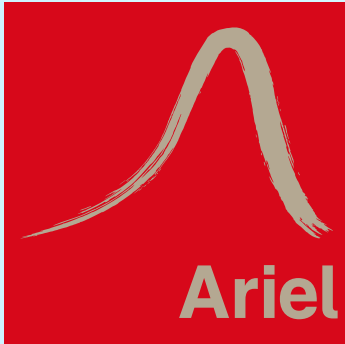


Important information about Syndicate Reports and Accounts

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.



Ariel Re

Ariel Re

Report and Syndicate
Annual Accounts
For the year ended
31 December 2023

Syndicate 6136

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Section 1:

Syndicate 6136

Report and Syndicate Annual Accounts

Directors and Advisors

MANAGING AGENT'S REGISTERED OFFICE

Ariel Re Managing Agency Limited
9th Floor
The Monument Building
11 Monument Street
London EC3R 8AF

MANAGING AGENT'S REGISTERED NUMBER

13511920

DIRECTORS

De Saram, Mark Stuart (Chairman)
Gokhool, Nivedita
Knowles, Rebecca Helen
Lednor, Darren Mark
Mather, Ryan Alexander Robert
Poole, Jonathan Edward
Schofield, Belinda Anne
Sharrock Yates, Susan

SYNDICATE

Ariel Re Syndicate 6136

ACTIVE UNDERWRITER

Pickett Mark

BANKERS

Barclays Bank Plc
Citibank NA
RBC Dexia

AUDITORS

Ernst & Young LLP
Statutory Auditor
25 Churchill Place
Canary Wharf
London E14 5EY

Chairman's Statement

I present to you my report as Chairman of Ariel Re Managing Agency Limited ('ARMA') and its managed Special Purpose Arrangement ("SPA") 6136 which reinsures Syndicate 1910. ARMA is a subsidiary of Ariel Re Services Holdings (No 1355) Limited and is part of the Ariel Re group of companies ("Ariel Re"), which through ARMA's direction, provides underwriting and operational services to the Syndicate.

RESULTS SUMMARY

SPA 6136 was formed during 2023 to start underwriting as at 1st April 2023, taking advantage of the dislocation in the Property Catastrophe market through this period. SPA 6136 was created to bring additional capacity to the Ariel Re business via its Lloyd's platform, taking a property class of business quota share of all business underwritten from 1st April through 31st December 2023 from its host Syndicate 1910. This also benefited from common account reinsurance purchased via S1910 for its ceded share.

Given the focus of the portfolio through this period on US hurricane exposure, 2023 has been an excellent year for SPA 6136, Advantageously underwriting through the hardened market in Property Catastrophe, with limited catastrophe activity occurring.

On a UK GAAP basis in 2023, the Syndicate reported a profit of £26m and a total comprehensive profit of £25m.

Whilst 2023 did see a significant number of hurricanes in the Atlantic, there was limited landfall in populated areas leading to a much-improved syndicate result in 2023.

The 2023 year of account ultimate forecast combined ratio (as of 31 December 2023) is an impressive 38.6%.

RUN OFF OF PORTFOLIO FOR 2024

SPA 6136 has not been renewed for year of account 2024 and hence the expected GAAP result for the coming year reflects the runoff of the business underwritten during 2023. Given the property catastrophe nature of this, the run-off is expected to be short tail during 2024.

The business underwritten by SPA 6136 was via a quota share of Syndicate 1910 and hence the business will be renewed and retained by Syndicate 1910 for the 2024 year of account.

THIRD PARTY CAPITAL

In 2023, new third party capital supported the SPA's creation as the Ariel Re business sought to expand during the year of account. The capital providers will look to continue to support Ariel Re during 2024, by providing capacity to Syndicate 1910.

STAFF COMMITMENT

I would like to express our deepest thanks to our employees for their continued hard work and dedication. The ability to react to market conditions and raise additional capital during the year through a new SPA structure meant a material amount of additional operational workload that was taken on by the incumbent team.

Mark De Saram
Chairman

26 February 2024

Report of the Directors of the Managing Agent

The directors of the Ariel Re Managing Agency Limited present their report for the year ended 31 December 2023.

REPORTING BASIS

These Syndicate annual accounts are 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 ("Lloyd's Regulations 2008").

RESULTS

The total recognised comprehensive income for calendar year 2023 is a profit of £25.2m. Profits will be collected by reference to the result of the individual underwriting year.

CALENDAR YEAR RESULTS

The Syndicate's key financial performance indicators during the year were as follows:

	2023 £m
Gross written premium	55.0
Profit for the financial year	25.8
Total comprehensive income	25.2
Combined ratio %	34.3%

The combined ratio is made up of the claims and expense ratio.

UNDERWRITING YEARS OF ACCOUNT SUMMARY

The forecast return on capacity for the 2023 year of account at 31 December 2023 is shown below

	2023 F* £m
Year of account summary	
Stamp capacity	67.6
Stamp premium income	48.6
Stamp utilisation	72.0%
Gross written premium	53.9
Profit	*
Profit on stamp	*

* A formal forecast range for the 2023 year of account will be released at the time of publishing results for the 15 months to 31 March 2024.

