EXETER FRIENDLY SOCIETY

Group Solvency and Financial Condition Report
For the year ended 31st December 2023

Approved: 26th March 2024

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Executive Summary

The Board of Exeter Friendly Society ("The Society") and its subsidiary The Exeter Cash Plan ("ECP") have prepared this Solvency and Financial Condition Report ("SFCR") which sets out summary information on the risks faced by The Society and ECP, its management controls and the level of solvency it is required to hold. This report covers The Society and ECP as solo entities as well as the Society and its subsidiaries consolidated on a group basis. The headings used are as prescribed in the relevant regulations and cover the business activities, governance, risks, assets and capital management.

Performance summary

We enjoyed a successful year with our performance remaining strong and we welcomed a record number of new members to the benefits of mutuality. Our brand presence and advocacy have continued to thrive with an excellent 4.2 trust rating with Trustpilot and the retention our 4-star rating at the Financial Adviser Service Awards.

Demand for Healthcare insurance remained high across the whole market in 2023 and as NHS waiting lists continue to grow, as does the need for Private Health Insurance. The overall protection market has remained quite static post-COVID, with the increase in cost of living impacting customer demand, however, sales of Income protection, continue to grow steadily.

A hugely positive shift for our industry last year was the introduction of the FCA's consumer duty, requiring all financial service institutions to put their customers' needs first and to provide clear and transparent information and outcomes across financial services.
We have always been committed to our consumers, and providing the best products and services possible, the investment we continue to make to improve our products and services, and how we promote them. This gives me confidence that we always strive to act in accordance with the best interests of our members, and continuing this momentum, will benefit both our business and our stakeholders.

At the time of writing, the escalating tensions in the Middle East and the ongoing Russia-Ukraine conflict continues to drive uncertainty and potential disruption to the global economy. We continue to monitor the situation.

Delivery of benefit to members

Once again, we saw an increase in our membership numbers which stand at over 138,321 (2022: 116,115) and we issued more policies than in previous years, an increase on last year of 22,206 policies.

Making a claim when a misfortune occurs is the core purpose of all our policies and member trust hinges on the fulfilment of those claims. In 2023, we continued to invest in this key area and will do so over the next three years. This investment will allow us to improve and simplify the claims process, ensuring those in need are able get support as quickly as possible.

Through our HealthWise app, we provided members access to almost 3,000 medical appointments ranging from remote GP appointments, mental health support to dietitian consultations. We also made enhancements to our HealthWise benefit meaning members can now access unlimited remote GP appointments, a new Health MOT service, and a repeat NHS prescription service.

Economic and regulatory landscape

The economy was remained turbulent during 2023, with inflation remaining high, the cost-of-living crisis continuing and GDP falling in both Q3 and Q4, ending the year in a recession. Despite this, the UK GDP in Q4 2023 was 1.0% higher than pre-pandemic levels, however, the UK underperformed the Eurozone where GDP was 3.0% higher than pre-pandemic levels.

CPIH Inflation fell during 2023, from a peak of 9.6% in October 2022 to 4.2% in December 2023. However, this was a slower fall then predicted at the start of the year, driven by high food prices and energy costs.

In an attempt to tackle high inflation, the Bank of England continued to increase interest rates throughout 2023, interest rates started at 3.5% at the beginning of the year and rose to 15 year high of 5.25% by August, a rate at which the Bank of England held until the end of the year.

The FTSE All Share Index fluctuated throughout the year, ending just 3.8% above the start of the year. Similarly to interest rates, UK 15-year Gilt yields fluctuated during 2023, starting at 4.02% in January and ending at 3.96% by the end of the year, peaking at 4.96% in October.

The high interest rates and inflation are continuing to increase the cost of living. We have yet to see any noticeable impacts on lapse, claims or new business volumes, but continue to monitor experience closely. The possible impacts of these factors have been considered within our stress testing and scenario analysis.

As a result of the UK leaving the EU on 31/12/2020, the HMT alongside the PRA have been working on reforms to the Solvency II regulatory regime (Solvency UK), with the aim of tailoring it to the specifics of the UK insurance market. The PRA published announced the reforms to the Risk Margin in June, which were implemented for year end 2023.

Solvency Coverage

Our percentage coverage of our pillar 1 SCR capital is a measure of the financial strength of the organisation. We aim to maintain this above 130% in the long term business fund and above 160% in the general business fund. The Coverage changed in 2023 as follows

- Long term business fund increased from 149% to 165%. This was the result of the change to the Risk Margin under the Solvency UK reforms.
- General business fund increased from 414% to 481%. This change is a mainly a result of investment returns over the year.
- Cash plan was decreased from 503% to 491%. This is a result of a fall in the value of investments.

More detail on solvency capital coverage is given in section E2.3.

Future plans

For the foreseeable future, the Board continue to be committed to the stated strategy of growing the business through organic growth and by providing innovative, leading cover in our core markets. We continue to expand our distribution channels and work closely with business partners to ensure that products are relevant, competitive and meet the changing needs of prospective members.

Throughout this period of strategic growth, the Board will ensure that the Society continues to provide the best customer service it possibly can, building on an already strong reputation. These objectives will be supported by investing in the required IT support systems and by continuing to recruit, train and retain an able and committed workforce as well as an excellent executive and management team.

Statement of Directors' Responsibilities

We acknowledge our responsibility for preparing the group SFCR in all material respects in accordance with the PRA Rules and the Solvency II Regulations.

We are satisfied that:

a) throughout the financial year in question, the group has complied in all material respects with the requirements of the PRA Rules and the Solvency II Regulations as applicable at the level of the group; and

b) it is reasonable to believe that the group has continued so to comply subsequently and will continue so to comply in future.

Section A : Business & Performance

A.1 - Business

A.1.1 - Business Description

The parent Society is operated as two separate sub funds as required to split long term and general business. All costs are allocated to these sub funds and to the single operating subsidiary in line with the actual resources used.

The bulk of the business is undertaken within the parent company but there are five wholly owned subsidiaries within the group. These are outlined as follows:

- Exeter Cash Plan Holdings Limited - 100% owned subsidiary which is the intermediate holding company for The Exeter Cash Plan
- The Exeter Cash Plan - Provider of cash plan policies. 100% owned by Exeter Cash Plan Holdings Limited
- Go Private Limited, a wholly owned dormant subsidiary
- Exeter Friendly Members Club Limited, a wholly owned dormant subsidiary
- Pioneer Advantage Limited, a wholly owned dormant subsidiary

All operating companies share a common governance structure and operate under two PRA registrations; one for the main Society and one for The Exeter Cash Plan.

A.1.2 - Business Summary

The Group's insurance businesses consist of both general and long term elements, the former represented by its books of Private Medical Insurance ("PMI") and Health Cash Plan ("HCP") business and the latter through its Income Protection ("IP") policies, Managed Life ("ML") policies and Real Life ("RL") policies. All insurance policies are underwritten by the Group and sales of new policies are distributed primarily through Independent Financial Advisers and broker networks.

Policies are administered by the Society with two functions being outsourced. Firstly, the Health Cash Plan business is administered by The Wessex Group, as specialist in this area; and secondly private medical claims are processed on the Society's behalf by AXA.

There are no proposals for any significant changes in these existing activities.

The Society operates in a competitive market. Price and broker relationships are the main drivers, but the Society also sees the importance of service to both customers and brokers, and therefore has invested in developing these areas.

The income protection market is competitive but the Society has an established foothold in that product and has improved its market position in recent years.

The life cover market is more competitive still so the Society has looked to offer differentiated propositions that do not directly compete with established insurers. This strategy has proved to be successful in creating a unique market position and delivering consistent levels of new business.

The private medical market appears has grown significantly in 2023 as concerns over the performance of the NHS continue to increase. The Society introduced a guided treatment pathway product during 2022, which helped to further increase sales in this growing market. Over 2023, sales volumes were over 100% higher than in 2022. As a result, our membership levels increased significantly during 2023.

Interest rates continues to rise throughout the year, however projected long term yields at the end of the year were very similar to those at the start of the year, resulting in only small movements in the value of both assets and liabilities during the year.

In order to reduce risk, the Society endeavours to match these long term liabilities with assets which behave in similar ways to the liabilities. Such matching is never perfect, but this policy has been successful during 2023.

The Society is well-placed to continue its strategy for growth, as described in more detail below.

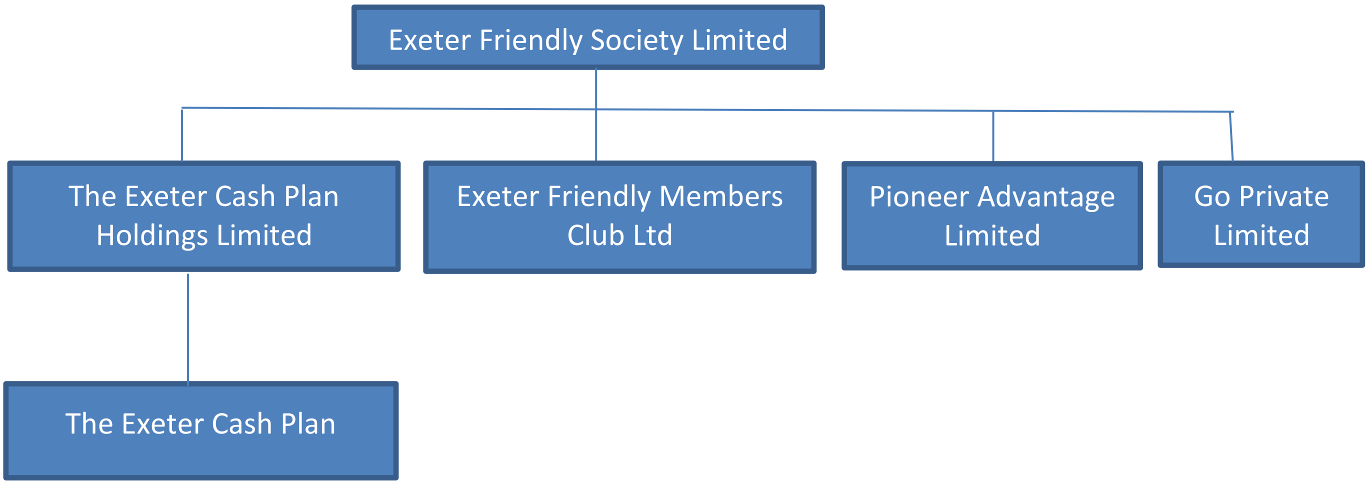
The Board agreed six key strategic priorities, in order to deliver on its vision for the Society to provide more peace of mind to more people in a more uncertain world:

- Raise the bar with an excellent customer service experience;
- Build the future-ready organisation;
- Unleashing our culture;
- Driving greater differentiation in the market;
- Staying ahead of the curve of innovation; and
- Developing our network of strategic relationships

By seeking to expand the business through the sale of innovative and viable policies, the Board aims to generate and preserve value for our members over the long term, thereby providing a firm capital base on which to support future growth.

A.1.3 - Group Structure

The Group structure is as follows:



A.1.4 - Geographic areas and lines of business

At 31st December 2023 the Society had 4 lines of business; Income Protection Insurance, Term Life Insurance, Health Cash Plans and Private Medical Insurance.

All products are now sold only within the UK but we have a small proportion of legacy PMI members outside the UK.

A.1.5 - Name and legal form of the undertakings

Both Exeter Friendly Society Limited ("The Society") and The Exeter Cash Plan ("ECP") are incorporated in the United Kingdom and registered in England. Their Registered Office Address is:

Lakeside House
Emperor Way
Exeter
Devon
EX1 3FD

This Solvency and Financial Condition Report ("SFCR") covers Exeter Friendly Society Limited and its subsidiary The Exeter Cash Plan on a solo basis, as well the Society and its subsidiary companies consolidated on a group basis.

A.1.6 - Name of Supervisory Authority

The Society and ECP are authorised by the Prudential Regulatory Authority and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority.

The Prudential Regulatory Authority (“PRA”) can be contacted at:

Prudential Regulatory Authority
Bank of England
Threadneedle Street
London
EC2R 8AH

The Financial Conduct Authority (“FCA”) can be contacted at:

Financial Conduct Authority
25 The North Colonnade
London
E14 5HS

A.1.7 - Auditors

The auditors of the Society and all Subsidiaries within the Group are:

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

A.2 - Underwriting Performance and other KPIs

A.2.1 - Underwriting performance

The Board monitors a number of key performance indicators to measure its success in delivering its strategy for the business, including growth in sales, premium income, membership, claims, operating expenses and reserves.

