

Company No 08288632

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2024

TUESDAY



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BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Directors and advisors

Directors

C P Oldridge
S D Rayment
C C J Wong

Company secretary

Callidus Secretaries Limited
36 Old Jewry
London
EC2R 8DD

Registered office

22 Bishopsgate
London
EC2N 4BQ

Registered number

08288632

Auditor

Ernst & Young LLP
25 Churchill Place
London
E14 5EY

Banker

Deutsche Bank AG
Winchester House
1 Great Winchester Street
London
EC2N 2DB

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Strategic report for the year ended 31 December 2024

The Directors present their strategic report for Beazley Corporate Member (No.2) Limited ('the Company'), registered number: 08288632, that accompanies the audited financial statements for the year ended 31 December 2024.

Business review and principal activity

The principal activity of the Company is to participate as a corporate member at Lloyd's on a limited liability basis.

Since 2015, the Company has opted not to participate on any underwriting years. As at the date of these financial statements, it is intended to keep the Company in existence for the foreseeable future so it will be available to underwrite on future underwriting years should an appropriate opportunity arise.

Significant changes in state of affairs

The Company has not written any business and has had no significant changes in the year.

Principal risks and uncertainties

The principal risks and uncertainties of the Company are minimal as the Company is not participating on any open years of account.

Section 172 statement

The Board of Directors confirm that during the year ended 31 December 2024 they have discharged their duties to act in a way they believe promotes the long-term success of the Company for the benefit of its members as a whole, whilst having regard to the matters set out in section 172 of the Companies Act 2006.

The Company is part of the Beazley plc group (the 'Group'), and its ultimate shareholder is Beazley plc. The Group's governance arrangements ensure that when making decisions, the board has overall regard to the interests of the group and its stakeholders, while acting in the interests of its own stakeholders and promoting the long-term success of the Company.

The Board has identified that its key stakeholders are its immediate shareholder, Beazley Furlonge Holdings Limited ('BFHL'), and the wider Beazley group, and Lloyd's of London. Engagement with Lloyd's is supported by the Beazley plc group compliance function, and any significant matters are reported to the Boards of Beazley Furlonge Limited or Beazley plc.

The principal decisions of the Company during 2024 included the approval of the Company's 2023 annual report and accounts. The Board considered its stakeholders, the long-term success of the Company of the wider Group, as well as the desirability of maintaining the group's reputation for high business standards, in its decision to approve the annual report and accounts.

Signed on behalf of the Board

S. 

S D Rayment
Director

1 May 2025

22 Bishopsgate
London
EC2N 4BQ

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Directors' report for the year ended 31 December 2024

The Directors present their report for the Company (registered number: 08288632) that accompanies the audited financial statements for the year ended 31 December 2024.

Business review and future developments

A review of the Company's activities is included in the Strategic report. The future developments of the Company are disclosed within the Strategic report.

Result and dividends

The result for the period is shown in the Statement of comprehensive income account on page 10. No dividend was declared or paid in the year (2023: nil).

Directors

The Directors of the Company at 31 December 2024, who served during the year and to the date of this report, unless otherwise stated, were as follows:

C P Oldridge
S D Rayment
C C J Wong

Directors' shareholdings

No Director has any beneficial interest in the shares of the Company. The interests of the Directors of the ultimate parent company, Beazley plc, in the share capital of the ultimate parent company are disclosed in the Group accounts. Copies of those accounts can be obtained from the website www.beazley.com.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Directors' report (continued) for the year ended 31 December 2024

Auditor

In accordance with section 487(2) of the Companies Act 2006 and in the absence of notice proposing that the appointment be terminated at a general meeting, Ernst & Young LLP will be deemed to be reappointed for the next financial year.

Social, environmental and ethical risks

Social, environmental and ethical risks are managed on a group basis. More information can be obtained on how the Group manages these risks from the financial statements of Beazley plc.

Going Concern

The financial statements of the Company have been prepared on a going concern basis. As a wholly owned subsidiary of the Beazley plc Group, the Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the strategic report contained in the Beazley plc Annual Report & Accounts. In addition, the risk report includes the Group's risk management objectives and the Group's objectives, policies and processes for managing its capital.

In assessing the Company's going concern position as at 31 December 2024, the Directors have considered a number of factors, including the current statement of financial position, the Company's strategic and financial plan, taking into account possible changes in trading performance and funding retention. The assessment concluded that, the Company has sufficient capital and liquidity for the next twelve months from when the financial statements are authorised for issue.