REINSURANCE PROGRAMME PURCHASE

The Syndicate does not buy reinsurance independently of its host Syndicate 1910, but benefits from the reinsurance protection purchased by Syndicate 1910 in proportion to its 13.1% quota share.

INVESTMENTS

The Syndicate operates on a funds withheld basis, and so does not operate its own bank accounts or hold any investments but benefits from the investment return earned by host Syndicate 1910 which cedes a 7% share of net investment income.

FOREIGN EXCHANGE EXPOSURE POLICY

The aim of the host Syndicate's policy is to minimise foreign exchange volatility in US Dollar terms (the functional currency of the Syndicate). To achieve this, they aim to match assets and liabilities in currency. It is the host Syndicate's policy to hold its surplus assets (profits) in US Dollars.

PRINCIPAL RISKS AND UNCERTAINTIES

Note 13 in the notes to the financial statements provides an analysis of the key insurance and financial risks to which the Syndicate is exposed.

DONATIONS

Charitable donations during the year amounted to £nil

OUTLOOK AND FUTURE DEVELOPMENTS

The Syndicate will not be participating on 2024 year of account and will now enter run-off and close when the 2023 year of account RITC's into Syndicate 1910 on 31st December 2025.

This SPA was set up to allow additional capacity to support the Ariel Re business during 2023 rather than at inception as market opportunity grew. The capacity supporting this SPA has joined the main Syndicate 1910 for the 2024 year of account

The capacity for the 2023 year of account is £67.6m

SPA 6136 is not participating on Lloyd's Europe platform as no direct business is written in Europe.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The directors of the Managing Agency believe the Syndicate's long-term sustainability and profitability for the benefit of its members as a whole will be improved through an active and effective Environmental, Social and Governance ("ESG") strategy. To help develop this ESG strategy, Ariel Re has created an ESG Committee to establish, prioritise and implement its ESG goals and objectives. The directors intend to monitor, guide and aid the ESG Committee in accomplishing its goals

Report of the Directors of the Managing Agent

DIRECTORS AND OFFICERS SERVING IN THE YEAR

The directors of the Managing Agent, who served during the year ended 31 December 2023 and to the date of this report, were:

Directors and officers

M S De Saram (independent non-executive; Chairman)

N Gokhool

R H Knowles

D M Lednor

R A R Mather (non-executive)

J E Poole

B A Schofield (independent non-executive)

S Sharrock Yates (independent non-executive)

ANNUAL GENERAL MEETING

The directors do not propose to hold an annual general meeting for the Syndicate. If any member agent or direct corporate supporter of the Syndicate wishes to meet with them, the directors are happy to do so.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a director of the Managing Agent at the date of approving the report is aware, there is no relevant audit information, being information needed by the Syndicate auditor in connection with the auditor's report, of which the auditor is unaware. Having made enquiries of fellow directors of the Agency and the Syndicate's Auditors, each director has taken all the steps that he or she ought to have taken as a director to become aware of any relevant audit information and to establish that the Syndicate's auditor is aware of that information.

AUDITORS

The Syndicate's auditors, Ernst & Young LLP, are deemed to be reappointed under the provisions of The Insurance Accounts Directive (Miscellaneous Insurance Undertakings) Regulations 2008 and Section 487(2) of the companies Act 2006.

Approved by the Board of Ariel re Managing Agency Limited and signed on behalf of the Board.

D M Lednor
Director

26 February 2024

Statement of Managing Agent's Responsibilities

The managing agent is responsible for preparing the annual report and the syndicate annual accounts in accordance with applicable law and regulations.

The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 ("the 2008 Regulations") requires the managing agent to prepare syndicate annual accounts at 31 December each year, in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), which give a true and fair view of the state of affairs of the syndicate and of its profit or loss for that year.

In preparing these syndicate annual accounts, the managing agent is required to:

- select suitable accounting policies, and 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 syndicate annual accounts; and
- prepare the syndicate annual accounts on the basis that the syndicate will continue to write future business unless it is inappropriate to do so.

The managing agent is responsible for keeping proper accounting records which 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 prevention and detection of fraud and other irregularities.

The managing agent is responsible for the maintenance and integrity of the corporate and financial information relating to the syndicate included on the managing agent's website. Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Report of the Independent Auditors

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SYNDICATE 6136

OPINION

We have audited the syndicate annual accounts of syndicate 6136 (the syndicate) for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Members' Balances, the Statement of Cash Flows and the related notes 1 to 12, 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" and FRS 103 "Insurance Contracts" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the syndicate annual accounts:

- give a true and fair view of the syndicate's affairs as at 31 December 2023 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.

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 syndicate annual accounts section of our report. We are independent of the syndicate in accordance with the ethical requirements that are relevant to our audit of the syndicate annual accounts in the UK, including the FRC's Ethical Standard as applied to other entities of public interest, 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 syndicate annual accounts, we have concluded that the managing agent's use of the going concern basis of accounting in the preparation of the syndicate annual accounts 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 syndicate's ability to continue as a going concern for a period of 12 months from when the syndicate annual accounts are authorised for issue.

Our responsibilities and the responsibilities of the managing agent 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 syndicate's ability to continue as a going concern.