A.2.2 - Membership

Membership is key to The Exeter as it reflects the scale of the Society; and the long-term ability to continue to provide services to members depends upon membership being stable or growing.

	2022	2023	Movement	%
General Business Membership	24,725	40,225	15,500	62.7%
Long Term Business Membership IP	59,450	62,733	3,283	5.5%
Long Term Business Membership Life	15,979	20,087	4,108	25.7%
Society Membership	100,154	123,045	22,891	22.9%
Cash Plan Membership	15,961	15,276	-685	-4.3%
Group membership	116,115	138,321	22,206	19.1%

Overall, therefore, the membership base showed an increase on previous years, where total membership at the end of 2023 was 138,321 (2022: 116,115) at the year end.

A.2.3 - Earned premium income

Total earned premiums for 2023 amounted to £103.4m compared to £80.3m for 2022. The individual product line performance was as follows:

- Sales of new Income Protection policies were 1.8% higher than in 2022 ending the year at £5.5 million. Overall gross written IP premiums recorded an increase of 9.1% to £34.4million for the year.

- Sales of new Life Cover policies were £4.1 million in 2023, increased from £3.5 million in 2022. Overall Gross written Life premiums recorded an increase of 26.5% to £12.9 million for the year.

- New Private Medical Insurance sales totalled £21.3 million, an increase of 272.7% compared to 2022. Gross written premiums increased by 48.3% to £53.6 million during the year.

- The Cash Plan business contributed £2.5 million gross written premium which was unchanged from 2022.

- Total new business sales increased from £15.0m in 2022 to £31.3m in 2023.

A.2.4 - Claims and expenses

The Society's policies are designed to pay claims for the benefit of members and therefore this is a key measure of performance. In addition, our policies are priced to ensure fair premiums for all our members, and at a level that will ensure that the Society is sustainable and able to meet its members obligations and needs in the long-term.

Claims (net)	2022 £	2023 £	Increase / Decrease
PMI	27.8m	30.9m	11.0%
Income Protection and Life Protection	6.7m	7.3m	8.7%
Health Cash Plan	1.8m	1.9m	5.1%

The total claims paid out for the Group in 2023 was £40.2m (2022: £36.4m).

At Group level the commission payable to intermediaries increased by 42.5% to £21.7 million (2022: £15.4 million). Net operating expenses increased by 16.9% from £28.4 million to £33.2 million.

A.3 - Investment Performance

Matching of assets to liabilities is achieved by investing in assets of similar maturity duration to the underlying cash flow requirements of the insurance liabilities. The Society has a policy of not using equities to match any insurance liabilities and therefore any such investments are made out of free assets.

Investment markets have been volatile during 2023 but by year end markets had recovered to deliver a gain of £6.6m. Interest rates continued to rise throughout the year, however projected long term yields at the end of the year were very similar to those at the start of the year, resulting in only small movements in the value of our bond investments. The table below shows the movement in our matched assets and liabilities. This shows that our matching has been effective as total return is offset by the movement in reserves.

Matched Assets and Liabilities	2021	2022	2023
Investment Income	0.3	1.2	0.2
Net gains(losses) on investments	1.6	-10.2	0.7
Total return	1.9	-9.0	1.0
Reserve movement due to interest rates	1.9	-9.0	1.0

The table below shows the movement in our unmatched assets and liabilities. We choose not to match these liabilities as these liabilities are negative and so do not need to be matched.

Unmatched Assets and Liabilities	2021	2022	2023
Investment Income	2.1	0.8	2.1
Net gains(losses) on investments	2.2	-5.7	3.6
Total return	4.4	-4.9	5.6
Reserve movement due to interest rates	7.4	31.9	-2.7

A.4 - Future Prospects

As a mutual, the Society puts the interests of its members at the heart of how it does business and, to support this philosophy, the Board endeavours to ensure that products and services are designed and delivered in accordance with the needs of those members.

The Society performed well in 2023, delivering £31.3m of new sales. This is an increase of 108.6% on 2022. The Board believes that the Society is well-placed to continue to deliver this increased level of new business by delivering a market leading customer experience. The Society has continued to invest in its infrastructure and systems and is well placed to continue to pursue growth over the medium term.

A.5 - Reinsurance Arrangements

The Society reinsures its Income Protection products with Pacific Life Re and Swiss Re and Term Life Insurance products with Swiss Re. Private Medical Insurance and Cash Plan are not reinsured. The Society mitigates its exposure to tail lapse risks from Income Protection through a reinsurance agreement with Hannover Re. Since 2022, the Society has entered into a Financial Reinsurance contract with Hannover Re, providing financing for new business sales on the Life book.

Section B: System of governance

B.1 - Governance Structure

The Board's role is to provide entrepreneurial leadership of the Society within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board sets the Society's strategic aims and ensures that the necessary financial and human resources are in place in order for the Society to meet its objectives and review management performance. In addition, the Board sets the Society's values and standards and ensures that its obligations to members and others are understood and met.

The Board has a general duty to ensure that relevant legislation and regulations are adhered to, and that proper accounting records and effective systems and controls are established, maintained, documented and audited to safeguard members' interests. The Non-Executive Directors are responsible for bringing independent judgement to discussions held by the Board, using their breadth of experience and understanding of the business to constructively challenge and help develop proposals on strategy.

There is a formal schedule of matters specifically reserved for the Board's decision and a Corporate Governance Handbook sets out its responsibilities and the structure of delegation of authority by the Board to management.

The Board has established five principal Committees, under its overall authority, to deal with certain functions in detail. These Committees cover the following functions:

- Governance and Risk
- Nomination
- Remuneration
- Audit
- Investment

In addition to Committee Meetings the Board holds six formal Board meetings each year including a whole day devoted to the development of strategy. Each Board meeting includes a consideration of the Society's performance against its strategic objectives, with corrective action proposed as required to ensure that the business remains on target to achieve them. In addition, the Non-Executive Directors meet on one occasion without the Executive Directors and on a further occasion without the Chairman present. The attendance record during the year of Directors at formal meetings of the Board and its Committees is reported within the Annual Report.

The Main Board comprises a non-executive Chair, five other non-executive directors and five executive directors. The Main Board is supported by an Executive Committee which comprises three Executive Directors plus five other function Heads. This committee is in turn supported by other committees comprising senior managers within the business. All such committees have formal terms of reference, agendas, full minutes and specific action points.

B.1.1 - Governance and Risk Committee

The Governance and Risk Committee is appointed by the Board on the recommendation of the Nomination Committee. As recommended by the Association of Financial Mutuals UK Corporate Governance Code (the "Code"), the majority of members of the Committee are independent Non-Executive Directors.

The purpose of the Committee is to ensure and provide assurance to the Board that the Society's risk management strategies and governance arrangements are appropriate in respect of the type of business it transacts, the market in which it operates and the regulatory regime by which it is assessed. In discharging its responsibilities, the Committee reviews, approves and monitors internal risk and compliance strategies and reports, and manages the process to ensure that the Own Risk Solvency Assessment ("ORSA") has the content required by the Board.

The Committee meets at least three times a year, at appropriate times in the reporting cycle. The Chief Risk Officer and Head of Compliance both have direct access to the Committee and its Chairman and they meet at least once a year with the Committee, without the Society's management present.

The Committee has the additional responsibility of providing oversight of the Society's governance and regulatory compliance arrangements and monitoring their on-going effectiveness. In this regard, the Committee regularly reviews reports from the Compliance Function including the outcomes and recommendations arising from its monitoring programme. The Committee also reviews the Society's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters.

B.1.2 - Nomination Committee

The Nomination Committee regularly reviews the structure, size and composition of the Board, in particular the range and balance of skills, knowledge and background on the Board, and considers succession planning for Directors. The Committee is responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise.

Prior to the Board recommending a Non-Executive Director for re-election at the Annual General Meeting, the Committee considers their appointment giving due regard to their performance, continuing commitment to the role and ability to contribute effectively to the Board and to ensure the continuing balance of the Board.

On the basis of the above criteria the Committee considers that the current Board is appropriate for the needs of the business.

B.1.3 - Remuneration Committee

The remuneration of the Executive Directors is set by the Remuneration Committee and is based on the following principles:

- Executives are rewarded for creating long term value for the Society and hence its members;
- Performance related rewards form part of the total remuneration package;
- The remuneration package is competitive in the market in which the Society operates;
- Failure is not rewarded; and
- Contractual terms are agreed which ensure that, on termination, payments are fair to the individual and the Society.

Further detail on remuneration for Executive Directors is included in the annual report and accounts.

B.1.4 - Audit Committee

The Audit Committee is appointed by the Board on the recommendation of the Nomination Committee. As recommended by the Code, all three members of the Committee are independent Non-Executive Directors and at least one member has recent and relevant financial experience. The Audit Committee Chairman is appointed by the Audit Committee.

The purpose of the Committee is to assist the Board in discharging its responsibilities for the integrity of the Society's financial reporting, the quality of the external and internal audit processes and the appropriateness of the Society's system of internal financial controls.

The Committee meets at least three times a year, at appropriate times in the reporting and auditing cycle. The independent auditors and the Chief Internal Auditor both have direct access to this Committee and its Chairman and they meet at least once a year with the Committee, without the Society's management present.

The primary role of the Committee in relation to financial reporting is to review with both management and the external independent auditors the appropriateness of the annual financial statements concentrating on, amongst other matters:

- the quality and acceptability of accounting policies and practices;
- the clarity of the disclosures and compliance with financial reporting standards and relevant financial and governance reporting requirements;
- material areas in which significant judgements have been applied or there has been discussion with the external independent auditors;
- whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for members to assess the Society's position and performance, business model and strategy; and
- any correspondence from regulators in relation to the Society's financial reporting.

To aid its review, the Committee considers reports from the Chief Internal Auditor, the Finance Director, the society's actuaries and also reports from the external independent auditors on the outcomes of their annual audit. The internal audit function also advises the Committee on the effectiveness of the Society's internal control systems, the adequacy of those systems to manage business risk and to safeguard its assets and resources.

The committee approves this SFCR, including the templates in appendix 1.

B.1.5 - Investment Committee

The Committee draws up and regularly reviews Investment Guidelines and recommends investment policy to the Board, including the review and approval of established limits for investments and the review and approval of credit policies including investment and counterparty liability, taking advice from the in-house actuarial team and other appropriate financial advisers.

The Committee monitors the performance of the Investment Managers against the agreed benchmarks including its policy for compliance with the principles of the Stewardship Code. Royal London Asset Management was appointed as the Society's Investment Managers in 2011, following a selection process that was overseen by the Committee. A separate contract is in place with HSBC Bank Plc for the provision of custodial services for the Society's investments.

B.1.6 - Adequacy of the Governance Structure

The Society monitors and assesses its system of governance on an ongoing basis as described in the above sections and believes it to be robust.

B.2 – Fit and Proper Requirements

The Committees outlined above set the policies and processes to be implemented throughout the organisation. In order for this to happen the Society must be staffed by individuals with the appropriate skills and training. Significant emphasis is placed on recruiting the right people and then ensuring that they adhere to the Society's regulatory and operational processes.

B.3 - Risk Management System

The Board is responsible for determining strategies for risk management and control. Senior management are responsible for designing, operating and monitoring risk management and internal control processes and the Governance and Risk Committee, on behalf of the Board, is responsible for reviewing the adequacy of these processes. The Committee is also responsible for ensuring that appropriate risk management systems are in place across the business and that there is an on-going process for identifying, evaluating and managing significant risks faced by the Society. This process is regularly reviewed at Board level, any risk related issues that are identified are investigated and, if necessary, additional compliance or internal audit resources are utilised.

Given the risks faced by the organisation and the nature of its products the Board believe a Standard Formula approach in respect of calculation of capital requirements under Solvency II is appropriate and this has been documented in the ORSA. The review process for the ORSA means that this assumption is regularly challenged.

The Board has approved a Risk Appetite and Risk Register, which are regularly reviewed and form the basis of discussion and decision-making. The internal audit function, reporting to the Audit Committee, provides independent and objective assurance that the Society's risk management processes are appropriate and are applied effectively.

The Governance and Risk Committee also devotes a significant amount of its time to ensuring that the Society meets its obligations under Solvency II with a focus on the methodology and assumptions for the Solvency Capital Requirement calculations, the review of the Society's Own Risk and Solvency Assessment Report and ongoing quantitative reporting requirements.

A key starting point in the consideration of risk and solvency is the setting of the Society's risk appetite policy and the tolerance limits that are required and acceptable. Risk Appetite is set on an annual basis by the full board and is then used to assess the overall solvency needs derived from the ORSA. If the Board perceives a change in the risk appetite is required due to specific events or environmental changes then the risk appetite will be reviewed immediately. Once set the Risk Appetite is used to assess the Society's exposure through management information, the ORSA and new project evaluation.

The Society has three lines of defence in risk management:

- The operational management of the Society makes up the first line of defence by assessing risk and implementing day to day controls.
- The Risk Management and Compliance functions provide oversight and challenge to form the second line of defence. This includes compliance checks and risk monitoring.
- Internal Audit provides independent assurance that the risk management framework and internal controls are fit for purpose and effective. When appropriate, specialist external resource may be utilised to provide expert assurance e.g. in respect of auditing actuarial activity. (See section B5, below for further detail about Internal Audit.)

Risk Management is headed by the Chief Risk Officer but primary responsibility for the identification and monitoring of risk sits with department heads who form the first line of defence. Regular reviews of the risk register are undertaken, and monthly risk reports are discussed by the Executive Committee and quarterly risks reports are discussed by the Main Board. Any issues arising from the review of the risk report are minuted and appropriate actions are taken.

The Chief Risk Officer Role is key to the development and implementation of risk management. The Chief Risk Officer is a member of the Executive Committee and reports regularly to the Governance and Risk Committee.

The Compliance functions are managed by the Head of Compliance, who undertakes an agreed program of work designed to provide comfort on our regulatory compliance. This function also includes the handling of complaints and breaches.

The resources involved in Risk, Compliance, Audit and Actuarial amounted to a total of 18 staff out of a total average number of staff for the year of 209. Roles and responsibilities are clearly defined and allocated to specific individuals in accordance with the Senior Insurance Management Functions regime.

The governance of specific risks is outlined below.

B.3.1 - Underwriting and reserving risk management

To mitigate underwriting risks the Society asks relevant questions of its applicants and these are processed in accordance with documented underwriting philosophies. This may include automated underwriting which, depending upon conditions, leads to policies being offered, declined or earmarked for review by an experienced underwriter.

Certain private medical policies are offered on a moratorium basis and in these cases applicants must be able to answer certain qualifying questions.

Whilst some legacy products were issued without reinsurance the majority of long term policies were written with reinsurance since 2007 and all current long term new policies are reinsured to mitigate risk. Reinsurance is used to protect the Society against large individual claim risks, adverse experience in any one product line and to provide additional expertise within a particular line of business; such as the Managed Life and Real Life products.

Detailed modelling of all pricing assumptions is undertaken before a product is launched and this is repeated on a regular basis to ensure that pricing and reserving continue to be appropriate.

Claims are managed by a dedicated in-house team for long term products whilst the claims functions for cash plan and private medical products are outsourced, they are subject to close review and supervision by the Society.

B.3.2 - Asset-liability management

The Society aims to match its interest rate and market risks with specific assets to counteract these risks. Risk mitigation is achieved by matching the duration of investments to the expected cash flow requirements of the funds. This asset and liability matching cannot be exact due to the uncertainties involved but is reviewed regularly and adjustments made to the portfolio allocation if required.

B.3.3 - Investment risk management

A detailed investment policy is approved by the Board annually and is reviewed by the management team on a monthly basis to ensure that the external investment managers are complying with the stated policy.

The investment policy sets out requirements for asset liability matching and the investment of free assets over and above those used to match liabilities. Insurance liabilities are matched by cash deposits and investments in fixed interest securities. Equities do form part of the portfolio but only form part of the allocation of free assets.

The investment policies are set alongside detailed guidelines for each asset class and these are monitored monthly within set bands. The investment manager therefore does have discretion within these bands but must correct the portfolio if limits are breached.

In the case of fixed interest investments and cash deposits the Society reviews the credit ratings of the counterparties involved.

There are no direct holdings in derivatives but some collective schemes in which the Society invests may have small exposures. These are disclosed in the Society's regulatory returns on a look through basis.

B.3.4 - Liquidity risk management

The Society models its cash flow and liquidity management as part of the business planning process and this is updated and reviewed monthly to ensure that sufficient liquid resources are available to run the business and meet members claims as they fall due.

B.3.5 - Concentration risk management

The concentration of risk is assessed as part of the ORSA process and any exposures which are deemed to be too high for the risk appetite are reviewed and reduced if necessary.

B.3.6 - Operational risk management:

Operational risk is formally reviewed and reported quarterly but if any issues arise they are reported to the Chief Risk Officer immediately and appropriate action taken. Operational risk is discussed as part of the senior management team and the Executive Committee monthly meetings.

All risks are allocated to a risk owner by the Chief Risk Officer and that owner is responsible for the on-going monitoring and management of that risk.

B.3.7 - Persistency risk management:

The ORSA has consistently identified persistency as our biggest net-of-reinsurance risk in the LTBF. We have a medium appetite for persistency risk and so we consider a range of tools to manage persistency risk. As a result, we currently use lapse reinsurance to provide protection against more extreme (tail) lapse risks.

B.4 - Internal Control System

The Society has identified the processes and controls required within its operations to ensure that business risks are addressed and assets are safeguarded. In doing this all key operations are documented and flowcharted to assess the risks that they link to and the controls that are in place.

Each control is allocated to a specific individual or role and these controls are subject to review by internal and external audit and the compliance department.

B.5 - Internal Audit Function

The internal audit function advises management on the effectiveness of the Society's internal control systems, the adequacy of those systems to manage business risk and to safeguard its assets and resources. The internal audit function provides objective assurance on risks and controls to the Audit Committee. The Committee directs the internal audit plan to cover areas of risk and concern and this is kept under regular review. It also conducts a regular review of the effectiveness of the internal audit function and ensures that it has sufficient resources to carry out its duties effectively.

B.6 - Actuarial Function

The Society employs an in-house team of actuaries who are responsible for the assessment of insurance related risks within the Society. This work includes product pricing, experience analysis, the quantification of actuarial reserves, technical provisions and capital modelling.

B.7 - Outsourcing

The Board acknowledges that it is responsible for the actions of its subcontractors and therefore has an outsourcing policy with appropriate controls for due diligence, contracting and monitoring performance. The Society has two material outsourcing arrangements relating to the Cash Plan operations and the handling of private medical claims.

Cash Plan operations are outsourced to The Wessex Group who carry out all day to day processing of cash plan claims and premium collections. In addition, the Society also outsources all private medical claims handling to AXA. Both of these key outsourcers are domiciled in the UK.

Management information is reviewed for each of the outsourcing arrangements and regular review meetings are held with outsourcers to review contracted performance indicators and any issues that have arisen during the month. Any corrective action or revisions to service standards is agreed as required.

B.8 - External audit

The Audit Committee oversees the Society's relationship with and monitors the performance of the external independent auditors and makes recommendations to the Board in relation to their appointment, reappointment or removal. These recommendations are then put to the members for approval at the Annual General Meeting. Mazars LLP has held the position of the Society's independent auditors since 2020. In accordance with the Code, it is a policy of the Committee to conduct a tender exercise at least every 10 years.

The Society has policies in place which aim to safeguard and support the independence and objectivity of the external independent auditors. One such policy requires the prior approval of the Board for the engagement of the independent auditors for non-audit work.

The independent auditors are not normally engaged to provide any other services in line with current standards. Where other services are provided from time-to-time, these are limited in scope so that they would not compromise the independence of the audit and the total spend on these services is limited to be no greater than the cost of the independent audit.

The effectiveness of the external audit process is assessed as part of the Audit Committee's annual effectiveness review, which takes the form of a survey issued to the Committee members and regular attendees. The Chairman collates the findings of the effectiveness review and ensures that any issues relevant to the audit process are acted upon.

Section C : Risk Profile

There are four types of risk to which The Exeter is exposed:

1. Risks customers transfer to us – "Insurance Risk";
2. Financial Risks we incur;
3. Risks from Business Operations; and
4. Business Strategy and External Risks.

Each of these basic risk types encompasses a significant number of specific risks that we, as an organisation, need to identify, quantify, manage, monitor and report. Risks are mitigated through the operation of appropriate internal controls and the use of reinsurance for long-term products.

Risks and their associated mitigation and control are discussed in more detail below. Quantification of risks is included in the table in section E.2.2

C.1 - Insurance risk

These are the life events for which we provide protection to our members viz:

1. Mortality;
2. Health (i.e. healthcare costs); and
3. Morbidity.

As a result of protecting against these life events, we also carry Persistency (Lapse) Risk which is included within the same classification for ease of reference.

Underwriting mitigates the inherent insurance risk arising from the uncertainties involved in the occurrence, amount and timing of insurance liabilities. Long term insurance risk arises from morbidity, persistency and expenses variances. General insurance risk arises from risks in general insurance contracts which lead to significant claims in terms of quantity or value. Systems are in place to measure, monitor and control exposure to all these risks. These are documented in policies for underwriting, pricing, claims and reinsurance. To mitigate risk in the long-term business fund the Society uses reinsurance to protect the Society against large individual claim risks, adverse experience and to provide additional expertise.

C.2 - Financial Risks

There are three main financial risks that we incur, viz:

1. Credit;
2. Market (including interest rate risk); and
3. Liquidity

C.2.1 Credit Risk

Credit Risk relates to credit defaults or expected defaults from/of counterparties with whom we invest funds resulting in uncertainty of investment returns. In this context, investing funds also encompasses reinsurance contracts that we enter into, as a credit default by a reinsurer would have a similar impact to the failure of an institution with whom we had invested funds. Failure by policyholders to pay policy premia on time is also a credit risk event. The Society takes on investment credit risk when it is considered beneficial to do so in support of the Society's strategic objectives and in matching insurance liabilities. The Society seeks to minimise other forms of credit risk, in particular those related to reinsurance, deposit takers and bond issuers.

Assets backing insurance liabilities are invested primarily in gilts and deposits. In addition, the Society has taken the following steps to mitigate credit risk:

- Diversified the portfolio of investments to reduce the potential impact of a credit event;
- Counterparty limits are in place for each cash deposit;
- Only reinsurers who match the Society's credit rating requirements are used.

C.2.2 Market Risk

Market Risk is the risk of losses arising from changes in the value of assets or in the income from the assets. The key risks faced in this area are equity risk; interest rate risk; and exchange rate risk. The Society manages market risk so that the returns generated are in line with members' expectations and support the Society's future strategic and operational objectives.

The Society's Investment Committee oversees the investment policy and strategy, which the Society implements through the use of investment mandates. Each mandate aims to manage the market risk using some, or all, of the following mechanisms:

- Defined performance benchmarks;
- Limits on asset allocation by asset type, market capitalisation and geographical spread;
- Limits on duration of the fixed interest portfolio.

The Society is exposed to interest rate risk where changes in interest rates result in changes to market values or cash flows. Some members (Holloway) bear the interest rate risk through the allocation of bonuses which is influenced by changes in market values and cash flows.

C.2.3 Liquidity Risk

Liquidity risk is the risk that the Society, although solvent, is unable to meet its obligations as they fall due. The Society's objective on liquidity risk management is to ensure that sufficient funds are available over the short and medium term to meet the needs of the Society. This includes new business costs, planned strategic activities, member withdrawals, claims payments and day to day cash flow requirements.

Liquidity risk is managed as follows:

- Budgets are prepared to forecast the short term and medium term liquidity requirements;
- Assets of suitable marketability and maturity are held to meet the member liabilities as they fall due;
- Credit risk of deposit takers is managed by having appropriate counterparty and credit limits in place.

As required under Article 295 of the Delegated Acts the total amount of the expected profit included in future premiums is as follows:

Expected profits included in future premiums:	31/12/2023 £000	31/12/2022 £000
Long Term Business Fund	151,022	139,699
General Business Fund	2899	308
Total Expected profits included in future premiums (Society)	***153,920***	***140,007***
Health Cash Plan subsidiary	105	92
Total Expected profits included in future premiums (Group)	**154,025**	**140,099**

The expected profits included in future premiums (EPIFP) has increased in 2023. This is largely because of the expected future profits arising from new business in 2023.

C.3 - Risk From Business Operations – "Operational Risks"

Risks arising from business operations fall into five main categories, viz:

1. Conduct;
2. Broker Risk;
3. Operational;
4. IT Systems; and
5. Information Risk

Conduct risk chiefly relates to failure to ensure good customer outcomes in line with market and regulatory expectations. It also encompasses governance requirements including having a robust policy framework and remuneration policy.