As a result of the assessment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore believe that the Company is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

Signed on behalf of the Board

S. 

S D Rayment
Director

1 May 2025

22 Bishopsgate
London
EC2N 4BQ

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Statement of directors' responsibilities

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

S. 

S D Rayment
Director

1 May 2025

22 Bishopsgate
London
EC2N 4BQ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Opinion

We have audited the financial statements of Beazley Corporate Member (No.2) Limited for the year ended 31 December 2024 which comprise the Statement of comprehensive income, the Statement of changes in equity, the Statement of financial position, and the related notes 1 to 8, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are the relevant laws and regulations related to elements of company law, tax legislation and the financial reporting framework.
- We understood how Beazley Corporate Member (No.2) Limited is complying with those frameworks by making enquiries of management, internal audit and those responsible for legal and compliance matters. We also reviewed board minutes and gained an understanding of the company's approach to governance demonstrated by the Board's approval of the company's governance framework.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the controls that the company has established to address risks identified by the entity, or that otherwise seek to prevent, deter or detect fraud. Additionally, as part of our journal entry testing, we assessed manual journals to determine if they represent a risk of fraud due to management override of controls.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved making enquiries of those charged with governance and management for their awareness of any non-compliance of laws or regulations; inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees; inquiring about the company's methods of enforcing and monitoring compliance with such policies.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

Ernst & Young LLP

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Heidi Burton (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
2 May 2025

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Statement of comprehensive income for the year ended 31 December 2024

	Note	2024 \$	2023 \$
Administrative expenses	2	(480)	(477)
Interest income		48	37
Foreign exchange (loss)/gain		(18)	39
Loss before taxation		(450)	(401)
Taxation credit	3	145	94
Total comprehensive loss for the financial year		(305)	(307)

The Company's operating activities all relate to continuing operations. There are no gains and losses other than those included in the Statement of comprehensive income for the year or previous period, and accordingly no separate Statement of other comprehensive income is given.

The notes on pages 13 to 16 form part of these financial statements.

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED**Statement of changes in equity
for the year ended 31 December 2024**

	Share capital	Retained earnings	Total
	\$	\$	\$
Balance at 1 January 2023	1	(1,083)	(1,082)
Total comprehensive loss for the financial year	—	(307)	(307)
Balance at 31 December 2023	1	(1,390)	(1,389)
Total comprehensive loss for the financial year	—	(305)	(305)
Balance at 31 December 2024	1	(1,695)	(1,694)

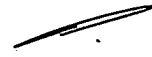
BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Statement of financial position as at 31 December 2024

	Note	2024 \$	2023 \$
Assets			
Other assets		346	235
Cash and cash equivalents	4	<u>999</u>	<u>1,409</u>
Total assets		<u>1,345</u>	<u>1,644</u>
Equity			
Share capital	5	1	1
Retained earnings		<u>(1,695)</u>	<u>(1,390)</u>
Total equity		<u>(1,694)</u>	<u>(1,389)</u>
Liabilities			
Other creditors	6	<u>3,039</u>	<u>3,033</u>
Total equity and liabilities		<u>1,345</u>	<u>1,644</u>

The notes on pages 13 to 16 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

S. 

S D Rayment
Director

1 May 2025

Company number – 08288632

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Notes to the financial statements

1. Accounting policies

Statement of compliance

The Company is a limited liability company incorporated in United Kingdom and registered in England and Wales under the Companies Act, limited by shares. The address of the registered office is given on page 1.

The financial statements have been prepared and approved by the Directors in accordance with the Companies Act 2006 and applicable accounting standards in the UK and Republic of Ireland, Financial Reporting Standard 102 (FRS 102) and in accordance with the provisions of the Large and Medium-sized companies and Groups (Accounts and Reports) Regulations.

Basis of preparation

The financial statements are prepared using the historical cost convention. All amounts presented are stated in US dollars, as the Company's functional and presentational currency, and in ones, unless stated otherwise. The financial statements were authorised for issue on 1 May 2025.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions. As these conditions have been complied with, the Company has taken advantage of the following exemptions:

1. from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in the Group's consolidated financial statements, includes the Company's cash flows;
2. from disclosing share based payment arrangements concerning its own equity instruments. The Group's share based payment arrangements and relevant disclosures are presented in the Group's consolidated financial statements;
3. from disclosing the Company's key management personnel compensation, as required by FRS 102; and
4. from disclosing transactions entered into between related parties within a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Notes to the financial statements (continued)

1. Accounting policies (continued)

Going Concern

The financial statements of the Company have been prepared on a going concern basis. As a wholly owned subsidiary of the Beazley plc Group, the Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the strategic report contained in the Beazley plc Annual Report & Accounts. In addition, the risk report includes the Group's risk management objectives and the Group's objectives, policies and processes for managing its capital.

In assessing the Company's going concern position as at 31 December 2024, the Directors have considered a number of factors, including the current statement of financial position, the Company's strategic and financial plan, taking into account possible changes in trading performance and funding retention. The assessment concluded that, the Company has sufficient capital and liquidity for the next twelve months from when the financial statements are authorised for issue. As a result of the assessment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore believe that the Company is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements. Due to the nature of the Company's activities, BFHL, the intermediate parent company, has provided the Company with a letter of support to cover a twelve month period from the date the report and accounts for the year ended 31 December 2024 were authorised for issue.

Significant accounting policies

a) Foreign currencies

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit or loss account.

b) Cash and cash equivalents

This consists of cash at bank and in hand. Cash at bank and in hand balances are carried at amortised cost less any impairment losses.

c) Taxation

The charge for taxation is based on the profit for the period, as adjusted for tax allowable/disallowable items, at current rates of tax.

The Company has applied the amendment to FRS 102 in relation to International Tax Reform - Pillar Two Model Rules from 01 January 2023, as issued by the FRC. It introduces a mandatory temporary exemption from recognising and disclosing deferred taxes arising from the Pillar Two and requires targeted disclosure. Whilst the Company is in the scope of the Pillar Two rules, it has no impact on the Company.

d) Other assets

Other assets are stated at the lower of cost and net realisable value and represents the current tax asset, and the group relief receivable carried at amortised cost.

f) Other creditors

Other creditors consists primarily of amounts due to the parent company, BFHL, in respect of internal funding arrangements. These amounts are stated at their carrying value, which represents the amount expected to be settled.

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Notes to the financial statements (continued)

2. Administrative expenses

The administrative expenses for the year were \$480 (2023: \$477) and relate to bank charges.

The audit fee in the current financial year was \$9,837 (2023: \$9,262) and was borne by Beazley plc.

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, Beazley plc.

All staff are employed by Beazley Management Limited.

3. Taxation

	2024	2023
	\$	\$
Current tax:		
UK corporation tax credit at 25% (2023: 23.5%)	145	94
Taxation credit for the year	145	94

Factors affecting the tax charge for the current and prior years

The tax credit for the current year is higher than (2023: the same as) the standard rate of corporation tax in the UK of 25.0% (2023: 23.5%).

	2024	2023
	\$	\$
<i>Corporation tax reconciliation</i>		
Loss on ordinary activities before taxation	(450)	(401)
UK corporation tax credit at 25.0% (2023:23.5%)	112	94
Effect of:		
Permanent differences	33	—
Taxation credit for the year	145	94

BEAZLEY CORPORATE MEMBER (NO.2) LIMITED

Notes to the financial statements (continued)

4. Cash and cash equivalents

	2024	2023
	\$	\$
Cash and cash equivalents	999	1,409
	<u>999</u>	<u>1,409</u>

5. Share capital

	2024	2023
	\$	\$
Authorised: 1 ordinary share of £1 each	<u>1</u>	<u>1</u>
Allotted, issued and fully paid ordinary share of £1	<u>1</u>	<u>1</u>

6. Other creditors

	2024	2023
	\$	\$
Amounts due to intermediate and ultimate parent undertakings	2,912	2,913
Amounts due to other group undertakings	127	120
	<u>3,039</u>	<u>3,033</u>

All amounts are payable within one year.

7. Ultimate parent undertaking

The ultimate parent undertaking is Beazley plc, incorporated in the UK, whose principal place of business is 22 Bishopsgate, London, EC2N 4BQ, United Kingdom. The immediate controlling company is Beazley Furlonge Holdings Limited, which is incorporated in the UK.

The largest and the smallest company in which the results of the Company are consolidated are those headed by Beazley plc. No other company financial statements include the results of the Company.

The consolidated financial statements of Beazley plc can be obtained from the website www.beazley.com.

8. Subsequent events

There are no events that are material to the operations of the Company that have occurred since the reporting date.