

REVIEW OF THE YEAR  
20 FEBRUARY 2018



24M 8 6 4 2  
23M 8 6 4 2  
22M 8 6 4 2  
21M 8 6 4 2  
20M 8 6 4 2  
19M 8 6 4 2  
18M 8 6 4 2  
17M 8 6 4 2  
16M 8 6 4 2  
15M 8 6 4 2  
14M 8 6 4 2  
13M 8 6 4 2  
12M 8 6 4 2  
11M 8 6 4 2  
10M 8 6 4 2



**BRITANNIA P&I**  
TRUSTED SINCE 1855

## KEY STATISTICS

# 240

MEMBERS

# 30

COUNTRIES

# 3,200

SHIPS

# 107m

OWNED TONNAGE

# 20m

CHARTERED TONNAGE

ENTERED TONNAGE BY AREA OF MANAGEMENT CLASS 3 (% OF TOTAL)

45.3 ASIA

31.7 EUROPE

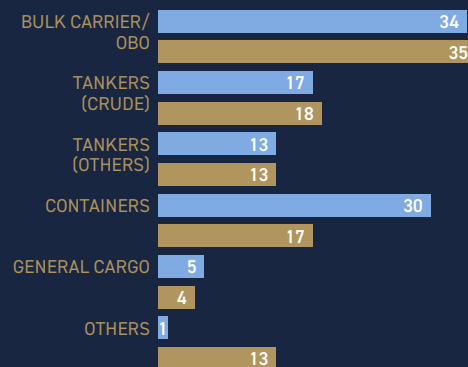
16.2 SCANDINAVIA

4.6 AMERICAS

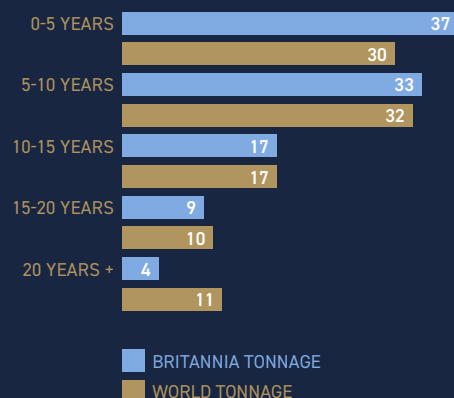
1.8 MIDDLE EAST

0.4 AUSTRALASIA

### SHIPS BY TYPE (% OF TOTAL)



### AGE OF SHIPS (% OF TOTAL)



	20 FEB 2018 (m gt)	20 FEB 2017 (m gt)	20 FEB 2016 (m gt)
ENTERED TONNAGE (OWNED)	107.0	100.9	105.9
ENTERED TONNAGE (CHARTERED)	20.0	15.0	35.5

## KEY FINANCIAL DATA

	USD(000)	USD(000)	USD(000)
CALLS AND PREMIUMS	208,147	225,854	260,272
NET CLAIMS INCURRED	(93,552)	(130,268)	(167,654)
INVESTMENT INCOME	48,626	(28,716)	(23,500)
NET OPERATING EXPENSES	(25,666)	(25,719)	(26,986)
NET INCOME AFTER TAXATION	80,615	(32,946)	(24,871)
FREE RESERVES*	429,957	379,342	346,396
NET LOSS RATIO	61.4%	80.9%	86.1%
AVERAGE EXPENSE RATIO	9.73%	9.42%	9.12%
STANDARD & POOR'S RATING	A (stable)	A (stable)	A (stable)

\*The Association also retains the benefit of its reinsurance contract with Boudicca Insurance Company Limited (See note 3 to the financial statements).

	USD(000)	USD(000)	USD(000)
SURPLUS ASSETS IN BOUDICCA	211,600	221,700	166,300

Surplus investment assets in Boudicca available to meet future claims by the Association.

# HIGHLIGHTS

- A very strong financial performance, with a post-tax surplus of over USD80m, total capital resources of USD430m and a surplus in Boudicca of USD212m.
- A (Strong) with a stable outlook credit rating re-affirmed by S&P.
- USD30m capital distributions to our Members.
- 10% growth in overall tonnage with owned tonnage at 107m gt.
- Second consecutive year of a zero general increase for P&I calls.
- New Britannia brand launched with our mission statement:

To help us achieve this, the following developments will enhance our service to Members:

- The Managers acquired our long-standing exclusive correspondent in Japan, Cornes P&I.
- Expanding our overseas network, with applications to establish branches in Hong Kong and Singapore.
- Growth in all areas including Europe, with the decision to establish a claims office in Greece.
- Establishing a new exclusive correspondent in Taiwan.

- TO BE THE FINEST PROVIDER OF P&I AND FD&D INSURANCE BY;**
- OFFERING OUR MEMBERS THE HIGHEST LEVEL OF SERVICE
  - MAINTAINING OUR FINANCIAL STRENGTH
  - SUPPORTING MUTUALITY

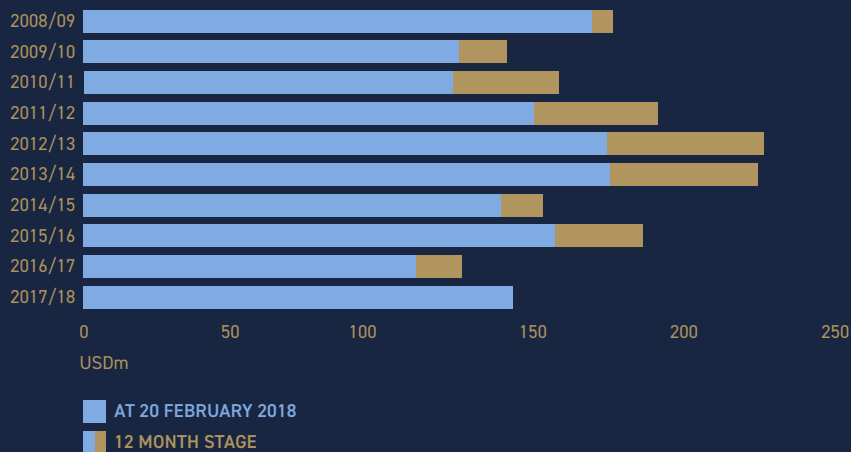
# 'A' (STRONG)

- Britannia has an 'A' rating (Strong) from Standard & Poor's.
- S&P confirmed that our capital base 'remains solidly at extremely strong levels', with our liquidity being 'exceptional' – the highest of any club in the International Group.
- S&P assess our outlook as Stable – with the expectation that our capital adequacy will remain at the AAA level (even after a USD30m capital distribution).
- Under Solvency II we have more than twice our required regulatory capital.

**'BRITANNIA'S FINANCIAL STRENGTH HAS ENABLED ITS BOARD TO MAKE ROBUST CALLS DECISIONS WHILST ALSO TAKING STEPS TO IMPROVE SERVICE TO MEMBERS'**

# CLAIMS

- Claims incurred in 2017/18 compare very favourably with the previous five years (apart from the exceptionally low claims in 2016/17).
- Total number of claims reported was 4,052 (4,298 in 2016/17 and 5,099 in 2015/16).
- 13 claims were estimated at over USD1m, with a aggregate value of USD63m. Of these, five are estimated above USD7m.
- No claims notified in the 2017/18 policy year currently exceed the USD10m club retention. This was the same for the 2016/17 policy year.
- The graph shows the net retained claims for recent policy years at the 12 month stage and at 20 February 2018 and illustrates the volatility in our P&I claims, reinforcing the need for a strong capital base.
- The gold section of the bars show the improvement to retained claims over time.



PROTECTION  INDEMNITY



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**THE BRITANNIA STEAM SHIP INSURANCE ASSOCIATION LIMITED**  
Registered Office: Regis House, 45 King William Street, London EC4R 9AN United Kingdom  
  
Registered in England and Wales No.10340  
Authorised by the Prudential Regulation Authority  
Regulated by the Financial Conduct Authority and the Prudential Regulation Authority