Broker Risk relates to risk of loss or lost opportunity from failing to adequately vet, monitor and manage broker relationships resulting in defaults in payments by intermediaries, inability to recover clawback (including fraud on premiums), unusual behaviour that is, for example, too heavily weighted to a specific industry sector, geographical location or other demographic. Any of which may result in the Society facing fraudulent applications and higher than expected claims experience, whether through collusion or otherwise

Operational risk relates to direct or indirect loss arising from inadequate or failed internal processes, systems and/or people.

IT Systems risk relates to direct or indirect losses arising from failure to specify, implement, manage and maintain appropriate ICT systems hardware, software and operating policies and procedures any of which could result in: significant loss of systems availability; loss of confidence from brokers, members, consumers and the media.

Cyber Security risk relates to direct or indirect losses arising from failure to adequately protect our systems and data from external or internal threats, any of which could result in: significant loss of systems availability; loss of confidence from brokers, members, consumers and the media; plus, significant regulatory censure and fines.

Managing the risks is generally achieved by the application of robust policies and processes coupled with good governance.

Operational risks are reported to Risk Management monthly in addition to being discussed by the Executive Committee and encompassed within the quarterly risk report where necessary. Cyber risks are reported monthly via the Security Committee. The other risks are incorporated into quarterly risk dashboards and reports as appropriate.

Operational risks are assessed on a fund by fund basis and then aggregated for the Society as a whole. The Board reviews the risk register composition on a regular basis and then monitors key risk indicators as part of its monthly performance management.

The Board has set a risk appetite measured as a proportion of available capital for each of the funds. The utilisation of capital against this appetite is measured and considered regularly and appropriate action taken to address any issues.

C.4 - Business Strategy & External Risks

Strategy risk relates to the failure to set or achieve a sustainable business strategy resulting in poor profit performance, ineffective capital utilisation, risk to solvency and/or negative publicity, it also encompasses expense management which is fundamental to any insurer's survival. Virtually all business entities must continue to grow and innovate if they are to avoid stagnating and ultimately ceasing to exist. The Exeter is no different in this respect. Ensuring, however, that the correct strategy has been identified, implemented and continuously reviewed is one of the biggest risk challenges faced by any organisation, it is for this reason that strategy risk is invariably one of the largest risks faced.

Political Economic & Environmental Risk encompasses changes in Government policy, regulation, the economy and environmental impacts, e.g. the financial impact of climate change, but excludes items caught by Conduct Risk, i.e. Prudential Regulation.

People Risk relates to the risk of financial losses and negative social performance related to inadequacies in human capital and the management of human resources. Economic pressures have had social impacts on people. Whether it is a lack of opportunities, increased workload, strain from systems/processes this can lead to job dissatisfaction and recruitment challenges. Ongoing leadership development, progression, opportunities, knowledge management, retaining key people, and a strong employee value proposition will help to improve leadership, support people and deliver a better customer experience.

C.5 - Risk Monitoring

Each of the exposures to risk are analysed regularly to assess their likely impact and probability. The overall level of risk is then compiled into a detailed report taking into account the correlation of individual risks to arrive at a required level of capital. The Board is responsible for reviewing the risks faced by the Society and approving the required level of capital to be held against each risk element.

Holdings in equities are by their nature subject to market movement. In order to mitigate this risk the Society employs an external investment portfolio manager and has a policy of only investing in equities out of assets not matching insurance liabilities. Assets required to back insurance liabilities are therefore held in cash, index-linked securities and fixed interest securities.

C.6 - Sensitivities

The Society explores the financial impact of risks through a series of sensitivities. Unlike the capital requirements under the main SCR calculation these are designed to relate to the business and are at no pre-determined risk level. They are designed to guide management in their decision-making and to look at key areas which may impact on results for the Society and for ECP.

Our methodology groups risk into four areas:

- Business risks and sensitivities – based on management decisions in areas such as sales, expense allocation, product design and reinsurance;
- Economic risks and sensitivities – to explore those economic sensitivities that would have the greatest impact;
- Insurance risks and sensitivities – to explore those areas of insurance risk which are likely to change and could have a significant impact, including the management actions that could be taken; and
- Operational risks.

Analysis is undertaken on both a quantitative and qualitative basis.

Section D : Valuation for Solvency Purposes

D.1 - Assets

The Society values its assets using the following methodologies:

- Intangible assets consist of bespoke computer software and software licences. For accounting purposes, intangible assets are initially recognised at cost and amortised using the straight line method over their useful lives (three to ten years). The amortisation periods used are reviewed annually. Software values are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount is not recoverable the asset is written down immediately to the estimated recoverable amount, based on value in use calculations. Whilst these values are carried in the statutory accounts they are valued at nil for Solvency II purposes.

- Land and buildings are formally re-valued annually and included in the accounts at valuation with any surplus or deficit being transferred to a revaluation reserve.

- Fixed assets excluding property are valued at cost and depreciation is provided to write off the cost, less estimated residual value, of tangible assets by equal instalments over their estimated useful economic lives.

- The Society classifies its financial assets as financial assets at fair value through income or at amortised cost.
    - Financial assets at fair value through income
      The Society classifies all of its investments upon initial recognition as financial assets at fair value through income and subsequent valuation movements are recognised in the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been

transferred and the Society has transferred substantially all risks and rewards of ownership. Financial assets at fair value through income include listed and unlisted investments, and units in collective investment vehicles. Fair value is based on the bid value at the year end.

- Insurance receivables are recognised when due as at the reporting date.

- Cash for statutory accounting purposes comprise cash at bank and in hand. All such holdings are presented at current value with exchange rates being used where necessary. For Solvency II disclosure the Society only treats balances which are available immediately as cash, with all other balances treated as investments.

- Reinsurance is recognised as a negative asset as the expected present value of all future cashflows under all reinsurance contracts, including reinsurance premiums and the reinsurer's share of claims. The projections are calculated using best estimate assumptions and allow for discounting at the prescribed risk-free interest rates. More detail on the main assumptions is included below.

D.1.1 - Intangible assets

The Society initially recognises intangible assets on its balance sheet at cost and any values are then tested annually for impairment to estimate the asset's recoverable amount. Whilst these assets are included for statutory accounts purposes the carrying amount is removed from the Solvency II balance sheet in accordance with the Regulations.

D.1.2 - Financial assets

All financial assets are valued at fair value based upon the published bid value at the period end. The Society does not hold any unlisted securities or securities listed on inactive markets.

Units in collective investment schemes are valued fair value.

For Solvency II purposes accrued interest on fixed interest securities is included within the market valuation whereas for statutory accounting purposes it is treated as a separate receivable.

D.1.4 - Holdings in related undertakings

The acquisition of Engage Mutual Health Limited completed in late 2015, up until that point all subsidiaries were dormant and immaterial in aggregate.

The acquisition of Engage Mutual Health Limited, now renamed The Exeter Cash Plan, was via a 100% share purchase to create a wholly owned subsidiary. The subsidiary adds approximately £2.5m to the Society's revenue and has net assets of around £3.2m to support its regulatory capital requirement.

The Exeter Cash Plan is a subsidiary of the General Fund. The subsidiary is treated as a strategic investment of the Society and is included in the General Fund. The subsidiary is consolidated into the General Fund in order to calculate the Society's group balance sheet.

Within the Society's Statutory Accounts under UK GAAP the investment in related undertakings is valued at cost less impairment; the impairment review did not indicate a need to reduce the valuation. On a Solvency II basis the investment in related undertakings is valued at net assets.

D.1.5 - Deferred tax assets

The Society does not recognise any deferred tax assets. Whilst tax losses do exist with subsidiary companies these are not expected to be realised as the vast majority of the Society's operations fall outside of the scope of Corporation Tax

D.2 - Technical provisions

Under Solvency II, Technical Provisions comprise the Best Estimate Technical Provisions (BETPs) and the Risk Margin.

The BETP is the expected present value of all future cashflows under the policy, including premiums, claims, expenses and commission, which occur after the valuation date. The projections are calculated using best estimate assumptions and allow for discounting at the prescribed risk-free interest rates. More detail on the main assumptions is included below.

The Solvency II Technical Provisions require a 'Risk Margin' to be added to the BETPs to reflect the additional cost of capital needed to offset the risks inherent in the insurance.

The valuation of pension and other post-retirement benefit obligations are determined using actuarial valuations. These involve making assumptions about interest rates, expected returns, longevity and future benefit indexation. Due to the long term nature of these obligations the estimates are subject to significant uncertainty. Details of the key pension assumptions are contained in Note 23 of the Report and Accounts as well as the key assumptions used in the calculation of the post-retirement medical benefits reserve.

No transitional measures, matching adjustment or volatility adjustments have been applied to the calculation of the BETPs.

D.2.1 - Main assumptions within technical provisions

The main assumptions used to calculate technical provisions are set out below.

D.2.2 - Interest rates and inflation

The risk-free interest rate term structure used for discounting the projected cash flows in the technical calculation is the sterling relevant risk-free structure as specified by the Solvency II regulations. The Society used the rates as provided by the Prudential Regulation Authority ("PRA"). The Society does not use the matching adjustment nor the volatility adjustment.

The assumption for Retail Price Index ("RPI") inflation is based on implied inflation from the Bank of England's forward gilt yield curves.

D.2.3 - Expenses

The expenses incurred in servicing The Society's policies consist of administration, claims management and new business expenses. The Society performs a regular expense analysis in order to allocate the expenses between initial and renewal and by type of expense. The best estimate expense assumptions are based on the results of this regular analysis together with budgeted expenses.

D.2.4 - Lapse assumptions

Lapse assumptions are set with reference to historic experience for The Society's business, guidance from subject matter experts, reinsurers and industry data. Lapse assumptions vary by product, duration inforce, deferred period (for Income Protection policies) and location.

D.2.5 - Claims Assumptions

Claims rate assumptions take account of relevant reinsurance and industry information and, where credible, internal experience including experience from The Society's business.

For long term business, the assumptions used for mortality, morbidity and longevity are based on standard industry tables (where available), adjusted where appropriate to reflect the Society's own experience. Where the society lacks relevant experience, for example for its Managed Life and Real Life products, reinsurance rates will be used as a base to set assumptions. Due to the long term nature of these obligations, the estimates are subject to significant uncertainty.

For Private Medical Insurance and Health Cash Plan policies within the general fund and The Exeter Cash Plan, estimates are made for the expected ultimate cost of claims reported as at the year- end date and the cost of claims incurred but not yet reported (IBNR). It can take many months before the ultimate cost of claims can be established with certainty, and the final outcome may be better or worse than provided. Standard actuarial claims projection techniques are used to estimate outstanding claims. These techniques use past patterns of delay between claims being incurred and settled, and combine them with estimates of ultimate loss ratios and seasonality of claims. Case estimates are used for some reported claims where the ultimate amount is not known.

D.2.6 - Technical provision calculation methodology

Under Solvency II, Technical Provisions comprise the Best Estimate Technical Provisions (BETPs) and the Risk Margin.

The Society's Best Estimate Technical Provisions are calculated using a gross premium valuation (as required by Solvency II) for all policies in-force and on risk at the valuation date. Therefore, the technical provisions are calculated based on the prospective value of future expected cash-flows on a policy-by-policy basis, allowing for full premiums, claims, expenses and lapses. Negative reserves are permitted. The provisions are calculated net and gross of reinsurance to allow separate calculation of the reinsurance recoverable.

The Risk Margin is calculated by projecting a future notional Solvency Capital Requirement (SCR), applying a cost of capital factor and discounting to provide a present value. The Society uses the Solvency II ‘Standard Formula’ to calculate its SCR. For the purposes of calculating the Risk Margin, Solvency II rules allow hedgeable risks to be ignored. The Society considers all Market risks (for example, investment risk and default risk) to be hedgeable and all other risks to be non-hedgeable.

D.2.7 - Uncertainty associated with the value of technical provisions

Uncertainty relates primarily to how future actual experience will differ from the best estimate assumptions used to calculate the technical provisions. The key assumptions are interest rates, lapse rates, mortality rates, morbidity rates and future expenses. A robust assumption setting process is followed in order to ensure the uncertainty is well understood.

D.2.8 - Solvency II and UK GAAP valuation differences

The financial statements are prepared utilising an accounting policy that mirrors as far as possible Solvency II principles for the Long Term Business Fund and uses UK GAAP for the General Business Fund.

	2023 General Fund SII £'000	2023 General Fund UK GAAP £'000	2023 Long Term SII £'000	2023 Long Term UK GAAP £'000	2023 Cash Plan SII £'000	2023 Cash Plan UK GAAP £'000
Investments	80,876	80,709	1,752	1,752	1,844	1,844
Future premium debtor	-	21,510	-	3,045		577
Other debtors	1,819	3,395	5,618	2,573	231	231
Insurance Assets	-	-	-	127,104	-	-
Reinsurance Assets	-	-	(34,303)	-	-	-
Intangible assets & deferred acquisition costs	-	10,556	-	3,537	-	79
Other Assets	15,086	11,964	(2,330)	792	1,544	1,544
Total Assets	97,780	128,134	(29,263)	138,803	3,620	4,276
Technical Provisions	7,563	32,843	(136,517)	-	96	766
Reinsurance Liabilities	-	-	-	21,444	-	-
Other liabilities	5,649	5,649	10,212	16,865	369	369
Total Liabilities	13,212	38,492	(126,304)	38,309	464	1,134
Capital Resources (Own Funds)	84,567	89,642	97,041	100,494	3,155	3,142

	2022 General Fund SII £'000	2022 General Fund UK GAAP £'000	2022 Long Term SII £'000	2022 Long Term UK GAAP £'000	2022 Cash Plan SII £'000	2022 Cash Plan UK GAAP £'000
Investments	90,640	90,508	8,068	8,068	1,772	1,772
Future premium debtor	-	13,260	-	2,633		585
Other debtors	1,456	314	4,427	3,492	243	243
Insurance Assets	-	-	-	92,887	-	-
Reinsurance Assets	-	-	(40,798)	-	-	-
Intangible assets & deferred acquisition costs	-	2,986	-	1,906	-	115
Other Assets	8,912	10,611	3,173	1,483	1,815	1,815
Total Assets	101,009	117,679	(25,130)	110,470	3,830	4,529
Technical Provisions	8,741	21,895	(115,838)	-	136	785
Reinsurance Liabilities	-	-	-	16,647	-	-
Other liabilities	4,487	6,186	8,451	9,730	371	371
Total Liabilities	13,229	28,081	(107,387)	26,376	507	1,156
Capital Resources (Own Funds)	87,780	89,598	82,257	84,094	3,323	3,373

The key differences between the methodologies are:

- the reclassification of assets and liabilities.
- the removal of intangible assets and deferred acquisition costs (DAC).
- presentation of the risk margin (which for IFRS purposes is presented gross rather than net).

Technical provisions net of the premium debtor and DAC are similar on both bases as Long Term Reserves for IFRS purposes are now based on Solvency II principles, therefore the net own funds positions are similar on a Solvency II basis to IFRS.

Group Own Funds (before ring-fenced fund adjustments) are £181.6m (2022 : £170.0m) on a Solvency II basis, compared with £190.1m (2022 : £173.7m) under UK GAAP.

D.3 - Other liabilities

Certain Private Medical Insurance products sold by the Society include an age-at-entry policy whereby the Society calculates the policyholder's premium by reference to the age of the policyholder on joining the Society rather than their age at each annual policy renewal, provided that their cover remains unchanged.

The age-at-entry policies are annual, general insurance contracts and under the policy terms both the policyholder and the Society have the right not to renew the policy after the end of the 12-month term. Furthermore, management has discretion to alter premium rates and the level of cover under age-at-entry plans, subject to compliance with the overall age-at-entry principle.

This product feature does not fall within the technical provisions prescribed by Solvency II and therefore does not affect the Solvency II balance sheet or SCR or Minimum Capital Requirement ("MCR") calculations. However, the Board do take the impact of these policies into account when considering the long term management of the Society and when calculating the ORSA.

It is management's current intention to continue to calculate premiums by reference to age-at-entry for these policies, acknowledging that this may result in future underwriting losses. As disclosed in the statutory accounts at 31st December 2023 for internal management (and ORSA) purposes £28.5 million (2022: £29.3 million) of the General Fund Capital Resources have been allocated to cover future underwriting losses arising from these age-at-entry polices. The Society does not guarantee this level of capital allocation and will be guided by the need to ensure its continued financial well-being and to meet statutory levels of solvency.

Since moving to UK GAAP the lease is no longer capitalised with an asset and liability on the balance sheet. Rent is now expensed as incurred. A small number of operating leases are also in place for office equipment; the value of which is immaterial.

The Society does not have any other provisions or contingent liabilities or deferred tax liabilities.

D.4 - Alternative methods for valuation

The Society does not use any alternative methods for the valuation of liabilities.

D.5 - Employee benefits

For some employees, the Society operates a funded pension scheme, which is now closed to future benefit accrual. The defined benefit scheme is operated from a trust, which has assets which are held separately from the Society, and by trustees who ensure the scheme's rules are strictly followed.

The results of the formal valuation as at 1 January 2021 were updated to the accounting date by an independent qualified actuary. These are consistent between SII and IFRS valuation methods.

The funding target is for the scheme to hold assets equal in value to the accrued benefits allowing for future pension revaluation and future pension increases. If there is a shortfall against this target, then the Society and trustees will agree on the deficit contributions to meet this deficit over a period. There is a risk to the Society that adverse experience could lead to a requirement for the Society to make additional contributions to recover any deficit that arises.

E : Capital Management

E.1 - Own funds (Society, ECP and Group)

The following information relates to the own funds of the Society and its subsidiaries:

- The Society holds own funds in Sterling and Euros, the Euros being used to cover trading operations for euro denominated policies. Subsidiaries' own funds are all held in Sterling.

- The local currency for all reporting and regulatory returns is Sterling.

- The Exeter Cash Plan manages its capital in the same way as the main Society with a separate SCR and MCR calculation. The ORSA is combined with the rest of the Group to show the Cash Plan as a separate entity. See above for the monitoring process.

- Any intra-group transactions take place at market value with any resultant intra-group balances being settled regularly where necessary.

- All of the Society's business falls within one of two separate ring-fenced funds: one for Long Term Business and one for short term General Business. There is no business conducted outside those funds and the Society manages its capital requirements separately for each fund. Ring-fenced fund restrictions mean that Own Funds at an overall Society level are restricted to the total SCR across both funds.

- The Exeter Cash Plan is a 100% subsidiary of the General Fund and its capital requirements are managed separately. On a group basis, ECP is consolidated into the General Fund. Share capital in ECP is classified as Tier 1 capital as directors have the right to cancel dividends at any time prior to payment.

- To calculate our group SCR, we have used accounting consolidation-based method

Section E.2 sets out the current own funds against SCR and MCR for the Society, ECP and the Group.

E.1.1 – Risk Appetite

Exeter Friendly Society sets its risk appetite based on the results of its ORSA. This is to allow for the risks that the management of the company recognise that are not covered within the standard formula capital requirements on a Solvency II basis. The level of own funds is also monitored against the SCR requirement but the ORSA requirement is the key indicator for the Board.

As the LTBF and GBF are separate funds with no ability for cross-subsidy then the appetite will apply separately for each fund.

The appetite is set out in terms of excess of free assets over the ORSA Capital Requirement and is measured by quoting the free assets over the requirement as a percentage of the capital requirement. Limits are set at agreed points for intervention and solvency is then monitored on a monthly basis.

E.1.2 - Restrictions on use of capital

In the case of Exeter Friendly Society all funds result from accumulated mutual capital with no capital tiers or capital instruments in issue; subordinated or unsubordinated. Therefore, all surplus capital is available to support the business. The Society owns shares within the subsidiary companies which are fully paid up with no other forms of financing available.

E.1.3 – Difference between Own Funds and UK GAAP equity

There are a small number of differences between Own Funds under the Solvency II definitions and those under UK GAAP. Please refer to Section D.2.8 above.

E.1.4 - Treatment of intra-group transactions

Any intra-group transactions are treated at arms-length and each sub fund or entity is therefore considered on a standalone basis. Any expenses that are shared are reviewed regularly to ensure that the allocations are an appropriate reflection of the resources utilised by each fund or entity.

E.2 – SCR and MCR

E.2.1 - MCR Calculations

The Society uses the standard formula for the MCR as set out in the Solvency II regulations. The Society has not applied any undertaking-specific parameters, capital add-ons or simplifications.

Minimum Capital Requirement:	2023 £m	2022 £m
Society	19.1	19.1
Cash plan subsidiary	2.4	2.3
Group	21.4	21.4

For the Cash Plan subsidiary, the Absolute Floor of €2.7m applies, meaning that its MCR exceeds the SCR as shown in section E2.3 below.

The appended table (S.28.01.01) sets out the information on the input used by the Society to calculate the MCR.

E.2.2 – SCR calculation on a Pillar 1 basis

The SCR by component of the standard formula at 31st December 2023 is as follows:

	2023				2022			
	Society				Society			
	Long Term Fund £m	General Fund £m	Cash Plan £m	Group £m	Long Term Fund £m	General Fund £m	Cash Plan £m	Group £m
Interest	11.5	6.1	0.1	17.7	12.8	6.1	0.1	19.1
Equity	0.1	5.3	0.0	4.8	0.5	12.3	0.0	12.2
Property	0.0	0.6	0.0	0.6	0.0	0.6	0.0	0.6
Spread	0.2	3.5	0.1	3.8	0.8	3.1	0.1	4.0
Concentration	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1
Currency	0.0	0.7	0.0	0.7	0.0	2.6	0.0	2.7
MARKET	11.5	**10.9**	**0.2**	**22.1**	**12.9**	**17.5**	**0.2**	**30.0**
DEFAULT	1.0	**0.9**	**0.1**	**2.0**	**1.7**	**0.6**	**0.1**	**2.4**
Morbidity	18.7	-	-	18.7	16.5	-	-	16.5
Mortality	0.2	-	-	0.2	0.2	-	-	0.2
Expense	7.9	-	-	7.9	6.5	-	-	6.5
Non SLT Health premium & reserve	-	8.9	0.4	9.3	-	6.2	0.4	6.7
Lapse	39.0	1.2	0.0	40.2	37.4	0.1	0.0	37.6
Health Catastrophe Risk	0.8	0.4	0.0	1.2	0.3	0.3	0.0	0.6
HEALTH	49.2	**9.0**	**0.4**	**58.6**	45.6	**6.3**	**0.4**	**52.3**
LIFE	9.0	**-**	**-**	**9.0**	7.3	**-**	**-**	**7.3**
OPERATIONAL	1.9	**1.5**	**0.1**	**3.5**	1.7	**1.0**	**0.1**	**2.8**
Total Category Diversification	-13.9	-4.7	-0.2	-18.8	-14.0	-4.2	-0.2	-18.4
SCR	**58.7**	**17.6**	**0.6**	**76.4**	**55.2**	**21.2**	**0.7**	**76.4**

The group SCR is £76.4m (2022 £76.4m) and the combined SCR for the Society is £76.2m (2022: £76.4m), being the sum of the SCRs for each of the two sub-funds. The Society SCR (i.e. the sum of the Long Term Fund and General Business Fund SCRs) is slightly lower than the group SCR due to the treatment of the Cash Plan as an asset within General Fund of the Society.

Diversification arises between risks within the categories of Market risk and Health risk and between the categories of Market, Default, Health and Operational risk. The main diversification benefits are between Lapse and Morbidity risk in the LTBF and between Health and Market risk in the GBF.

E.2.3 - Current own funds position against SCR

The Board's key performance indicator in this area is the level of own funds over and above the capital requirement expressed as a percentage of the capital requirement.

The Pillar 1 (SCR) solvency positions of each fund of the Society, the Society as a whole, the cash plan subsidiary and the Group, as at 31 December 2023, are shown below.

	2023				2022			
	Society		Cash Plan	Group	Society		Cash Plan	Group
£m	Long Term	General Fund			Long Term	General Fund		
Reinsurance recoverables	(34.3)	-	-	(34.3)	(40.8)	-	-	(40.8)
Investments, cash & other assets	5.0	97.8	3.6	103.2	15.7	101.0	3.8	117.1
TOTAL ASSETS	**(29.3)**	**97.8**	**3.6**	**68.9**	**(25.1)**	**101.0**	**3.8**	**76.3**
Best Estimate Liabilities	(158.7)	7.0	0.1	(151.7)	(159.6)	8.1	0.1	(151.3)
Risk Margin	12.4	0.6	0.0	13.0	33.8	0.6	0.0	34.4
Other Liabilities	20.1	5.6	0.4	26.0	18.4	4.5	0.4	23.2
TOTAL LIABILITIES	**(126.3)**	**13.2**	**0.5**	**(112.7)**	**(107.4)**	**13.2**	**0.5**	**(93.7)**
TOTAL AVAILABLE OWN FUNDS (before RFF restrictions)	**97.0**	**84.6**	**3.2**	**181.6**	**82.3**	**87.8**	**3.3**	**170.0**
SCR	**58.7**	**17.6**	**0.6**	**76.4**	**55.2**	**21.2**	**0.7**	**76.4**
OWN FUNDS ABOVE SCR	38.4	67.0	2.5	105.2	27.1	66.6	2.7	93.6
PERCENTAGE COVER OF SCR	**165%**	**481%**	**491%**	**238%**	**149%**	**414%**	**503%**	**223%**
AVAILABLE OWN FUNDS after RFF restriction*	**76.2**		**3.2**	79.4	76.4		**3.3**	**79.7**
OWN FUNDS ABOVE SCR after RFF restriction*	0.0		2.5	0.0	0.0		2.7	0
PERCENTAGE COVER OF SCR after RFF restriction*	**0%**		**491%**	0%	0%		**503%**	**0%**
MCR	19.1		2.4	21.4	19.1		2.3	21.4
PERCENTAGE COVER OF MCR	**400%**		**134%**	**371%**	**400%**		**143%**	**372%**

* As explained in Section E.1, all the Society's business falls within one of the two ring-fenced funds with no business being conducted outside those funds. Therefore, ring-fenced fund restrictions mean that Own Funds at an overall Society and Group level are restricted to the total SCR across both funds, giving rise to the results above showing zero excess Own Funds. The more meaningful results are those at fund level and before the ring-fenced fund restrictions.

The extent of the cover and the movement over time is a factor of how these funds are projected to grow over time.

- Long term products incur a high proportion of initial costs which means that due to the level of expansion that is envisaged the level of solvency cover decreases over time.

- The General Business Fund has lower growth funding requirements.

- The Cash Plan requires capital to grow as the product margins are modest and new business has certain acquisition costs. Therefore, it may require some capital injection from the General Fund over time but that Fund has sufficient capital to finance this.

E.2.4 – Overall own funds position against SCR

As noted above, the Society operates entirely through two separate sub-funds, the General and Long Term Funds, with The Exeter Cash Plan as the single operating subsidiary of the General Fund. In accordance with the Solvency II regulations each sub-fund is treated as ring fenced from a capital point of view and a surplus from one fund cannot be added to another.

As a result of this at the overall Society and Group level any excess of own funds within each of the Sub-funds cannot be reported as an overall surplus and therefore the Society is in the position of having to report own funds at overall Society and Group level equal to the SCR with no free assets. This is not an operational problem as no insurance business is undertaken outside of the two sub-funds but does present a reporting anomaly.

E.2.5 - Stress Testing Of Capital Requirements

As part of the ORSA process the Board considers stress test scenarios which look at potential movements on parameters such as:

- new business levels;
- lapse rates;
- claim rates;
- expense levels; and
- interest rates.

The outcomes of these tests are then considered before and after potential management actions which could then be taken to rectify any capital issues to arrive at a net position. These tests did not reveal areas of concern for the Board.

E.3 - Use of duration-based equity models

The Society does not use these models.

E.4 - Differences between the standard formula and any internal models used

The Society only applies the Standard Formula approach.

E.5 - Non Compliance with SCR or MCR

There has been no non-compliance with SCR or MCR for the Society or its subsidiaries. See section E.2 above

Appendix I – List of submission data

Society

S.02.01.02	Balance sheet
S.05.01.02	Premiums, claims and expenses by line of business (non-life)
S.05.01.02	Premiums, claims and expenses by line of business (life)
S.05.02.01	Premiums, claims and expenses by country (non-life)
S.05.02.01	Premiums, claims and expenses by country (life)
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 - Accident Year
S.23.01.01	Own Funds
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

Cash Plan

S.02.01.02	Balance sheet
S.05.02.01	Premiums, claims and expenses by line of business (non-life)
S05.01.02	Premiums, claims and expenses by country (non-life)
S.17.01.02	Non-Life Technical Provisions
S.19.02.21	Non-Life insurance claims - Accident Year
S.23.01.01	Own Funds
S25.01.21	Solvency Capital Requirement - for undertakings on Standard Formula
S28.01.01	Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Group

S02.01.02	Balance sheet
S.05.01.02	Premiums, claims and expenses by line of business (non-life)
S.05.01.02	Premiums, claims and expenses by line of business (life)
S.05.02.01	Premiums, claims and expenses by country (non-life)
S.05.02.01	Premiums, claims and expenses by country (life)
S23.01.22	Own Funds
S25.01.22	Solvency Capital Requirement - for groups on Standard Formula
S32.01.22	Undertakings in the scope of the group

Exeter Friendly

Solvency and Financial Condition Report

Disclosures

31 December

2023

(Monetary amounts in GBP thousands)

General information

Undertaking name	Exeter Friendly Society Limited
Undertaking identification code	213800V19RLONY7XIL94
Type of code of undertaking	LEI
Type of undertaking	Undertakings pursuing both life and non-life insurance activity - article 73 (5)
Country of authorisation	GB
Language of reporting	en
Reporting reference date	31 December 2023
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: Life insurance and reinsurance obligations
S.05.01.02 - Premiums, claims and expenses by line of business: Non-life insurance and reinsurance obligations
S.05.02.01 - Premiums, claims and expenses by country: Life insurance and reinsurance obligations
S.05.02.01 - Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations
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.28.02.01 - Minimum Capital Requirement - Both life and non-life insurance activity

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	0
R0040	Deferred tax assets	0
R0050	Pension benefit surplus	519
R0060	Property, plant & equipment held for own use	3,109
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	82,627
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	3,176
R0100	*Equities*	0
R0110	*Equities - listed*	0
R0120	*Equities - unlisted*	0
R0130	*Bonds*	30,997
R0140	*Government Bonds*	30,997
R0150	*Corporate Bonds*	0
R0160	*Structured notes*	0
R0170	*Collateralised securities*	0
R0180	*Collective Investments Undertakings*	48,454
R0190	*Derivatives*	0
R0200	*Deposits other than cash equivalents*	0
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	0
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	0
R0260	*Other loans and mortgages*	0
R0270	Reinsurance recoverables from:	-34,303
R0280	*Non-life and health similar to non-life*	0
R0290	*Non-life excluding health*	0
R0300	*Health similar to non-life*	0
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	-34,303
R0320	*Health similar to life*	-34,008
R0330	*Life excluding health and index-linked and unit-linked*	-295
R0340	*Life index-linked and unit-linked*	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	4,664
R0370	Reinsurance receivables	2,337
R0380	Receivables (trade, not insurance)	436
R0390	Own shares (held directly)	0
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	9,128
R0420	Any other assets, not elsewhere shown	0
R0500	**Total assets**	68,517

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	7,563
R0520	*Technical provisions - non-life (excluding health)*	0
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	0
R0550	*Risk margin*	0
R0560	*Technical provisions - health (similar to non-life)*	7,563
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	6,994
R0590	*Risk margin*	569
R0600	Technical provisions - life (excluding index-linked and unit-linked)	-136,517
R0610	*Technical provisions - health (similar to life)*	-124,919
R0620	*TP calculated as a whole*	0
R0630	*Best Estimate*	-135,375
R0640	*Risk margin*	10,457
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	-11,598
R0660	*TP calculated as a whole*	0
R0670	*Best Estimate*	-13,511
R0680	*Risk margin*	1,913
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	0
R0710	*Best Estimate*	0
R0720	*Risk margin*	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	90
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	2,677
R0830	Reinsurance payables	1,343
R0840	Payables (trade, not insurance)	11,751
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	0
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	0
R0900	**Total liabilities**	-113,092
R1000	**Excess of assets over liabilities**	181,609

S.05.01.02

Premiums, claims and expenses by line of business: Non-life insurance and reinsurance obligations

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		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	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business	53,608																53,608
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share																	0
R0200	Net	53,608																53,608
	Premiums earned																	
R0210	Gross - Direct Business	45,190																45,190
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share																	0
R0300	Net	45,190																45,190
	Claims incurred																	
R0310	Gross - Direct Business	29,916																29,916
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share																	0
R0400	Net	29,916																29,916
	Changes in other technical provisions																	
R0410	Gross - Direct Business	-936																-936
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share																	0
R0500	Net	-936																-936
R0550	**Expenses incurred**	17,889																17,889
R1200	**Other expenses**																	1,914
R1300	**Total expenses**																	19,803

S.05.01.02

Premiums, claims and expenses by line of business: Life insurance and reinsurance obligations

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross	47,332								47,332
R1420	Reinsurers' share	15,535								15,535
R1500	Net	31,797	0							31,797
	Premiums earned									
R1510	Gross	47,332								47,332
R1520	Reinsurers' share	15,535								15,535
R1600	Net	31,797	0							31,797
	Claims incurred									
R1610	Gross	-18,558								-18,558
R1620	Reinsurers' share	3,489								3,489
R1700	Net	-22,047	0							-22,047
	Changes in other technical provisions									
R1710	Gross	0								0
R1720	Reinsurers' share									0
R1800	Net	0	0							0
R1900	**Expenses incurred**	32,858	0							32,858
R2500	**Other expenses**									4,898
R2600	**Total expenses**									37,755

S.05.02.01

Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations

		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	52,230						52,230
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share							0
R0200	Net	52,230						52,230
	Premiums earned							
R0210	Gross - Direct Business	44,028						44,028
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share							0
R0300	Net	44,028						44,028
	Claims incurred							
R0310	Gross - Direct Business	29,147						29,147
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share							0
R0400	Net	29,147						29,147
	Changes in other technical provisions							
R0410	Gross - Direct Business	-936						-936
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share							0
R0500	Net	-936						-936
R0550	**Expenses incurred**	17,429						17,429
R1200	**Other expenses**							1,914
R1300	**Total expenses**							19,343

S.05.02.01

Premiums, claims and expenses by country: Life insurance and reinsurance obligations

		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	47,332						47,332
R1420	Reinsurers' share	15,535						15,535
R1500	Net	31,797						31,797
	Premiums earned							
R1510	Gross	47,332						47,332
R1520	Reinsurers' share	15,535						15,535
R1600	Net	31,797						31,797
	Claims incurred							
R1610	Gross	-18,558						-18,558
R1620	Reinsurers' share	3,489						3,489
R1700	Net	-22,047						-22,047
	Changes in other technical provisions							
R1710	Gross							0
R1720	Reinsurers' share							0
R1800	Net	0						0
R1900	**Expenses incurred**	32,858						32,858
R2500	**Other expenses**							4,898
R2600	**Total expenses**							37,755

S.12.01.02

Life and Health SLT Technical Provisions

		Insurance with profit participation	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					0
R0020	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
	Technical provisions calculated as a sum of BE and RM																
	Best estimate																
R0030	**Gross Best Estimate**	9,236					0	-22,747			-13,511		-28,563	-106,813			-135,375
R0080	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0					0	-295			-295		-10,621	-23,387			-34,008
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re	9,236					0	-22,452			-13,216		-17,941	-83,426			-101,367
R0100	**Risk margin**	0				1,913					1,913	10,457					10,457
	Amount of the transitional on Technical Provisions																
R0110	Technical Provisions calculated as a whole	0				0					0	0					0
R0120	Best estimate	0					0	0			0		0	0			0
R0130	Risk margin	0				0					0	0					0
R0200	**Technical provisions - total**	9,236				-20,834					-11,598	-124,919					-124,919

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
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
	Technical provisions calculated as a sum of BE and RM																	
	Best estimate																	
	Premium provisions																	
R0060	Gross	1,387																1,387
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default																	0
R0150	**Net Best Estimate of Premium Provisions**	1,387																1,387
	Claims provisions																	
R0160	Gross	5,608																5,608
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default																	0
R0250	**Net Best Estimate of Claims Provisions**	5,608																5,608
R0260	**Total best estimate - gross**	6,994																6,994
R0270	**Total best estimate - net**	6,994																6,994
R0280	**Risk margin**	569																569
	Amount of the transitional on Technical Provisions																	
R0290	Technical Provisions calculated as a whole																	0
R0300	Best estimate																	0
R0310	Risk margin																	0
R0320	**Technical provisions - total**	7,563																7,563
R0330	**Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total**	0																0
R0340	**Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total**	7,563																7,563

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020	Accident year / underwriting year	Accident Year

Gross Claims Paid (non-cumulative)
(absolute amount)

		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
	Year	Development year											In Current year	Sum of years (cumulative)
		0	1	2	3	4	5	6	7	8	9	10 & +		
R0100	Prior											0	0	0
R0160	-9	0	0	0	0	0	0	0	0	0	0		0	0
R0170	-8	0	0	0	0	0	0	0	0	0			0	0
R0180	-7	0	0	0	0	0	0	0	0				0	0
R0190	-6	0	0	0	0	0	0	0					0	0
R0200	-5	25,015	3,632	0	0	0	0						0	28,647
R0210	-4	23,549	3,194	0	0	0							0	26,743
R0220	-3	16,071	5,185	0	0								0	21,257
R0230	-2	22,313	3,337	0									0	25,650
R0240	-1	22,095	2,825										2,825	24,920
R0250	0	25,498											25,498	25,498
R0260												Total	28,323	152,713

Gross Undiscounted Best Estimate Claims Provisions
(absolute amount)

		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
	Year	Development year											Year end (discounted data)
		0	1	2	3	4	5	6	7	8	9	10 & +	
R0100	Prior											0	0
R0160	-9	0	0	0	0	0	0	0	0	0	0		0
R0170	-8	0	0	0	0	0	0	0	0	0			0
R0180	-7	0	0	0	0	0	0	0	0				0
R0190	-6	0	0	0	0	0	0	0					0
R0200	-5	0	0	0	0	0	0						0
R0210	-4	0	0	0	0	0							0
R0220	-3	0	0	0	0								0
R0230	-2	0	0	0									0
R0240	-1	0	0										0
R0250	0	5,644											5,608
R0260												Total	5,608

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	**Total**	**Tier 1 unrestricted**	**Tier 1 restricted**	**Tier 2**	**Tier 3**
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	0	0		0	
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0070	Surplus funds	181,609	181,609			
R0090	Preference shares	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	-105,381	-105,381			
R0140	Subordinated liabilities	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	0				0
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
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**	0				
R0230	**Deductions for participations in financial and credit institutions**	0				
R0290	**Total basic own funds after deductions**	76,227	76,227	0	0	0
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	76,227	76,227	0	0	0
R0510	Total available own funds to meet the MCR	76,227	76,227	0	0	
R0540	Total eligible own funds to meet the SCR	76,227	76,227	0	0	0
R0550	Total eligible own funds to meet the MCR	76,227	76,227	0	0	
R0580	**SCR**	76,227				
R0600	**MCR**	19,057				
R0620	**Ratio of Eligible own funds to SCR**	100.00%				
R0640	**Ratio of Eligible own funds to MCR**	400.00%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	181,609
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	
R0730	Other basic own fund items	181,609
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	105,381
R0760	**Reconciliation reserve**	-105,381
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	151,022
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	2,899
R0790	**Total Expected profits included in future premiums (EPIFP)**	153,920

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	22,860		
R0020	Counterparty default risk	1,912		
R0030	Life underwriting risk	9,179		
R0040	Health underwriting risk	66,661		
R0050	Non-life underwriting risk	0		
R0060	Diversification	-21,105		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	79,507		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	3,393
R0140	Loss-absorbing capacity of technical provisions	-6,672
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**	76,227
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement**	76,227
	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	76,227
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	C0109
R0590	Approach based on average tax rate	Not applicable

		LAC DT
	Calculation of loss absorbing capacity of deferred taxes	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

S.28.02.01

Minimum Capital Requirement - Both life and non-life insurance activity

		Non-life activities	Life activities
		$MCR_{(NL,NL)}$ Result	$MCR_{(NL,L)}$ Result
		C0010	C0020
R0010	**Linear formula component for non-life insurance and reinsurance obligations**	2,847	0

		Non-life activities		Life activities	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0030	C0040	C0050	C0060
R0020	Medical expense insurance and proportional reinsurance	6,994	53,584		
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				

		$MCR_{(L,NL)}$ Result	$MCR_{(L,L)}$ Result
		C0070	C0080
R0200	**Linear formula component for life insurance and reinsurance obligations**	0	2,639

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0090	C0100	C0110	C0120
R0210	Obligations with profit participation - guaranteed benefits			9,236	
R0220	Obligations with profit participation - future discretionary benefits			11,408	
R0230	Index-linked and unit-linked insurance obligations			0	
R0240	Other life (re)insurance and health (re)insurance obligations			0	
R0250	Total capital at risk for all life (re)insurance obligations				4,129,142

	Overall MCR calculation	C0130
R0300	Linear MCR	5,486
R0310	SCR	76,227
R0320	MCR cap	34,302
R0330	MCR floor	19,057
R0340	Combined MCR	19,057
R0350	Absolute floor of the MCR	5,854
R0400	**Minimum Capital Requirement**	19,057

	Notional non-life and life MCR calculation	C0140	C0150
R0500	Notional linear MCR	2,847	2,639
R0510	Notional SCR excluding add-on (annual or latest calculation)	39,561	36,667
R0520	Notional MCR cap	17,802	16,500
R0530	Notional MCR floor	9,890	9,167
R0540	Notional combined MCR	9,890	9,167
R0550	Absolute floor of the notional MCR	2,359	3,495
R0560	**Notional MCR**	9,890	9,167

The Exeter Cash Plan

Solvency and Financial Condition Report

Disclosures

31 December

2023

(Monetary amounts in GBP thousands)

General information

Undertaking name	The Exeter Cash Plan
Undertaking identification code	213800TYI7ORV3TF7T41
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	GB
Language of reporting	en
Reporting reference date	31 December 2023
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: Non-life insurance and reinsurance obligations
S.05.02.01 - Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations
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
	Assets	C0010
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)	1,844
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	
R0130	*Bonds*	0
R0140	*Government Bonds*	0
R0150	*Corporate Bonds*	0
R0160	*Structured notes*	0
R0170	*Collateralised securities*	0
R0180	*Collective Investments Undertakings*	1,844
R0190	*Derivatives*	
R0200	*Deposits other than cash equivalents*	0
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	0
R0280	*Non-life and health similar to non-life*	0
R0290	*Non-life excluding health*	0
R0300	*Health similar to non-life*	0
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	0
R0320	*Health similar to life*	
R0330	*Life excluding health and index-linked and unit-linked*	
R0340	*Life index-linked and unit-linked*	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	222
R0370	Reinsurance receivables	0
R0380	Receivables (trade, not insurance)	9
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	1,544
R0420	Any other assets, not elsewhere shown	
R0500	**Total assets**	3,620

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	96
R0520	*Technical provisions - non-life (excluding health)*	0
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	0
R0550	*Risk margin*	0
R0560	*Technical provisions - health (similar to non-life)*	96
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	71
R0590	*Risk margin*	25
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP calculated as a whole*	
R0630	*Best Estimate*	
R0640	*Risk margin*	
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	0
R0660	*TP calculated as a whole*	
R0670	*Best Estimate*	
R0680	*Risk margin*	
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	
R0710	*Best Estimate*	
R0720	*Risk margin*	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	46
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	326
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	
R0900	**Total liabilities**	468
R1000	**Excess of assets over liabilities**	3,152

S.05.01.02

Premiums, claims and expenses by line of business: Non-life insurance and reinsurance obligations

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		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	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business	2,473																2,473
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share																	0
R0200	Net	2,473																2,473
	Premiums earned																	
R0210	Gross - Direct Business	2,479																2,479
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share																	0
R0300	Net	2,479																2,479
	Claims incurred																	
R0310	Gross - Direct Business	1,852																1,852
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share																	0
R0400	Net	1,852																1,852
	Changes in other technical provisions																	
R0410	Gross - Direct Business	0																0
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share																	0
R0500	Net	0																0
R0550	**Expenses incurred**	865																865
R1200	**Other expenses**																	142
R1300	**Total expenses**																	1,006

S.05.02.01

Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations

		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	2,473						2,473
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share							0
R0200	Net	2,473						2,473
	Premiums earned							
R0210	Gross - Direct Business	2,479						2,479
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share							0
R0300	Net	2,479						2,479
	Claims incurred							
R0310	Gross - Direct Business	1,852						1,852
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share							0
R0400	Net	1,852						1,852
	Changes in other technical provisions							
R0410	Gross - Direct Business	0						0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share							0
R0500	Net	0						0
R0550	**Expenses incurred**	865						865
R1200	**Other expenses**							142
R1300	**Total expenses**							1,006

S.17.01.02

Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		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	Total Non-Life obligation
		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
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
	Technical provisions calculated as a sum of BE and RM																	
	Best estimate																	
	Premium provisions																	
R0060	Gross	-100																-100
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default																	0
R0150	**Net Best Estimate of Premium Provisions**	-100																-100
	Claims provisions																	
R0160	Gross	171																171
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default																	0
R0250	**Net Best Estimate of Claims Provisions**	171																171
R0260	**Total best estimate - gross**	71																71
R0270	**Total best estimate - net**	71																71
R0280	**Risk margin**	25																25
	Amount of the transitional on Technical Provisions																	
R0290	Technical Provisions calculated as a whole																	0
R0300	Best estimate																	0
R0310	Risk margin																	0
R0320	**Technical provisions - total**	96																96
R0330	**Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total**	0																0
R0340	**Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total**	96																96

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020 Accident year / underwriting year: Accident Year

Gross Claims Paid (non-cumulative)

(absolute amount)

	Year	C0010 (0)	C0020 (1)	C0030 (2)	C0040 (3)	C0050 (4)	C0060 (5)	C0070 (6)	C0080 (7)	C0090 (8)	C0100 (9)	C0110 (10 & +)	C0170 In Current year	C0180 Sum of years (cumulative)
R0100	Prior											0	0	0
R0160	-9	0	0	0	0	0	0	0	0	0	0		0	0
R0170	-8	0	259	0	0	0	0	0	0	0			0	259
R0180	-7	2,686	312	0	0	0	0	0	0				0	2,998
R0190	-6	2,880	262	0	0	0	0	0					0	3,141
R0200	-5	2,750	245	0	0	0	0						0	2,996
R0210	-4	2,621	231	0	0	0							0	2,852
R0220	-3	1,511	180	0	0								0	1,692
R0230	-2	1,742	184	0									0	1,926
R0240	-1	1,590	189										189	1,780
R0250	0	1,677											1,677	1,677
R0260												Total	1,866	19,320

Gross Undiscounted Best Estimate Claims Provisions

(absolute amount)

	Year	C0200 (0)	C0210 (1)	C0220 (2)	C0230 (3)	C0240 (4)	C0250 (5)	C0260 (6)	C0270 (7)	C0280 (8)	C0290 (9)	C0300 (10 & +)	C0360 Year end (discounted data)
R0100	Prior											0	0
R0160	-9	0	0	0	0	0	0	0	0	0	0		0
R0170	-8	0	0	0	0	0	0	0	0	0			0
R0180	-7	0	0	0	0	0	0	0	0				0
R0190	-6	0	0	0	0	0	0	0					0
R0200	-5	0	0	0	0	0	0						0
R0210	-4	0	0	0	0	0							0
R0220	-3	0	0	0	0								0
R0230	-2	0	0	0									0
R0240	-1	0	0										0
R0250	0	156											155
R0260												Total	155

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	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	5,000	5,000		0	
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0070	Surplus funds	0	0			
R0090	Preference shares	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	-1,848	-1,848			
R0140	Subordinated liabilities	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	0				0
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
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**	0				
R0230	**Deductions for participations in financial and credit institutions**	0				
R0290	**Total basic own funds after deductions**	3,152	3,152	0	0	0
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	3,152	3,152	0	0	0
R0510	Total available own funds to meet the MCR	3,152	3,152	0	0	
R0540	Total eligible own funds to meet the SCR	3,152	3,152	0	0	0
R0550	Total eligible own funds to meet the MCR	3,152	3,152	0	0	
R0580	**SCR**	642				
R0600	**MCR**	2,359				
R0620	**Ratio of Eligible own funds to SCR**	490.63%				
R0640	**Ratio of Eligible own funds to MCR**	133.60%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	3,152
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	
R0730	Other basic own fund items	5,000
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	-1,848
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	105
R0790	**Total Expected profits included in future premiums (EPIFP)**	105

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	209		
R0020	Counterparty default risk	130		
R0030	Life underwriting risk	0		
R0040	Health underwriting risk	421		
R0050	Non-life underwriting risk	0		
R0060	Diversification	-192		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	568		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	74
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**	642
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement**	642
	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	C0109
R0590	Approach based on average tax rate	Not applicable

	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

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

		C0010
R0010	MCR_{NL} Result	120

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
R0020	Medical expense insurance and proportional reinsurance	71	2,473
R0030	Income protection insurance and proportional reinsurance	0	
R0040	Workers' compensation insurance and proportional reinsurance	0	
R0050	Motor vehicle liability insurance and proportional reinsurance	0	
R0060	Other motor insurance and proportional reinsurance	0	
R0070	Marine, aviation and transport insurance and proportional reinsurance	0	
R0080	Fire and other damage to property insurance and proportional reinsurance	0	
R0090	General liability insurance and proportional reinsurance	0	
R0100	Credit and suretyship insurance and proportional reinsurance	0	
R0110	Legal expenses insurance and proportional reinsurance	0	
R0120	Assistance and proportional reinsurance	0	
R0130	Miscellaneous financial loss insurance and proportional reinsurance	0	
R0140	Non-proportional health reinsurance	0	
R0150	Non-proportional casualty reinsurance	0	
R0160	Non-proportional marine, aviation and transport reinsurance	0	
R0170	Non-proportional property reinsurance	0	

Linear formula component for life insurance and reinsurance obligations

		C0040
R0200	MCR_L Result	0

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

Overall MCR calculation

		C0070
R0300	Linear MCR	120
R0310	SCR	642
R0320	MCR cap	289
R0330	MCR floor	161
R0340	Combined MCR	161
R0350	Absolute floor of the MCR	2,359
R0400	**Minimum Capital Requirement**	2,359

Exeter Friendly

Solvency and Financial Condition Report

Disclosures

31 December

2023

(Monetary amounts in GBP thousands)

General information

Participating undertaking name	Exeter Friendly Society Limited
Group identification code	213800V19RLONY7XIL94
Type of code of group	LEI
Country of the group supervisor	GB
Language of reporting	en
Reporting reference date	31 December 2023
Currency used for reporting	GBP
Accounting standards	Local GAAP
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: Life insurance and reinsurance obligations

S.05.01.02 - Premiums, claims and expenses by line of business: Non-life insurance and reinsurance obligations

S.05.02.01 - Premiums, claims and expenses by country: Life insurance and reinsurance obligations

S.05.02.01 - Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations

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
	Assets	C0010
R0030	Intangible assets	0
R0040	Deferred tax assets	0
R0050	Pension benefit surplus	519
R0060	Property, plant & equipment held for own use	3,109
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	81,296
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	0
R0120	*Equities - unlisted*	0
R0130	*Bonds*	30,997
R0140	*Government Bonds*	30,997
R0150	*Corporate Bonds*	0
R0160	*Structured notes*	0
R0170	*Collateralised securities*	0
R0180	*Collective Investments Undertakings*	50,298
R0190	*Derivatives*	0
R0200	*Deposits other than cash equivalents*	0
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	0
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	-34,303
R0280	*Non-life and health similar to non-life*	0
R0290	*Non-life excluding health*	
R0300	*Health similar to non-life*	
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	-34,303
R0320	*Health similar to life*	-34,008
R0330	*Life excluding health and index-linked and unit-linked*	-295
R0340	*Life index-linked and unit-linked*	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	4,887
R0370	Reinsurance receivables	2,337
R0380	Receivables (trade, not insurance)	408
R0390	Own shares (held directly)	0
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	10,673
R0420	Any other assets, not elsewhere shown	0
R0500	**Total assets**	68,924

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	7,658
R0520	*Technical provisions - non-life (excluding health)*	0
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	0
R0550	*Risk margin*	0
R0560	*Technical provisions - health (similar to non-life)*	7,658
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	7,065
R0590	*Risk margin*	593
R0600	Technical provisions - life (excluding index-linked and unit-linked)	-136,517
R0610	*Technical provisions - health (similar to life)*	-124,919
R0620	*TP calculated as a whole*	0
R0630	*Best Estimate*	-135,375
R0640	*Risk margin*	10,457
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	-11,598
R0660	*TP calculated as a whole*	0
R0670	*Best Estimate*	-13,511
R0680	*Risk margin*	1,913
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	0
R0710	*Best Estimate*	0
R0720	*Risk margin*	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	90
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	2,723
R0830	Reinsurance payables	1,343
R0840	Payables (trade, not insurance)	12,008
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	0
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	0
R0900	**Total liabilities**	-112,694
R1000	**Excess of assets over liabilities**	181,619

S.05.01.02

Premiums, claims and expenses by line of business: Non-life insurance and reinsurance obligations

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		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	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business	56,081																56,081
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share																	0
R0200	Net	56,081																56,081
	Premiums earned																	
R0210	Gross - Direct Business	47,668																47,668
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share																	0
R0300	Net	47,668																47,668
	Claims incurred																	
R0310	Gross - Direct Business	31,768																31,768
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share																	0
R0400	Net	31,768																31,768
	Changes in other technical provisions																	
R0410	Gross - Direct Business	-936																-936
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share																	0
R0500	Net	-936																-936
R0550	**Expenses incurred**	18,754																18,754
R1200	**Other expenses**																	2,056
R1300	**Total expenses**																	20,810

S.05.01.02

Premiums, claims and expenses by line of business: Life insurance and reinsurance obligations

		Line of Business for: life insurance obligations						Life reinsurance obligations		
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	Total
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross	44,872	2,460							47,332
R1420	Reinsurers' share	15,535								15,535
R1500	Net	29,337	2,460							31,797
	Premiums earned									
R1510	Gross	44,872	2,460							47,332
R1520	Reinsurers' share	15,535								15,535
R1600	Net	29,337	2,460							31,797
	Claims incurred									
R1610	Gross	-19,995	1,437							-18,558
R1620	Reinsurers' share	3,489								3,489
R1700	Net	-23,484	1,437							-22,047
	Changes in other technical provisions									
R1710	Gross	0								0
R1720	Reinsurers' share									0
R1800	Net	0	0							0
R1900	**Expenses incurred**	32,858	0							32,858
R2500	**Other expenses**									4,898
R2600	**Total expenses**									37,755

S.05.02.01

Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations

		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	54,702						54,702
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share							0
R0200	Net	54,702						54,702
	Premiums earned							
R0210	Gross - Direct Business	46,506						46,506
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share							0
R0300	Net	46,506						46,506
	Claims incurred							
R0310	Gross - Direct Business	30,999						30,999
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share							0
R0400	Net	30,999						30,999
	Changes in other technical provisions							
R0410	Gross - Direct Business	-936						-936
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share							0
R0500	Net	-936						-936
R0550	**Expenses incurred**	18,294						18,294
R1200	**Other expenses**							2,056
R1300	**Total expenses**							20,350

S.05.02.01

Premiums, claims and expenses by country: Life insurance and reinsurance obligations

		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	47,332						47,332
R1420	Reinsurers' share	15,535						15,535
R1500	Net	31,797						31,797
	Premiums earned							
R1510	Gross	47,332						47,332
R1520	Reinsurers' share	15,535						15,535
R1600	Net	31,797						31,797
	Claims incurred							
R1610	Gross	-18,558						-18,558
R1620	Reinsurers' share	3,489						3,489
R1700	Net	-22,047						-22,047
	Changes in other technical provisions							
R1710	Gross							0
R1720	Reinsurers' share							0
R1800	Net	0						0
R1900	**Expenses incurred**	32,858						32,858
R2500	**Other expenses**							4,898
R2600	**Total expenses**							37,755

S.23.01.22

Own Funds

	Basic own funds before deduction for participations in other financial sector	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	0	0		0	
R0020	*Non-available called but not paid in ordinary share capital at group level*	0				
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0060	*Non-available subordinated mutual member accounts at group level*	0				
R0070	Surplus funds	181,619	181,619			
R0080	*Non-available surplus funds at group level*	0	0			
R0090	Preference shares	0		0	0	0
R0100	*Non-available preference shares at group level*	0				
R0110	Share premium account related to preference shares	0		0	0	0
R0120	*Non-available share premium account related to preference shares at group level*	0				
R0130	Reconciliation reserve	-105,211	-105,211			
R0140	Subordinated liabilities	0		0	0	0
R0150	*Non-available subordinated liabilities at group level*	0				
R0160	An amount equal to the value of net deferred tax assets	0				0
R0170	*The amount equal to the value of net deferred tax assets not available at the group level*	0				0
R0180	Other items approved by supervisory authority as basic own funds not specified above	0	0	0	0	0
R0190	*Non available own funds related to other own funds items approved by supervisory authority*	0				
R0200	Minority interests (if not reported as part of a specific own fund item)	0				
R0210	*Non-available minority interests at group level*	0				
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 other financial undertakings, including non-regulated undertakings carrying out financial activities**	0				
R0240	*whereof deducted according to art 228 of the Directive 2009/138/EC*	0				
R0250	Deductions for participations where there is non-availability of information (Article 229)	0				
R0260	Deduction for participations included by using D&A when a combination of methods is used	0				
R0270	**Total of non-available own fund items**	0	0	0	0	0
R0280	**Total deductions**	0	0	0	0	0
R0290	**Total basic own funds after deductions**	76,407	76,407	0	0	0
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0380	Non available ancillary own funds at group level	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Own funds of other financial sectors					
R0410	Credit Institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies	0				
R0420	Institutions for occupational retirement provision	0				
R0430	Non regulated entities carrying out financial activities	0				
R0440	**Total own funds of other financial sectors**	0	0	0	0	0

S.23.01.22

Own Funds

	Basic own funds before deduction for participations in other financial sector	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
	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	0				
R0460	Own funds aggregated when using the D&A and combination of method net of IGT	0				
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)	76,407	76,407	0	0	0
R0530	Total available own funds to meet the minimum consolidated group SCR	76,407	76,407	0	0	
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)	76,407	76,407	0	0	0
R0570	Total eligible own funds to meet the minimum consolidated group SCR (group)	76,407	76,407	0	0	
R0610	**Minimum consolidated Group SCR**	76,407				
R0650	**Ratio of Eligible own funds to Minimum Consolidated Group SCR**	100.00%				
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)**	76,407	76,407	0	0	0
R0680	**Group SCR**	76,407				
R0690	**Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A**	100.00%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	181,619
R0710	Own shares (held directly and indirectly)	
R0720	Forseeable dividends, distributions and charges	
R0730	Other basic own fund items	181,619
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	105,211
R0750	Other non available own funds	
R0760	**Reconciliation reserve**	-105,211
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	151,022
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	3,004
R0790	**Total Expected profits included in future premiums (EPIFP)**	154,025

S.25.01.22

Solvency Capital Requirement - for groups on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	22,511		
R0020	Counterparty default risk	2,041		
R0030	Life underwriting risk	9,161		
R0040	Health underwriting risk	66,957		
R0050	Non-life underwriting risk	0		
R0060	Diversification	-21,032		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	79,638		

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

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	3,453
R0140	Loss-absorbing capacity of technical provisions	-6,683
R0150	Loss-absorbing capacity of deferred taxes	0
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**	76,407
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement for undertakings under consolidated method**	76,407
	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	76,407
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
R0470	Minimum consolidated group solvency capital requirement	76,407
	Information on other entities	
R0500	Capital requirement for other financial sectors (Non-insurance capital requirements)	0
R0510	*Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies*	0
R0520	*Institutions for occupational retirement provisions*	0
R0530	*Capital requirement for non- regulated entities carrying out financial activities*	0
R0540	Capital requirement for non-controlled participation requirements	0
R0550	Capital requirement for residual undertakings	0
	Overall SCR	
R0560	SCR for undertakings included via D&A	0
R0570	**Solvency capital requirement**	76,407

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Undertakings in the scope of the group

Row	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
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
1	GB	213800V19RLONY7XIL94	LEI	Exeter Friendly Society Limited	Composite undertaking	Friendly Society	Mutual	Prudential Regulation Authority
2	GB	213800TYI7ORV3TF7T41	LEI	The Exeter Cash Plan	Non life insurance undertaking	Unlimited Company	Non-mutual	Prudential Regulation Authority
3	GB	009567930	Specific code	Exeter Cash Plan Holdings Limited	Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Limited Company	Non-mutual	

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Undertakings in the scope of the group

					Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
	Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	% 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	C0040	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
1	GB	213800V19RLONY7XIL94	LEI	Exeter Friendly Society Limited					Dominant		Included in the scope		Method 1: Full consolidation
2	GB	213800TYI7ORV3TF7T41	LEI	The Exeter Cash Plan	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
3	GB	009567930	Specific code	Exeter Cash Plan Holdings Limited	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation