation