Important information about Syndicate Reports and Accounts

Access to this document is restricted to persons who have given the certification set forth below. If this document has been forwarded to you and you have not been asked to give the certification, please be aware that you are only permitted to access it if you are able to give the certification.

The syndicate reports and accounts set forth in this section of the Lloyd's website, which have been filed with Lloyd's in accordance with the Syndicate Accounting Byelaw (No. 8 of 2005), are being provided for informational purposes only. The syndicate reports and accounts have not been prepared by Lloyd's, and Lloyd's has no responsibility for their accuracy or content. Access to the syndicate reports and accounts is not being provided for the purposes of soliciting membership in Lloyd's or membership on any syndicate of Lloyd's, and no offer to join Lloyd's or any syndicate is being made hereby. Members of Lloyd's are reminded that past performance of a syndicate in any syndicate year is not predictive of the related syndicate's performance in any subsequent syndicate year.

You acknowledge and agree to the foregoing as a condition of your accessing the syndicate reports and accounts. You also agree that you will not provide any person with a copy of any syndicate report and accounts without also providing them with a copy of this acknowledgment and agreement, by which they will also be bound.

asta

Ariel Syndicate 6117

Annual Report and Accounts

31 December 2014

Contents

Directors and Administration

MANAGING AGENT:

Managing Agent

Asta Managing Agency Ltd

Directors

T A Riddell (Chairman)*
Y A Bouman
G M J Erulin*
L Harfitt
A J Hubbard*
D J G Hunt
D F C Murphy*
S P A Norton
J W Ramage*
J M Tighe

Non Executive Directors*

Company Secretary

C Chow

Managing Agent's registered office

5th Floor
Camomile Court
23 Camomile Street
London
EC3A 7LL

Managing Agent's registered number

1918744

SYNDICATE:

Active Underwriter

D Lednor

Bankers

Barclays Plc

Statutory Auditor

Pricewaterhouse Coopers LLP
London

Report of the Directors of the Managing Agent

The Directors of Asta Managing Agency Ltd ("Asta") present their report in respect of Syndicate 6117 for the year ended 31 December 2014.

This annual report is prepared using the annual basis of accounting as required by Statutory Instrument No 1950 of 2008, the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 ("the 2008 Regulations").

Results

The result for calendar year 2014 is a profit of £2.9m on a gross written premium of £33.0m.

Principal activity and review of the business

The Syndicate was established in 2014 as a 'sidecar' Special Purpose Syndicate writing 25 percent whole account quota share of Syndicate 1910, both managed by Asta Managing Agency Ltd. The syndicate is charged an overriding commission on all gross premium written as well as its share of all Lloyd's levies, subscriptions and costs. A profit commission is payable to Syndicate 1910 based on the profit earned under the contract.

The Syndicate's Key Financial Performance indicators during the year were as follows:

	2014
	£'000
Gross Written Premium	33,048
Profit for the financial year	2,970
Total recognised gains relating to the financial year	2,966
Claims ratio	24%
Expense ratio	61%
Combined ratio	85%

The claims ratio is the ratio of claims incurred net of reinsurance to earned premiums net of reinsurance. The expense ratio is the ratio of net operating expenses, including exchange differences, to earned premiums net of reinsurance.

Investment Policy

The quota share reinsurance arrangement is on a funds withheld basis. Therefore, all cash and investments remain with Syndicate 1910 until closure of the underwriting year and final distribution to names.

Principal Risks and Uncertainties

The Syndicate sets risk appetite annually, which is approved by the Agency as part of the Syndicate's business planning and Solvency Capital Requirement ('SCR') process. The Agency Risk and Capital Committee meets quarterly to oversee the risk management framework. The Syndicate Board reviews the risk profile and monitors performance against risk appetite using a series of key risk indicators. The principal risk and uncertainties facing the Syndicate are as follows:

Insurance Risk

Insurance risk includes the risks that a policy will be written for too low a premium or provide inappropriate cover (underwriting risk), that the frequency or severity of insured events will be higher than expected (claims risk), or that estimates of claims subsequently prove to be insufficient (reserving risk). The Syndicate Board manages insurance risk by agreeing its appetite for these risks annually through the business plan, which sets out targets for volumes, pricing, line sizes and retention by class of business. The Syndicate Board then monitors performance against the business plan monthly through the year. Reserve adequacy is monitored through quarterly review by the Syndicate actuary. It is also reviewed by an independent firm of actuaries.

