

**CIRCULAR REF: 2017/011**

**CIRCULATED TO ALL MEMBERS, BROKERS AND DIRECTORS  
ATTENTION INSURANCE DEPT**

**18 MAY 2017  
JMDs/KAH**

## **NORTH GROUP ANNUAL REVIEW & RELEASE CALLS**

The Directors met on 11 May 2017 and approved the financial statements for the year ending 20 February 2017 for North P&I Club and Sunderland Marine (North Group). The Annual Review 2017 is now available to view and download from our website [here](#) and the combined financial statements together with the Directors Report and Bermuda Financial Statements will be published in the next few weeks.

Overall, the Club's performance in 2016/17 was positive and characterised by overwhelming support from the Members and a modest financial surplus. The Club also returned 5% of Owned premium to Members in respect of the 2016 Policy Year, in recognition of the continuing difficult trading conditions facing many in the global shipping community, as well as the significantly improved financial strength of the Club.

The Annual Review shows that the free reserves have increased modestly to US\$431 million. Despite a solid underwriting result with a combined ratio of 96% and a positive investment return of 2.8%, the financial results were impaired by an increase in the North Group's pension scheme deficits of some US\$30 million, which this year constrained further development of the free reserves. Notwithstanding this, the Club's capital strength as assessed by Standard and Poor's has increased to 'AAA', which supports this 13<sup>th</sup> consecutive year of an 'A' S&P rating.

## **RELEASE CALLS**

The Directors also reviewed the Release Calls for the P&I and FD&D Classes, which they have decided should be set as follows:

<b>POLICY YEAR</b>	<b>P&amp;I CLASS</b>	<b>FD&amp;D CLASS</b>
<b>2014/15</b>	<b>0%</b>	<b>0%</b>
<b>2015/16</b>	<b>0%</b>	<b>0%</b>
<b>2016/17</b>	<b>5%</b>	<b>5%</b>
<b>2017/18</b>	<b>15%</b>	<b>15%</b>

## **CIRCULAR**

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The 2016/17 year has been both productive and positive for the Club with significant achievement of strategic aims, combined with continued support from existing Members demonstrating their confidence in the Club's improved financial stability and long standing reputation for personal service excellence.

AA WILSON and PA JENNINGS  
JOINT MANAGING DIRECTORS  
The North of England P&I Association Limited