OTHER INFORMATION

The other information comprises the information included in the annual report and accounts, other than the syndicate annual accounts and our auditor's report thereon. The directors of the managing agent are responsible for the other information contained within the annual report and accounts.

Our opinion on the syndicate annual accounts 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 syndicate annual accounts 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 syndicate annual accounts 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.

Report of the Independent Auditors

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SYNDICATE 6136

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE INSURANCE ACCOUNTS DIRECTIVE (LLOYD'S SYNDICATE AND AGGREGATE ACCOUNTS) REGULATIONS 2008

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

- the information given in the managing agent's report for the financial year in which the syndicate annual accounts are prepared is consistent with the syndicate annual accounts; and
- the managing agent's report has 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 syndicate and its environment obtained in the course of the audit, we have not identified material misstatements in the managing agent's report.

We have nothing to report in respect of the following matters where The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 requires us to report to you, if in our opinion:

- 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; or
- certain disclosures of the managing agents' emoluments specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE MANAGING AGENT

As explained more fully in the Statement of Managing Agent's Responsibilities on page 8 the managing agent is responsible for the preparation of the syndicate annual accounts and for being satisfied that they give a true and fair view, and for such internal control as the managing agent determines is necessary to enable the preparation of the syndicate annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the syndicate annual accounts, the managing agent is responsible for assessing the syndicate's ability to continue in operation, disclosing, as applicable, matters related to its ability to continue in operation and using the going concern basis of accounting unless the managing agent either intends to cease to operate the syndicate, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE SYNDICATE ANNUAL ACCOUNTS

Our objectives are to obtain reasonable assurance about whether the syndicate annual accounts 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 syndicate annual accounts.

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 managing agent and management.

Our approach was as follows:

- We obtained a general understanding of the legal and regulatory frameworks that are applicable to the syndicate and determined that the most significant are direct laws and regulations related to elements of Lloyd's Byelaws and Regulations, and the financial reporting framework (UK GAAP). Our considerations of other laws and regulations that may have a material effect on the syndicate annual accounts included permissions and supervisory requirements of Lloyd's of London, the Prudential Regulation Authority ('PRA') and the Financial Conduct Authority ('FCA').
- We obtained a general understanding of how the syndicate is complying with those frameworks by making enquiries of management, internal audit, and those responsible for legal and compliance matters of the syndicate. In assessing the effectiveness of the control environment, we also reviewed significant correspondence between the syndicate, Lloyd's of London and other UK regulatory bodies; reviewed minutes of the Board and Risk Committee of the managing agent; and gained an understanding of the managing agent's approach to governance.

- For direct laws and regulations, we considered the extent of compliance with those laws and regulations as part of our procedures on the related syndicate annual accounts' items.
- For both direct and other laws and regulations, our procedures involved: making enquiries of the directors of the managing agent and senior management for their awareness of any non-compliance of laws or regulations, enquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees, enquiring about the managing agent's methods of enforcing and monitoring compliance with such policies, and inspecting significant correspondence with Lloyd's, the FCA and the PRA.
- The syndicate operates in the insurance industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.
- We assessed the susceptibility of the syndicate's annual accounts to material misstatement, including how fraud might occur by considering the controls that the managing agent has established to address risks identified by the managing agent, or that otherwise seek to prevent, deter or detect fraud. We also considered areas of significant judgement and the impact these have on the control environment. Where this risk was considered to be higher, we performed audit procedures to address each identified fraud risk including:
 - Reviewing accounting estimates for evidence of management bias in respect of recognition of estimated premium income. Supported by our Actuaries, we assessed if there were any indicators of management bias in the valuation of gross IBNR claims provisions.
 - Evaluating the business rationale for significant and/or unusual transactions.
 - Testing the appropriateness of journal entries recorded in the general ledger.
- 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.

USE OF OUR REPORT

This report is made solely to the syndicate's members, as a body, in accordance with The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the syndicate'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 syndicate and the syndicate's members as a body, for our audit work, for this report, or for the opinions we have formed.

Angus Millar
(Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
London

27 February 2024

Income Statement

Period ended 31 December 2023

	Note	2023 £m
Technical account – general business		
Earned premiums, net of reinsurance		
Gross premiums written	2	55.0
Outward reinsurance premiums		(9.0)
Net premiums written		46.0
Change in the provision for unearned premiums		
– Gross amount		(7.0)
– Reinsurers' share		–
Change in the net provision for unearned premiums	3	(7.0)
Earned premiums, net of reinsurance	2	39.0
Allocated investment return transferred from the non-technical account		0.4
Claims incurred, net of reinsurance		
Claims paid		
– Gross amount		–
– Reinsurers' share		–
Net claims paid		–
Change in the provision for claims		
– Gross amount		(3.0)
– Reinsurers' share		–
Change in the net provision for claims	3	(3.0)
Claims incurred, net of reinsurance	2	(3.0)
Net operating expenses	4	(10.4)
Balance on the technical account for general business		25.8
Non-technical account		
Balance on the technical account for general business		25.8
Investment income	8	0.1
Realised and unrealised gain on investments	8	0.3
Investment expenses and charges	8	–
Allocated investment return transferred to the technical account for general business	8	(0.4)
Foreign exchange losses		–
Profit for the financial year		25.8

Statement of Comprehensive Income

Period ended 31 December 2023

	2023 £m
Profit for the financial year	25.8
Currency translation differences	(0.6)
Total comprehensive profit for the year	25.2

Statement of Changes in Members' Balances

Period ended 31 December 2023

	2023 £m
Members' balances brought forward at 1 January	-
Profit for the financial year	25.2
Members' agents' fees	-
Transfers from members' personal reserve funds	-
Members' balances carried forward at 31 December	25.2

Statement of Financial Position

at 31 December 2023

	Note	2023 £m
ASSETS		
Debtors		
Debtors arising out of reinsurance operations	7	34.2
Prepayments		
Deferred acquisition costs	3	0.9
Total assets		35.1
LIABILITIES		
Members' balances and liabilities		
Members' balances		25.2
Technical provisions		
Provision for unearned premiums	3	6.9
Claims outstanding	3	3.0
Creditors		
Other creditors including taxation and social security		-
Total liabilities		9.9
Total members' balances and liabilities		35.1

Approved by the Board of Ariel Re Managing Agency Limited on 26 February 2024 and signed on its behalf by:

N Gokhool
Director

D M Lednor
Director

Statement of Cash Flows

Period End 31 December 2023

	Note	2023 £m
Cash flows from operating activities		
Profit on ordinary activities		25.8
Increase in gross technical provisions		9.8
Increase in creditors		(33.8)
Investment income received		(0.4)
Movement in other asset/liabilities/foreign exchange		(1.4)
Net cash outflows from operating activities		-
Cash flows from Investing activities		
Investment income received		-
Net cash inflow from investing activities		-
Cash flows from financing activities		
Transfer of loss from members' personal reserve funds		-
Net cash inflows from financing activities		-
Net change in cash and cash equivalents		-
Cash and cash equivalents at beginning of year		-
Cash and cash equivalents at end of year		-

Notes to the Financial Statements

Period ended 31 December 2023

1. ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

The financial statements have been prepared in compliance with The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and Financial Reporting Standard 103 'Insurance Contracts' (FRS 103), being applicable UK GAAP accounting standards, and in accordance with the provision of Schedule 3 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 pursuant to section 369 of the Companies Act 2006.

The financial statements are prepared under the historical cost convention.

BASIS OF PREPARATION

The financial statement of Syndicate 6136 was authorised for issue by the board of directors on 26 February 2024.

The financial statements are prepared in Sterling which is the presentational currency of the Syndicate and rounded to the nearest £0.1m unless otherwise stated. The functional currency of the Syndicate is US dollars. As permitted by

Amounts ceded from Syndicate 1910 to Syndicate 6136 are gross of external reinsurance for the 2023 Year of Account and are recognised as Gross balances in Syndicate 6136. The Syndicate's share of Syndicate 1910's external outwards reinsurance is recognised as reinsurance balances in Syndicate 6136. The Syndicate takes a share of investment income and expenses on the 2023 Year of Account from the host Syndicate 1910 and these are recognised in the equivalent account in Syndicate 6136.

Syndicate 6136 operates on a funds withheld basis, so therefore does not hold monetary assets on its Statement of Financial position. This effectively means the Syndicate is cashless, with all funds maintained in a withheld account, distributed upon the closure of the Year of Account.

With effect 1 January 2024 Syndicate 6136 will cease to write new business and be placed into run off until 31 December 2025, where all its assets and liabilities (excluding members funds) will be transferred to the host Syndicate 1910 via a reinsurance to close transaction.

After this date Syndicate 6136 will cease to become a Lloyd's syndicate. As there is reasonable expectation that continued capital support will remain until the Syndicate's closure on 31 December 2025, the Syndicate can therefore continue to write business and pay claims for the 2023 Year of Account. Accordingly, the annual accounts will continue to be prepared on a going concern basis.

JUDGEMENT AND KEY SOURCES OF UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that the actual outcomes could differ from those estimates. The following are the Syndicate's key sources of estimation uncertainty:

Premiums Written

Gross written premiums comprise the Syndicate's share of the total premiums receivable by Syndicate 1910, gross of reinsurance purchased by Syndicate 1910 for the whole period of cover provided by the contracts entered into during the reporting period, regardless of whether these are wholly due for payment in the reporting period, together with any adjustments arising in the reporting period to such premiums receivable in respect of business written in prior reporting periods. Syndicate 1910 recognises premium on the date on which the policy commences. Syndicate 1910 states gross written premium gross of brokerage payable and excludes taxes and duties levied on them.

Syndicate 1910 makes estimates 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.

Claims Incurred And Reinsurer's Share

Claims incurred comprise the Syndicate's share of claims and settlement expenses (both internal and external) paid by Syndicate 1910 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 reporting date, but not reported until after the reporting period end.

The provision for claims in Syndicate 1910 comprises amounts set aside for claims notified and claims incurred, but not yet reported (IBNR).

The amount included in respect of IBNR in Syndicate 1910 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 in Syndicate 1910 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 in Syndicate 1910 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 and the claims experience for the year. Syndicate 1910 uses a number of statistical techniques to assist in making these estimates.

Accordingly, the two most critical assumptions as regards claims provisions in Syndicate 1910 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 Syndicate's share of the provisions for claims and related reinsurance recoveries in Syndicate 1910 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.

SIGNIFICANT ACCOUNTING POLICIES

Unearned Premiums

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. In respect of general insurance business, written premiums are recognised as earned over the period of the policy on a time apportionment basis having regard where appropriate, to the incidence of risk. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

Unexpired Risks

A provision for unexpired risks is made where claims and related expenses are 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.

At 31 December 2023 the Syndicate did not have an unexpired risk provision.

Acquisition Costs

Acquisition costs, comprising commission and other costs related to the acquisition of new insurance contracts are recognised by reference to premium written. They are deferred to the extent that they are attributable to and recoverable against premiums unearned at the balance sheet date. All other operating expenses are accounted for on an accruals basis[1]

Funds Withheld

The Syndicate operates on a "funds with-held basis" and operates no bank accounts of its own and holds no investments. Investment income earned by Syndicate 1910 is ceded to the Syndicate.

Syndicate Operating Expenses

The Syndicate incurs its share of the operating expenses and personal expenses of Syndicate 1910, and also may incur expenses on its own behalf which are then paid by Syndicate 1910, and then recharged to the Syndicate.

Members' standard personal expenses are included in net operating expenses and include Lloyd's subscriptions, New Central Fund contributions and Managing Agent's fees.

Ariel Re Bermuda Limited ("ARBL"), Ariel Re Hong Kong ("ARHK") and Ariel Re UK Limited ("ARUK"), as Managing General Agencies (MGA), incur significant cost underwriting business on behalf of Syndicate 1910 and are reimbursed via a c17overholder commission of 8.7% for the 2023 YoA on premiums written. This fee is included within net operating expenses under both administrative expenses and acquisition costs.

Foreign Currencies

The Syndicate's functional currency is US Dollars and its presentational currency is Sterling.

Transactions denominated in currencies other than the functional currency are initially recorded in the functional currency at the exchange rate ruling at the date of the transactions. Monetary assets and liabilities (which include all assets and liabilities arising from insurance contracts including unearned premiums and deferred acquisition costs) denominated in foreign currencies are retranslated into the functional currency at the exchange rate ruling on the reporting date. The exchange difference from translation of functional currency to presentational currency is recognised in Other Comprehensive Income.

Notes to the Financial Statements

Period ended 31 December 2023

Exchange Rates

The rates of exchange used in preparing the financial statements were:

	2023	
	Average	Closing
Euro	1.15	1.15
US dollar	1.24	1.27
Canadian dollar	1.68	1.68
Japanese yen	174.97	179.75
Australian dollar	1.87	1.87

Distribution Of Profits And Collection Of Losses

Lloyd's has regulations on solvency and the distribution of profits and payment of losses between a Syndicate and its members. Lloyd's continues to require Syndicate membership to be on an underwriting year basis, and profits and losses belong to members according to their membership. Normally profits and losses are transferred between a Syndicate and its members after results for an underwriting year are finalised after 36 months. This period may be extended if an underwriting year is placed in run-off. The Syndicate may make earlier on account distributions or cash calls according to the cash flow of that underwriting year, subject to Lloyd's regulations. As the Syndicate has no bank accounts of its own, distributions are made on its behalf by Syndicate 1910 and treated as payments against reinsurance premium receivable balances in the accounts.

Investment Return

The Syndicate receives its share of investment income from Syndicate 1910.

Investment return comprises all investment income, realised investment gains and losses and movements in unrealised gains and losses, net of investment expenses, charges and interest.

Realised gains and losses on investments carried at market value are calculated as the difference between sale proceeds and purchase price. Movements in unrealised gains and losses on investments represent the difference between the valuation at the balance sheet date, together with the reversal of unrealised gains and losses recognised in earlier accounting periods in respect of investment disposals in the current period.

Allocation of actual investment return on investments supporting the general insurance technical provisions and associated members' balance is made from the non-technical account to the technical account. Investment return related to non-insurance business and members' balance is attributed to the non-technical account. Investment return has been wholly allocated to the technical account as all investments relate to technical accounts.

Taxation

Under Schedule 19 of the Finance Act 1993 managing agents are not required to deduct basic rate income tax from trading income. Managing agents can recover UK basic rate income tax deducted from Syndicate investment income, and consequently any distribution to members or 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 United States federal income tax payable on underwriting results or investment earnings. Any payments on account made by the Syndicate during the year have been included in the statement of financial position under the heading 'other debtors'.

No provision has been made for any other foreign taxes payable by members on underwriting results.

2. SEGMENTAL ANALYSIS

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

2023	Gross premiums written £m	Gross premiums earned £m	Gross claims incurred £m	Gross operating expenses £m	Reinsurance balance £m	Total £m
Reinsurance acceptances	55.0	48.0	(3.0)	(10.4)	(9.0)	25.5

All premiums were concluded in the UK.

3. TECHNICAL PROVISIONS

	Gross provisions £m	2023 Reinsurance assets £m	Net £m
Claims outstanding			
Balance at 1 January	-	-	-
Change in claims outstanding	3.0	-	3.0
Effect of movements in exchange rates	-	-	-
Balance at 31 December	3.0	-	3.0
Claims notified	-	-	-
Claims incurred but not reported	3.0	-	3.0
Balance at 31 December	3.0	-	3.0
Unearned premiums			
Balance at 1 January	-	-	-
Change in unearned premiums	7.0	-	7.0
Effect of movements in exchange rates	(0.1)	-	(0.1)
Balance at 31 December	6.9	-	6.9
Deferred acquisition costs			
Balance at 1 January	-	-	-
Change in deferred acquisition costs	0.9	-	0.9
Effect on movements in exchange rates	-	-	-
Balance at 31 December	0.9	-	0.9

4. NET OPERATING EXPENSES

	2023 £m
Acquisition costs	7.5
Deferred acquisition costs	(0.9)
Administration expenses	3.8
Net operating expenses	10.4

Members' standard personal expenses amounting to £11m are included in administrative expenses. Members' standard personal expenses include Lloyd's subscriptions, New Central Fund contributions and Managing Agent's fees.

Ariel Re Bermuda Limited ("ARBL"), Ariel Re Hong Kong ("ARHK") and Ariel Re UK Limited ("ARUK"), as Managing General Agencies (MGA), incur significant cost underwriting business on behalf of the host Syndicate 1910 and are reimbursed via a coverholder commission of 8.7% for the 2023 YoA on premiums written. This fee is included within net operating expenses under both administrative expenses and acquisition costs.

Notes to the Financial Statements

Period ended 31 December 2023

5. AUDITOR'S REMUNERATION

	2023 £m
Audit of the Syndicate Annual Accounts	0.1
Other services pursuant to regulations and Lloyd's byelaws	-

Auditor's remuneration is paid by Ariel Re and is included as part of the coverholder commission as described in note 4 to the financial statements.

6. STAFF COSTS AND EMOLUMENTS OF THE DIRECTORS OF THE MANAGING AGENT

All staff are employed by Ariel Re Management Services Limited (ARMS), which recharges staff costs to the Managing Agent. No emoluments of the directors of Ariel Re Managing Agency Limited were charged to the Syndicate during the year.

The emoluments of the active underwriter are borne by the host Syndicate and are not separately identifiable from the fee charged to the Syndicate.

The host Syndicate cedes to the Syndicate a share of an administration fee that does not separately identify staff costs.

7. DEBTORS ARISING OUT OF REINSURANCE OPERATIONS

	2023 £m
Due within one year – intermediaries	-
Due after one year – intermediaries	34.2

8. INVESTMENT RETURN

	2023 £m
Income from other financial investments	0.1
Net gains/(losses) on realisation of investments	0.1
Fair value through profit or loss designated upon initial recognition	
Net unrealised gains/(losses) on investments	0.2
Fair value through profit or loss designated upon initial recognition	
Realised and unrealised gains/(losses) on investments	0.3
Investment expenses and charges	-
Total investment return	0.4

9. RELATED PARTIES

Lloyd's market regulations require that a managing agent is responsible for employing the underwriting staff and managing the affairs of each Syndicate at Lloyd's on behalf of the Syndicate members. The managing agent of Syndicate 6136 is Ariel Managing Agency Limited (ARMA).

The immediate parent company of ARMA is Ariel Re Services Holdings (No 1355) Limited. Information on Ariel Re Services Holdings (No 1355) Limited and its subsidiaries is available at www.arielre.com

ARMA has provided service and support to Syndicate 6136 in its capacity as managing agent since 1 April 2023.

For the 2023 Year of Account Syndicate 1910 ceded 13.1% of written premium to the Syndicate on all property lines incepting from 1 April 2023. This cession resulted in the Syndicate receiving £55.0m of reinsurance premium from Syndicate 1910 during the year and having a balance of £35.1m receivable from Syndicate 1910 on a funds withheld basis as at 31 December 2023.

ARMA charge a 1% managing agency fee based on Gross Written Premium to Syndicate 1910, who under the quota share agreement recharge a share to Syndicate 6136 who record it under net operating expenses. In 2023 this amounted was £0.6m

10. DISCLOSURE OF INTERESTS

Managing Agent's interest

Ariel Re Managing Agency Limited is currently the Managing Agent for Lloyd's Syndicates 1910, 6117 and 6136.

The Financial Statements of the Managing Agency can be obtained by application to the Registered Office (see page 2).

11. 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 the Syndicate assets prove insufficient to meet participating members' underwriting liabilities.

The level of FAL that Lloyd's requires a member to maintain is determined by Lloyd's based on Prudential Regulatory Authority (PRA) 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 annual accounts by way of such capital resources. However, the managing agent is able to make a call on the members' FAL to meet liquidity requirements or to settle losses. Refer to note 12 for further details.

12. ITEMS NOT REFLECTED IN THE STATEMENT OF FINANCIAL POSITION

The Syndicate has not been party to any arrangement, which is not reflected in its statement of financial position, where material risks and benefits arise for the Syndicate.

Notes to the Financial Statements

Period ended 31 December 2023

13. RISK MANAGEMENT

The Syndicate writes a quota share of the host Syndicate 1910. Therefore, the risk policies described below are implemented at the host level.

a) Governance framework

The primary objective of the Syndicate's risk and financial management framework is to protect the Syndicate's members from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. The Managing Agent recognises the critical importance of having efficient and effective risk management systems in place, as part of a 'three lines of defence' governance model.

The Managing Agent has established a risk management function for the Syndicate. Responsibilities are articulated in terms of reference and policies which are cascaded throughout the organizational structure, delegated from the board of directors, its board level committees and the associated executive management forums.

The board of directors of the Managing Agent approves the risk management policies and meets regularly to approve any commercial, regulatory and organisational requirements of such policies. These policies define the identification of risk and its interpretation to ensure the appropriate quality and diversification of assets, align underwriting and reinsurance strategy to the Syndicate goals, and specify reporting requirements. Significant emphasis is placed on assessment and documentation of risks and controls, including the articulation of "risk appetite". The Board sets risk appetite annually as part of the Syndicate's business planning and capital setting process. The risk management function is also responsible for reviewing the Syndicate's Own Risk and Solvency Assessment ('ORSA'), recommending the assessment to the Board for approval.

b) Capital management objectives, policies and approach

Capital framework at Lloyd's

The Society of Lloyd's (Lloyd's) is a regulated undertaking and subject to the supervision of the Prudential Regulation Authority (PRA) under the Financial Services and Markets Act 2000.

Within the supervisory framework, Lloyd's applies capital requirements at member level and central to ensure that Lloyd's complies with Solvency II capital requirements, and beyond that to meet its own financial strength, licence and ratings objectives.

Although Lloyd's capital setting processes use a capital requirement set at syndicate level as a starting point, the requirement to meet Solvency II and Lloyd's capital requirements apply at overall and member level only respectively, not at syndicate level. Accordingly the capital requirement in respect of Syndicate 6136 is not disclosed in these financial statements.

Lloyd's capital setting process

In order to meet Lloyd's requirements, each syndicate is required to calculate its Solvency Capital Requirement (SCR) for the prospective underwriting year. This amount must be sufficient to cover a 1 in 200 year loss, reflecting uncertainty in the ultimate run-off of underwriting liabilities (SCR 'to ultimate'). The syndicate must also calculate its SCR at the same confidence level but reflecting uncertainty over a one year time horizon (one year SCR) for Lloyd's to use in meeting Solvency II requirements. The SCRs of each syndicate are subject to review by Lloyd's and approval by the Lloyd's Capital and Planning Group.

A syndicate may be comprised of one or more underwriting members of Lloyd's. Each member is liable for its own share of underwriting liabilities on the syndicate on which it participating but not other members' shares. Accordingly, the capital requirement that Lloyd's sets for each member operates on a similar basis. Each member's SCR shall thus be determined by the sum of the member's share of the syndicate SCR 'to ultimate'. Where a member participates on more than one syndicate, a credit for diversification is provided to reflect the spread of risk, but consistent with determining an SCR which reflects the capital requirement to cover a 1 in 200 year loss 'to ultimate' for that member. Over and above this, Lloyd's applies a capital uplift to the member's capital requirement, known as the Economic Capital Assessment (ECA). The purpose of this uplift, which is a Lloyd's not a Solvency II requirement, is to meet Lloyd's financial strength, licence and ratings objectives. The capital uplift applied for 2023 was 35% of the member's SCR 'to ultimate'.

Provision of capital by members

Each member may provide capital to meet its ECA either by assets held in trust by Lloyd's specifically for that member (funds at Lloyd's), held within and managed within a syndicate (funds in Syndicate) or as the member's share of the members' balances on each syndicate on which it participates. Accordingly, the ending members balances reported on the statement of financial position on page 14 represent resources available to meet the member's and Lloyd's capital requirements.

c) Insurance risk

The principal risk the Syndicate faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Syndicate is to ensure that sufficient reserves are available to cover these liabilities.

The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The Syndicate writes short-tail property-catastrophe business in the US and internationally. Reserving risk is managed through the Syndicate's Claims and Reserving Management Forum.

The Syndicate uses both its own and commercially available risk management software to assess catastrophe exposure. However, there is always a risk that the assumptions and techniques used in these models are unreliable or that claims arising from an unmodelled event are greater than those arising from a modelled event.

As a further guide to the level of catastrophe exposure written by the Syndicate, the following table shows hypothetical claims arising out of the Realistic Disaster Scenario (RDS) on the Syndicate's in-force exposure at 1 July 2023 (Syndicate 6136 share).

	Estimated Gross loss £m	Estimated Net loss £m
Two events – North East US Windstorm	56.6	38.1
Florida Windstorm – Miami Dade	57.7	40.1
Florida Windstorm – Pinellas	84.0	39.0
Gulf of Mexico Windstorm – Major Hurricane landing in Galveston, Texas	62.9	46.6
California Earthquake – San Francisco	27.0	20.1
California Earthquake – Los Angeles	28.4	20.7
Japanese Earthquake – based on 1923 Great Kanto Earthquake	6.8	6.8

The table below sets out the concentration of outstanding claim liabilities by type of contract (Syndicate 6136 share).

	Gross Liabilities £m	2023 Re-Insurance Liabilities £m	Net Liabilities £m
RI acceptances	2.9	-	2.9

All business is written in the UK.

The principal assumption underlying the liability estimates is that the future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each underwriting year. Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example: once-off occurrence; changes in market factors such as public attitude to claiming; economic conditions; as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgement is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency rates.

Notes to the Financial Statements

Period ended 31 December 2023

13. RISK MANAGEMENT (CONTINUED)

Sensitivities

The claim liabilities are sensitive to the key assumptions that follow. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit and members' balances. The correlation of assumption will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non-linear.

(Syndicate 6136 share):	Five % increase £m	Five % decrease £m
2023		
Gross amount of increase/(decrease) in reserves	0.5	(0.5)
Net amount of increase/(decrease) in reserves	0.5	(0.5)

The method used for deriving sensitivity information and significant assumptions did not change from the previous period.

Claims development tables

The tables following show the Syndicate's cumulative incurred claims development, including both claims notified and IBNR for each underwriting year, together with the cumulative payments to date on a gross and net of reinsurance basis at the reporting date.

The Syndicate has elected to translate estimated claims and claims payments at a consistent rate of exchange as determined by the reporting date.

In settling claims provisions the Syndicate gives consideration to the probability and magnitude of future experience being more adverse than assumed and exercises a degree of caution in setting reserves where there is considerable uncertainty. In general, the uncertainty associated with the ultimate claims experience in an underwriting year is greatest when the underwriting year is at an early stage of development and the margin necessary to provide the necessary confidence in the provisions adequacy is relatively at its highest. As claims develop, and the ultimate cost of claims becomes more certain, the relative level of margin maintained should decrease. However, due to the uncertainty inherent in the estimation process, the actual overall claim provision may not always be in surplus.

(Syndicate 6136 share): Underwriting year	2023 £m	Total £m
Estimate of cumulative claims incurred		
At end of underwriting year	3.0	3.0
Current estimate of cumulative claims incurred	3.0	3.0
Less cumulative gross paid	-	-
Total gross outstanding claims	3.0	3.0

* Gross and net technical items are the same.

d) Financial risk

1) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to honour their obligation to the Syndicate. The Syndicate's net exposure and credit risk is the risk of default by Syndicate 1910.

31 December 2023	Neither past due nor impaired £m	Total £m
Debtors arising out of reinsurance insurance operations	34.2	34.2

The table below provides information regarding the credit risk exposure of the Syndicate at the reporting date by classifying assets according to independent credit ratings of the counterparties. AAA is the highest possible rating. Assets that fall outside the range of AAA to BBB are classified as speculative grade and have not been rated, Debtors, other than amounts due from reinsurers, have been excluded from the table as these are not rated.

31 December 2023	A £m	Total £m
Debtors arising out of reinsurance insurance operations	34.2	34.2

2) Liquidity risk

The Syndicate operates on a funds withheld basis and operates no bank accounts of its own. All transactions are incurred and settled in the first instance by the host Syndicate 1910. On closing a year of account, profits or losses earned by Syndicate 6136 are settled between the host Syndicate and the members.

The table below summarises the maturity profile of the Syndicate's financial liabilities based on remaining undiscounted contractual obligations, including interest payable, and outstanding claim liabilities based on the estimated timing of claim payments result from recognised insurance liabilities. Repayments which are subject to notice are treated as if notice were to be given immediately.

(Syndicate 6136 share):	No stated maturity £m	Up to a year £m	1-3 years £m	3-5 years £m	Over 5 years £m	Total £m
31 December 2023						
Claims outstanding	-	-	3.0	-	-	3.0

Notes to the Financial Statements

Period ended 31 December 2023

13. RISK MANAGEMENT (CONTINUED)

3) Market risk

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Syndicate's functional currency is US Dollars and its exposure to foreign exchange risk arises primarily with respect to its share of transactions by Syndicate 1910 in Euro, GBP and Canadian dollars. Syndicate 6136 seeks to mitigate the risk by matching the estimated foreign currency denominated liabilities with assets denominated in the same currency.

The table below summarises the exposure of the Syndicate's share of the financial assets and liabilities of Syndicate 1910 (translated to Sterling) to foreign currency exchange risk at the reporting date, as follows:

(Syndicate 6136 share):	GBP £m	Euro £m	USD £m	CAD £m	AUD £m	JPY £m	OT £m	Total £m
Assets	(0.4)	-	32.4	0.1	1.1	1.1	0.8	35.1
Liabilities	-	-	(8.1)	(0.1)	(0.8)	(0.3)	(0.6)	(9.9)
Net asset/(liabilities) as at 31 December 2023	(0.4)	-	24.3	0.0	0.3	0.8	0.2	25.2

The host Syndicate, Syndicate 1910, matches its currency position so holds net assets across a number of currencies. Syndicate 1910 takes into consideration the underlying currency of the Syndicate's required capital and invests its assets proportionately across these currencies so as to protect the solvency of Syndicate 1910, against variation in foreign exchange rates. The net assets of Syndicate 6136 are held by Syndicate 1910 on a funds withheld basis and are due to the members of Syndicate 6136 after 3 years.