Credit Risk

The key aspect of credit risk is the risk of default by one or more of the Syndicate's reinsurers. The Syndicate does not purchase reinsurance.

Market Risk

Market risk exposure impacting the Syndicate relates to fluctuations in interest rates or exchange rates. The Syndicate is exposed to foreign exchange movements as a result of mismatches between the currencies in which assets and liabilities are denominated. The Agency's policy is to maintain received income or incurred expenditure in the core currencies in which they were received or paid. Any surplus or deficit in a core currency would be subject to review by the Syndicate Board, a sub-committee of the Agency Board.

The Syndicate is not exposed to changes in interest rates as it holds no cash or investments.

Operational Risk

This is the risk that errors caused by people, processes, systems and external events lead to losses to the Syndicate. The Agency seeks to manage this risk through the use of detailed procedures manuals and a structured programme of testing of processes and systems by internal audit. Business continuity and disaster recovery plans are in place and are regularly updated and tested.

Regulatory risk is the risk of loss owing to a breach of regulatory requirements or failure to respond to regulatory change. The Agency is required to comply with the requirements of the Financial Conduct Authority (FCA), Prudential Regulatory Authority (PRA) and Lloyd's. Lloyd's requirements include those imposed on the Lloyd's market by overseas regulators, particularly in respect of US situs business. The Agency has a director responsible for compliance who monitors regulatory developments and assesses the impact on agency policy.

Group / Strategic

This is the risk of contagion that arises from being associated with key stakeholders and the impact that activities and events that occur within other connected or third parties has on the business.

Strategic risk covers the risks faced by the Syndicate due to changes in underlying strategy of the business or that of its key stakeholders (including strategic conflicts of interest).

Solvency II

Solvency II implementation is due to go live on 01 January 2016. Syndicate progress is on track in order to meet the required deadlines.

The Agency has made considerable investment in people and systems and over recent years which has provided the syndicate with a robust framework in order to manage Solvency II activity. Asta continues to deliver to the Lloyd's timetable and expects the syndicate to be fully Solvency II compliant.

Future Developments

The Syndicate will continue as a 'sidecar' Special Purpose Syndicate and for the 2015 underwriting year will write a 20% whole account quota share of Syndicate 1910.

The Financial Reporting Council has issued a suite of new accounting standards that replace existing UK GAAP from 1 January 2015. As part of this change the Syndicate will be adopting FRS 102 and FRS 103 and is well advanced in its preparations. The impact of the change from old to new UK GAAP is not expected to result in any significant changes to the underlying accounting for the Syndicate's results or financial position but it is recognised that the level and detail of disclosures required will change.

The capacity for the 2015 underwriting year is £38.29m (2014 underwriting year of account £58m).

Directors Serving in the Year

The Directors of Asta who served during the year ended 31 December 2014, were as follows:

T A Riddell (Chairman)	
Y A Bouman	Appointed 4 July 2014
G M J Erulin	
L Harfitt	
A J Hubbard	Appointed 1 April 2014
D J G Hunt	
D F C Murphy	
S P A Norton	
J W Ramage	
J M Tighe	
H M Westcott	Resigned 30 April 2014

Disclosure of Information to the Auditors

So far as each person who was a Director of the Managing Agent at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with their report, of which the auditors are unaware. Having made enquiries of fellow Directors of the Agency and the Syndicate's auditors, each Director has taken all the steps that he is obliged to take as a Director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The Managing Agent intends to reappoint PricewaterhouseCoopers LLP as the Syndicate's auditors.

Syndicate Annual General Meeting

In accordance with the Syndicate Meetings (Amendment No 1) Byelaw (No 18 of 2000) the Managing Agent does not propose holding an annual meeting this year; objections to this proposal or the intention to reappoint the auditors for a further 12 months can be made by Syndicate members before 25 April 2015.

On behalf of the Board

C Chow
Company Secretary
17 March 2015

Statement of Managing Agent's Responsibilities

The Managing Agent is responsible for preparing the Syndicate annual report and accounts in accordance with applicable law and regulations.

The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 require the Managing Agent to prepare the Syndicate annual accounts at 31 December each year in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice). The annual accounts are required by law to give a true and fair view of the state of affairs of the Syndicate as at that date and of its profit or loss for that year.

In preparing the Syndicate annual accounts, the Managing Agent is required to:

- select suitable accounting policies and then apply them consistently, subject to changes arising on the adoption of new accounting standards in the year;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the annual accounts; and
- prepare the annual accounts on the basis that the Syndicate will continue to write future business unless it is inappropriate to presume that the Syndicate will do so.

The Managing Agent is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Syndicate and enable it to ensure that the Syndicate annual accounts comply with the 2008 Regulations. It is also responsible for safeguarding the assets of the Syndicate and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Managing Agent is responsible for the maintenance and integrity of the corporate and financial information included on the website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report

To the members of Syndicate 6117

Our Opinion

In our opinion the syndicate annual accounts, defined below:

- give a true and fair view of the state of the syndicate's affairs as at 31 December 2014 and of its profit 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 Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008

What we have audited

The syndicate annual accounts for the year ended 31 December 2014, which are prepared by the Managing Agent, comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss account for the year then ended;
- the statement of total recognised gains and losses for the year then ended; and
- the notes to the syndicate annual accounts, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the syndicate annual accounts is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Managing Agent has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on matter prescribed by The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008

In our opinion the information given in the Managing Agent's Report for the financial year for which the syndicate annual accounts are prepared is consistent with the syndicate annual accounts.

Other matters on which we are required to report by exception

Under The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- the Managing Agent in respect of the syndicate has not kept adequate accounting records; or
- the syndicate annual accounts are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

Responsibilities for the syndicate annual accounts and the audit

Our responsibilities and those of the Managing Agent

As explained more fully in the Statement of Managing Agent's Responsibilities set out on page 8, the Managing Agent is responsible for the preparation of syndicate annual accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the syndicate annual accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the syndicate's members as a body in accordance with section 10 of part 2 of The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of syndicate annual accounts involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the syndicate annual accounts sufficient to give reasonable assurance that the syndicate annual accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the syndicate's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Managing Agent; and
- the overall presentation of the syndicate annual accounts.

Independent Auditors' Report (Continued)

We primarily focus our work in these areas by assessing the Managing Agent's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the syndicate annual accounts.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the annual accounts to identify material inconsistencies with the audited syndicate annual accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Nick Wilks

Nick Wilks (Senior statutory auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
17 March 2015

Profit and loss account: Technical account – General business

For the year ended 31 December 2014

	Notes	2014 £'000
Earned premiums, net of reinsurance		
Gross premiums written	3	33,048
Outward reinsurance premiums		-
Net premiums written		33,048
Change in the provision for unearned premiums		
Gross amount		(13,037)
Reinsurers' share		-
Change in net provision for unearned premiums		(13,037)
Earned premiums, net of reinsurance		20,011
Claims incurred, net of reinsurance		
Claims paid - Gross amount		(2,563)
- Reinsurers' share		-
Net claims paid		(2,563)
Change in the provision for claims		
Gross amount		(2,331)
Reinsurers' share		-
Change in net provision for claims		(2,331)
Claims incurred, net of reinsurance		(4,894)
Net operating expenses	5	(12,147)
Total technical charges		(17,041)
Balance on the technical account		2,970

All operations are continuing.

The notes on pages 13 to 18 form part of these financial statements.

Profit and loss account: Non-technical account

For the year ended 31 December 2014

	Notes	2014 £'000
Balance on the technical account – general business	8	2,970
Profit for the financial year		2,970

Statement of total recognised gains and losses

For the year ended 31 December 2014

	Notes	2014 £'000
Profit for the financial year		2,970
Foreign exchange movement on members' funds	8	(4)
Total recognised gains relating to the financial year		**2,966**

All operations are continuing.

The notes on pages 13 to 18 form part of these financial statements.

Balance sheet – Assets

At 31 December 2014

	Notes	2014 £'000	£'000
ASSETS			
Debtors			
Debtors arising out of reinsurance operations	7		18,710
TOTAL ASSETS			18,710
LIABILITIES			
Capital and reserves			
Members' balances	8		2,399
Technical provisions			
Provision for unearned premiums		13,666	
Claims outstanding		2,395	
			16,061
Accruals and deferred income			250
TOTAL LIABILITIES			18,710

The notes on pages 13 to 18 form an integral part of these annual accounts.

The annual accounts on pages 10 to 18 were approved by the Board of Asta Managing Agency Ltd on 13 March 2015 and were signed on its behalf by

D J G Hunt
Director
17 March 2015

Notes to the Financial Statements

At 31 December 2014

1. Basis of Preparation

The financial statements are prepared in accordance with the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, applicable Accounting Standards in the United Kingdom, and comply with the Statement of Recommended Practice issued by the Association of British Insurers in December 2006 ("the ABI SORP").

2. Accounting Policies

The following principal accounting policies have been applied consistently in dealing with items which are considered material in relation to the Syndicate's annual accounts.

The financial statements have been prepared on an annual basis of accounting, whereby the incurred cost of claims, commission and related expenses are charged against the earned proportion of premiums, net of reinsurance as follows:

a. Premiums Written

Gross premiums written comprise premiums on contracts incepted during the financial year. Premiums are shown gross of brokerage payable and exclude taxes and duties levied on them. Estimates are made for pipeline premiums, representing amounts due to the Syndicate not yet notified, as well as adjustments made in the year to premiums written in prior accounting periods.

b. Unearned Premiums

Gross premium written is earned according to the risk profile of the policy. Unearned premiums represent the proportion of premiums written in the year that relate to unexpired terms of policies in force at the balance sheet date, calculated on the basis of established earnings patterns or time apportionment as appropriate.

c. Reinsurance Premium Ceded

Outwards reinsurance premiums are accounted for in the same accounting period as the premiums for the related direct or inwards business being reinsured.

d. Claims Incurred

Claims incurred comprise claims and settlement expenses (both internal and external) paid in the year and the movement in provision for outstanding claims and settlement expenses, including an allowance for the cost of claims incurred by the balance sheet date, but not reported until after the year end.

2. Accounting Policies (Continued)

e. Claims Provisions and Related Recoveries

The provision for claims comprises amounts set aside for claims notified and claims incurred, but not yet reported (IBNR).

The amount included in respect of IBNR is based on statistical techniques of estimation applied by external consulting actuaries. These techniques generally involve projecting from past experience of the development of claims over time to form a view of the likely ultimate claims to be experienced for more recent underwriting, having regard to variations in the business accepted and the underlying terms and conditions. The provision for claims also includes amounts in respect of internal and external claims handling costs. For the most recent years, where a high degree of volatility arises from projections, estimates may be based in part on output from rating and other models of the business accepted and assessments of underwriting conditions.

The reinsurers' share of provisions for claims is based on calculated amounts of outstanding claims and projections for IBNR, net of estimated irrecoverable amounts, having regard to the reinsurance programme in place for the class of business, the claims experience for the year and the current security rating of the reinsurance companies involved. The Syndicate uses a number of statistical techniques to assist in making these estimates.

Accordingly the two most critical assumptions as regards claims provisions are that the past is a reasonable predictor of the likely level of claims development and that the rating and other models used for current business are fair reflections of the likely level of ultimate claims to be incurred.

The directors consider that the provisions for gross claims and related reinsurance recoveries are fairly stated on the basis of the information currently available to them. However, ultimate liability will vary as a result of subsequent information and events and this may result in significant adjustments to the amounts provided.

Adjustments to the amounts of claims provisions established in prior years are reflected in the financial statements for the period in which the adjustments are made. The methods used, and the estimates made, are reviewed regularly.

f. Unexpired Risks Provision

A provision for unexpired risks is made where claims, related expenses and deferred acquisition costs, likely to arise after the end of the financial period in respect of contracts concluded before that date, are expected to exceed the unearned premiums and premiums receivable under these contracts, after the deduction of any acquisition costs deferred.

The provision for unexpired risks is calculated separately by reference to classes of business which are managed together, after taking into account relevant investment return.

g. Deferred Acquisition Costs

Acquisition costs, comprising commission and other costs related to the acquisition of new insurance contracts are deferred to the extent that they are attributable to premiums unearned at the balance sheet date.

2. Accounting Policies (Continued)

h. Foreign Currencies

Transactions in settlement currencies are translated at the average rates of exchange for the period. Transactions denominated in other foreign currencies are included at the rate of exchange ruling at the date the transaction is processed.

Monetary and non-monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the balance sheet date.

Exchange differences arising on the retranslation of opening balance sheet items at the closing balance sheet rate and the retranslation of the profit and loss account for the year from the average rate to the closing balance sheet rate are taken to reserves and included in the Statement of Total Recognised Gains and Losses.

All other exchange differences are dealt with in the technical account and included within operating expenses.

The following rates of exchange have been used in the preparation of these accounts:

	2014	
	Year End	Average
USD	1.56	1.65
CAD	1.81	1.82
EUR	1.28	1.24
YEN	186.24	174.27
AUD	1.90	1.83
NZD	1.99	1.99

i. Taxation

Under Schedule 19 of the Finance Act 1993 managing agents are not required to deduct basic rate income tax from trading income. In addition, all UK basic rate income tax (currently at 20%) deducted from Syndicate investment income is recoverable by managing agents and consequently the distribution made to members or their members' agents is gross of tax. Capital appreciation falls within trading income and is also distributed gross of tax.

No provision has been made for any other overseas tax payable by members on underwriting results or investment earnings. Any payments on account made by the Syndicate during the year have been included in the balance sheet under the heading 'other debtors'.

j. Pension Costs

The Managing Agent operates a defined contribution scheme. Pension contributions to Syndicate staff are charged to the Syndicate and included within net operating expenses.

k. Profit Commission

Profit commission is charged by ceding Syndicate 1910 at a rate of 17.5% of profit on a year of account basis. Such commission does not become payable until after the appropriate year of account closes normally at 36 months.

2. Accounting Policies (Continued)

l. Syndicate Operating Expenses

Where expenses are incurred by the Managing Agent or on behalf of the Managing Agent on the administration of managed Syndicates, these expenses are apportioned using various methods depending on the type of expense. Expenses which are incurred jointly for the Managing Agent and managed Syndicates are apportioned between the Managing Agent and the Syndicates depending on the amount of work performed, resources used and volume of business transacted.

3. Segmental Analysis

An analysis of the underwriting result before investment return is set out below:

	Gross written premium £'000	Gross premium earned £'000	Gross claims incurred £'000	Gross operating expenses £'000	Reinsurance balance £'000	Total £'000
Reinsurance	33,048	20,011	(4,894)	(12,147)	-	2,970

All Contracts were concluded in the UK.

Gross operating expenses are the same as net operating expenses shown in the profit and loss account, as no commissions in respect of outward reinsurance were received and set off in arriving at the net operating expenses for 2014.

4. Claims Outstanding

The Syndicate has loss reserves for various events and for losses that are incurred but not reported (IBNR). Losses continue to develop, both positively and negatively on these open balances. Whilst the Syndicate has a reasonable degree of confidence as to the ultimate adequacy of its reserves for all events, volatility exists around the final settlement value, particularly in context of losses where policy holder and client statements are important.

5. Net operating expenses

	2014 £'000
Acquisition costs	(1,040)
Administrative expenses	(11,297)
Profit on exchange	190
	(12,147)

Administrative expenses include:

	2014 £'000
Auditors' remuneration	
Audit services	(50)

6. Emoluments of the Directors of Asta Managing Agency Ltd

The aggregate emoluments of the Directors and staff of the Managing Agency are met by Asta Managing Agency Ltd and are disclosed within the financial statements of that company, with the exception of J. M. Tighe, S.P.A. Norton and D.J.G. Hunt. J.M. Tighe's remuneration is disclosed in the financial statements of Asta Capital Ltd and the remuneration of S.P.A. Norton and D.J.G. Hunt is disclosed in the financial statements of Asta Insurance Markets Ltd and were all charged in the accounts of Asta Managing Agency Ltd.

No emoluments of the Directors or Asta Managing Agency Ltd staff were directly charged to the Syndicate. The emoluments of the active underwriter are borne by Ariel Re, and are not separately identifiable from the fee charged by Ariel Re to the syndicate.

7. Debtors Arising Out of Reinsurance Operations

	2014 £'000
Due after one year	18,710
	18,710

8. Reconciliation of Member's Balances

Year ended 31 December 2014	2014 £'000
Profit for the year	2,970
Other recognised losses	(4)
Other movement in members balance	(567)
Net balance at 31 December	2,399

9. Funds at Lloyd's

Every member is required to hold capital at Lloyd's which is held in trust and known as Funds at Lloyd's (FAL). These funds are intended primarily to cover circumstances where Syndicate assets prove insufficient to meet participating member's underwriting liabilities.

The level of FAL that Lloyd's requires a member to maintain is determined by Lloyd's based on regulatory requirements and resource criteria. FAL has regard to a number of factors including the nature and amount of risk to be underwritten by the member and the assessment of the reserving risk in respect of business that has been underwritten. Since FAL is not under the management of the managing agent, no amount has been shown in these financial statements by way of such capital resources. However, the managing agent is able to make a call on the member's FAL to meet liquidity requirements or to settle losses.

10. Disclosure of Interests

Managing Agent's interest

Asta Managing Agency Ltd (Asta) is currently the Managing Agent for nine Lloyd's Syndicates. Syndicates 1686, 1729, 1897, 1910, 2357, 2525, 2526, 4242 and 6117 are managed on behalf of third party capital providers.

The agency also provides administrative services to Syndicates and undertakes a number of ancillary roles for clients.

The Financial Statements of the Managing Agency can be obtained by application to the Registered Office (see page 1).

11. Related Parties

Asta provides service and support to Syndicate 6117 in its capacity as Managing Agent.

Managing Agents fees of £1.26m were paid by Syndicate 1910 to AMA in 2014. Via the whole account quota share of 2014 underwriting year, the Syndicate takes a 25% share of this charge.

Expenses of £3.05m (2013: £3.2m) were recharged to the Syndicate by AMA. Via the whole account quota share of 2014 underwriting year, the Syndicate takes a 25% share of this charge.

Ariel Re provided management services recharging £7.8m to the Syndicate; the total recharge to the Syndicate in 2014 was £37.6m. Via the whole account quota share of 2014 underwriting year, the Syndicate takes a 25% share of this charge.

The net amount of premium ceded by Syndicate 1910 with Syndicate 6117 under the whole account quota share was £33m, with overriding and profit commission earned coming to £1m. As this quota share reinsurance is placed on a funds withheld basis, the net amount due as at 31 December 2014, of £18.7m, will not become payable until the 2014 underwriting year closes after 36 months, i.e. 31 December 2016.

From time to time, syndicates managed by Asta enter into (re)insurance contracts with one another. All such transactions are subject to Asta's internal controls which ensure that all are compliant with Lloyd's Related Party Bylaw provisions.

12. Post Balance Sheet Events

There have been no material post balance sheet events.