

Pinnacle Insurance plc

Solvency and Financial Condition Report

Disclosures

31 December
2022

(Monetary amounts in GBP thousands)

General information

Undertaking name	Pinnacle Insurance plc
Undertaking identification code	213800EJ677W8HTX3X38
Type of code of undertaking	LEI
Type of undertaking	Undertakings pursuing both life and non-life insurance activity - article 73 (2)
Country of authorisation	GB
Language of reporting	en
Reporting reference date	31 December 2022
Currency used for reporting	GBP
Accounting standards	IFRS
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
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- 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
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- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.02.01 - Minimum Capital Requirement - Both life and non-life insurance activity

S.02.01.02

Balance sheet

Solvency II value	
C0010	
	1,469
	0
	158,336
	0
	0
	0
	51,391
	33,257
	18,134
	0
	0
	19,500
	87,445
	0
	0
	0
	43,001
	21,031
	18,494
	2,537
	21,970
	0
	21,970
	0
	0
	11,702
	4,893
	4,706
	0
	4,017
	228,124

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		
R0510	Technical provisions - non-life	35,855
R0520	<i>Technical provisions - non-life (excluding health)</i>	33,308
R0530	<i>TP calculated as a whole</i>	0
R0540	<i>Best Estimate</i>	28,296
R0550	<i>Risk margin</i>	5,011
R0560	<i>Technical provisions - health (similar to non-life)</i>	2,548
R0570	<i>TP calculated as a whole</i>	0
R0580	<i>Best Estimate</i>	2,537
R0590	<i>Risk margin</i>	10
R0600	Technical provisions - life (excluding index-linked and unit-linked)	22,170
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>	22,170
R0660	<i>TP calculated as a whole</i>	0
R0670	<i>Best Estimate</i>	21,970
R0680	<i>Risk margin</i>	200
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	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	10,541
R0830	Reinsurance payables	552
R0840	Payables (trade, not insurance)	4,461
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in BOF</i>	0
R0870	<i>Subordinated liabilities in BOF</i>	0
R0880	Any other liabilities, not elsewhere shown	317
R0900	Total liabilities	73,896
R1000	Excess of assets over liabilities	154,228

S.05.02.01

Premiums, claims and expenses by country

Non-life

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and home country
R0010	C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written							
R0110	Gross - Direct Business	111,228					111,228
R0120	Gross - Proportional reinsurance accepted	0					0
R0130	Gross - Non-proportional reinsurance accepted	0					0
R0140	Reinsurers' share	12,780					12,780
R0200	Net	98,448					98,448
Premiums earned							
R0210	Gross - Direct Business	106,493					106,493
R0220	Gross - Proportional reinsurance accepted	0					0
R0230	Gross - Non-proportional reinsurance accepted	0					0
R0240	Reinsurers' share	17,366					17,366
R0300	Net	89,127					89,127
Claims incurred							
R0310	Gross - Direct Business	54,782					54,782
R0320	Gross - Proportional reinsurance accepted	0					0
R0330	Gross - Non-proportional reinsurance accepted	0					0
R0340	Reinsurers' share	2,939					2,939
R0400	Net	51,843					51,843
Changes in other technical provisions							
R0410	Gross - Direct Business	0					0
R0420	Gross - Proportional reinsurance accepted	0					0
R0430	Gross - Non-proportional reinsurance accepted	0					0
R0440	Reinsurers' share	0					0
R0500	Net	0					0
R0550	Expenses incurred	44,915					44,915
R1200	Other expenses						
R1300	Total expenses						44,915

S.05.02.01

Premiums, claims and expenses by country

Life

	C0150	C0160	C0170	C0180	C0190	C0200	C0210
	Home Country	Top 5 countries (by amount of gross premiums written) - life obligations			Top 5 countries (by amount of gross premiums written) - life obligations		Total Top 5 and home country
R1400	C0220	C0230	C0240	C0250	C0260	C0270	C0280
Premiums written							
R1410 Gross	194						194
R1420 Reinsurers' share	194						194
R1500 Net	0						0
Premiums earned							
R1510 Gross	194						194
R1520 Reinsurers' share	194						194
R1600 Net	0						0
Claims incurred							
R1610 Gross	-3,523						-3,523
R1620 Reinsurers' share	-3,523						-3,523
R1700 Net	0						0
Changes in other technical provisions							
R1710 Gross	-8,265						-8,265
R1720 Reinsurers' share	-8,265						-8,265
R1800 Net	0						0
R1900 Expenses incurred	166						166
R2500 Other expenses							
R2600 Total expenses							166

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)	
		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
R0010 Technical provisions calculated as a whole					0			0	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	0	0						
R0020					0			0	0	0						
Technical provisions calculated as a sum of BE and RM																
Best estimate																
R0030 Gross Best Estimate						17,681	0	4,288	0	21,970						
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default						17,681	0	4,288	0	21,970						
R0080																
Best estimate minus recoverables from reinsurance/SPV and Finite Re						0	0	0	0	0						
R0090																
Risk margin					43			157	0	200						
Amount of the transitional on Technical Provisions																
R0110 Technical Provisions calculated as a whole					0			0	0	0						
R0120 Best estimate						0	0	0	0	0						
R0130 Risk margin					0			0	0	0						
R0200 Technical provisions - total					17,724			4,445	0	22,170						

S.17.01.02

Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance											Accepted non-proportional reinsurance				Total Non-Life obligation	
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance		Non-proportional property reinsurance
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
R0010	Technical provisions calculated as a whole	0	0		0	0		0	0				0					0
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	0	0		0	0		0	0				0					0
Technical provisions calculated as a sum of BE and RM Best estimate																		
Premium provisions																		
R0060	Gross	0	1,082		0	3,062		0	-131				2,062					6,075
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	1,082		0	3,062		0	356				1,238					5,738
R0150	Net Best Estimate of Premium Provisions	0	0		0	0		0	-487				824					337
Claims provisions																		
R0160	Gross	0	1,455		10,254	92		186	2,401				10,370					24,759
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	1,455		10,254	92		186	2,397				909					15,293
R0250	Net Best Estimate of Claims Provisions	0	0		0	0		0	4				9,461					9,465
R0260	Total best estimate - gross	0	2,537		10,254	3,154		186	2,270				12,432					30,834
R0270	Total best estimate - net	0	0		0	0		0	-483				10,285					9,803
R0280	Risk margin	0	10		92	8		0	6				4,905					5,021
Amount of the transitional on Technical Provisions																		
R0290	Technical Provisions calculated as a whole	0	0		0	0		0	0				0					0
R0300	Best estimate	0	0		0	0		0	0				0					0
R0310	Risk margin	0	0		0	0		0	0				0					0
R0320	Technical provisions - total	0	2,548		10,346	3,162		186	2,276				17,337					35,855
R0330	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	0	2,537		10,254	3,154		186	2,753				2,147					21,031
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	0	10		92	8		0	-477				15,191					14,824

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		
	Development year											In Current year	Sum of years (cumulative)		
	0	1	2	3	4	5	6	7	8	9	10 & +				
R0100	Prior											0	0		
R0160	2013	13,275	17,511	2,180	758	363	163	83	31	39	28	28	34,432		
R0170	2014	42,387	32,355	8,301	5,094	5,512	3,713	1,925	6,242	1,220		1,220	106,749		
R0180	2015	50,482	34,654	7,545	4,399	3,788	2,858	933	350			350	105,010		
R0190	2016	28,942	12,993	2,008	1,080	417	336	90				90	45,866		
R0200	2017	13,608	6,918	583	71	30	4					4	21,214		
R0210	2018	11,898	5,489	436	98	-16						-16	17,904		
R0220	2019	12,118	5,274	541	30							30	17,964		
R0230	2020	19,558	11,293	686								686	31,537		
R0240	2021	41,929	8,262									8,262	50,191		
R0250	2022	49,144										49,144	49,144		
R0260													Total	59,798	480,010

Gross Undiscounted Best Estimate Claims Provisions														
(absolute amount)														
Year	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360		
	Development year											Year end (discounted data)		
	0	1	2	3	4	5	6	7	8	9	10 & +			
R0100	Prior											0		
R0160	2013	0	0	0	0	0	0	0	0	1,318		808		
R0170	2014	0	0	0	0	0	0	0	970			618		
R0180	2015	0	0	0	0	0	0	14,583				8,958		
R0190	2016	0	0	0	0	0	57					56		
R0200	2017	0	0	0	0	4						4		
R0210	2018	0	0	0	3							3		
R0220	2019	0	0	124								121		
R0230	2020	0	665									647		
R0240	2021	0	3,092									3,018		
R0250	2022	10,824										10,526		
R0260													Total	24,759

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
151,557	151,557		0	
23,323	23,323		0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
-22,121	-22,121			
0		0	0	0
1,469				1,469
0	0	0	0	0
0				
0				
154,228	152,759	0	0	1,469

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

154,228	152,759	0	0	1,469
152,759	152,759	0	0	
154,228	152,759	0	0	1,469
152,759	152,759	0	0	

84,889
21,222
181.68%
719.81%

C0060
154,228
0
176,349
0
-22,121

0
5,310
5,310

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

	Gross solvency capital requirement	USP	Simplifications
	C0110	C0090	C0120
R0010 Market risk	2,616		
R0020 Counterparty default risk	6,879		
R0030 Life underwriting risk	0		
R0040 Health underwriting risk	0		
R0050 Non-life underwriting risk	77,308		
R0060 Diversification	-5,117		
R0070 Intangible asset risk	0		
R0100 Basic Solvency Capital Requirement	81,686		
Calculation of Solvency Capital Requirement			
R0130 Operational risk	3,203		
R0140 Loss-absorbing capacity of technical provisions	0		
R0150 Loss-absorbing capacity of deferred taxes			
R0160 Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0		
R0200 Solvency Capital Requirement excluding capital add-on	84,889		
R0210 Capital add-ons already set	0		
R0220 Solvency capital requirement	84,889		
Other information on SCR			
R0400 Capital requirement for duration-based equity risk sub-module	0		
R0410 Total amount of Notional Solvency Capital Requirements for remaining part	0		
R0420 Total amount of Notional Solvency Capital Requirements for ring fenced funds	0		
R0430 Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0		
R0440 Diversification effects due to RFF nSCR aggregation for article 304	0		
Approach to tax rate			
R0590 Approach based on average tax rate	0		
Calculation of loss absorbing capacity of deferred taxes			
LAC DT			
C0130			
R0640 LAC DT			
R0650 LAC DT justified by reversion of deferred tax liabilities	0		
R0660 LAC DT justified by reference to probable future taxable economic profit	0		
R0670 LAC DT justified by carry back, current year	0		
R0680 LAC DT justified by carry back, future years	0		
R0690 Maximum LAC DT	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

