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**Syndicate 2468**

**2021 Annual Report**

# **Syndicate 2468**

## **Annual Report**

### **For the year ended 31<sup>st</sup> December 2021**

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# **Syndicate 2468**

## **Directors and Administration**

### **For the year ended 31<sup>st</sup> December 2021**

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#### **Managing Agent**

Neon Underwriting Limited (terminated 1<sup>st</sup> July 2021)  
20 Gracechurch Street  
London  
United Kingdom  
EC3V 0BG

RiverStone Managing Agency Limited (appointed 1<sup>st</sup> July 2021)  
Park Gate  
161 – 163 Preston Road  
Brighton  
East Sussex  
United Kingdom  
BN1 6AU

#### **Directors of RiverStone Managing Agency Limited**

T. A. Riddell – Independent Non-Executive Director  
K. Shah – Independent Non-Executive Chairman  
N. Smith – Independent Non-Executive Director  
T. Ambridge – Independent Non-Executive Director  
M. J. Bannister  
A. R. Creed  
I. Hewitt (resigned 31<sup>st</sup> March 2021)  
L. R. Tanzer  
C. K. Pritchard (appointed 6<sup>th</sup> April 2021)  
P. Prebensen (appointed 1st September 2021)  
N. S. Taylor (appointed 30<sup>th</sup> November 2021)

#### **Independent Auditors**

Deloitte LLP  
Hill House  
1 Little New Street  
London  
EC4A 3TR

#### **Website**

<https://www.rsml.co.uk>

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The Directors of RiverStone Managing Agency Limited (“the Managing Agent”) present their report for Syndicate 2468 (“the Syndicate”) for the year ended 31 December 2021 (“the Financial Year”). The managing agency agreement for Syndicate 2468 was novated from Neon Underwriting Limited to RiverStone Managing Agency Limited on 1 July 2021.

## **Results**

The total recognised result for calendar year 2021 is a profit of £7.7 million (2020: loss of £131.2 million). Profits and losses will be distributed and collected by reference to the results of individual underwriting years. On 31<sup>st</sup> December 2021 the Syndicate entered into a 100% whole account loss portfolio transfer reinsurance with Syndicate 3500 for its 2020 year of account.

On 6<sup>th</sup> January 2020, the Syndicate was put into an orderly run-off. Following an agreement signed on 26<sup>th</sup> September 2020, and receipt of change of control approval by all relevant regulatory bodies, including the PRA, FCA and Lloyd's, the Neon Group of companies (Neon), including the Lloyd's Corporate Members GAI Indemnity Ltd, Lavenham Underwriting Ltd and Sampford Underwriting Ltd, became part of RiverStone Holdings Ltd (RiverStone) from 31<sup>st</sup> December 2020.

On 23<sup>rd</sup> August 2021 CVC Capital Partners ("CVC") completed the acquisition of RiverStone Europe from Fairfax Financial Holdings Limited ("Fairfax") and the Ontario Municipal Employees Retirement Scheme ("OMERS"). The RiverStone Europe Group will now operate under the name RiverStone International. Pursuant to this transaction, Gatland Bidco Limited ("BidCo"), a wholly-owned subsidiary of Gatland Holdings Jersey Limited ("Gatland"), completed the acquisition of all the outstanding shares of Riverstone Barbados Limited ("RBL"). RiverStone Managing Agency and its immediate parent company RiverStone Holdings Limited ("RiverStone Holdings") were wholly owned subsidiaries of RBL.

RiverStone Managing Agency Limited ("RiverStone Managing Agency") is the managing agent for Syndicate 2468 and its overall strategic objective in administering the run-off of the portfolios under its management remains the payment of all valid claims in a timely manner within the Lloyd's structure and to collect as soon as possible amounts due from all reinsurers.

RiverStone Managing Agency delegates most of its day-to-day management functions under an outsource agreement with RiverStone Management Limited ("RiverStone Management"), a fellow subsidiary of RiverStone Holdings. Provision of services under this agreement is monitored by regular reporting to the board of directors of RiverStone Managing Agency ("the Board"), which includes analysis of performance against key performance indicators.

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## Principal activity and review of the business

The Syndicate's principal activity was the underwriting of direct insurance and reinsurance business in the Lloyd's market.

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

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Gross technical provisions	326,772	504,341
Total comprehensive profit/(loss)	7,687	(131,234)

Financial investments, cash and other assets have decreased to £180,088k from £243,075k. Balances have reduced through the year as premium receipts have fallen following the run-off, while claims payments have continued.

The members' balance deficit has decreased to £49,931k from £69,873k.

## Principal Risks and Uncertainties

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to approval by the Board and ongoing review by the Board, executive committees, risk management and internal audit. Compliance with regulatory, legal and ethical standards is a high priority for Syndicate 2468 and RiverStone Managing Agency. The compliance, legal and finance departments of RiverStone Management take on an important oversight role in this regard. The Board is responsible for ensuring that a proper internal control framework exists to manage financial risks and that controls operate effectively; it is assisted in discharging these responsibilities by the RiverStone Holdings UK Risk Committee.

The risks that Syndicate 2468 is exposed to and their impact on economic capital have been assessed. This process is risk based and uses Solvency II based principles to manage capital requirements and to ensure that there is sufficient financial strength and capital adequacy to support the obligations to policyholders, regulators and other stakeholders.

The principal risks faced by Syndicate 2468 arise from fluctuations in the severity of claims compared with expectations, late reporting of claims, inadequate reserving and inadequate reinsurance protection (including the credit worthiness of major reinsurers). Whilst the Syndicate has a whole account reinsurance into Syndicate 2468, gross balances remain exposed to these risks.

Much like 2020, 2021 has been dominated by the impact on society of the novel coronavirus, COVID-19. This disease has forced numerous economies to impose significant restrictions on free movement, with the UK requiring large numbers of workers to remain at home at various points throughout the year. Syndicate 2468, RiverStone Managing Agency and RiverStone Management have continued to perform business as usual activities efficiently and effectively despite these restrictions and will continue to remain fully operational while these conditions remain in force. Syndicate 2468 does not have material insurance exposure to COVID-19 related claims and its 2021 financial results have not been meaningfully impacted by this pandemic, this is consistent with the 2020 financial results.

## Future developments

The 2019 year of account was closed into Syndicate 3500 as of 1<sup>st</sup> January 2022, this is considered a non-adjusting post balance sheet event. It is anticipated that the 2020 year of account will reinsure to close into Syndicate 3500 on 1<sup>st</sup> January 2023.

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## **Directors**

The Directors of RiverStone Managing Agency holding office during the period from 1<sup>st</sup> January 2021 to the date of this report were as follows:

T. A. Riddell – Independent Non-Executive Director  
K. Shah – Independent Non-Executive Chairman  
N. Smith – Independent Non-Executive Director  
T. Ambridge – Independent Non-Executive Director  
M. J. Bannister  
A. R. Creed  
I. Hewitt (resigned 31<sup>st</sup> March 2021)  
L. R. Tanzer  
C. K. Pritchard (appointed 6<sup>th</sup> April 2021)  
P. Prebensen (appointed 1<sup>st</sup> September 2021)  
N. S. Taylor (appointed 30<sup>th</sup> November 2021)

## **Annual General Meeting**

The Directors do not propose to hold an annual general meeting for Syndicate 2468. A meeting will be convened should the sole direct corporate member of Syndicate 2468 request one.

## **Independent Auditors**

During 2021, Deloitte LLP (Deloitte) were appointed as the Syndicate's registered auditor and have expressed a willingness to continue.

## **Investment Policy and Management**

All assets continue to be invested in a manner to maximize return within agreed investment policies established by RiverStone Managing Agency. These investments are managed within the risk constraints and credit guidelines agreed by the Board. The investment policy and performance of funds are reviewed regularly by the Board. Syndicate 2468 has not been involved in the lending of investments to the securities market.

## **Financial Instruments**

As described in Note 5 to the financial statements, Syndicate 2468 is exposed to financial risk through its financial assets and liabilities, including its reinsurance assets and policyholder liabilities. In particular, a key financial risk is that the proceeds from financial and reinsurance assets are not sufficient to fund the obligations arising from insurance policies as they fall due. The most important components of this financial risk are market risk (including interest rate risk, equity risk and currency risk), credit risk and liquidity risk.

Syndicate 2468 manages this risk within its overall risk management framework.

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## Statement of Managing Agent's Responsibilities

The 2008 Regulations require RiverStone Managing Agency to prepare Syndicate Annual Accounts at 31 December each year which give a true and fair view of the state of affairs of Syndicate 2468 and of its profit or loss for that year. In preparing those Syndicate Annual Accounts, RiverStone Managing Agency 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 Syndicate Annual Accounts; and
- prepare the Syndicate Annual Accounts on a going concern basis, unless it is inappropriate to do so.

RiverStone Managing Agency confirms that it has complied with the above requirements in preparing the financial statements.

RiverStone Managing Agency is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Syndicate 2468 and enable it to ensure that the Syndicate Annual Accounts comply with the 2008 Regulations.

It is also responsible for safeguarding the assets of Syndicate 2468 and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

It is also responsible for the maintenance and integrity of the business' website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the case of each person who is a director of RiverStone Managing Agency at the date this Managing Agent's Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By Order of the Board

Park Gate, 161 Preston Road  
Brighton, East Sussex  
United Kingdom, BN1 6AU

**L. R. Tanzer**  
Chief Executive Officer  
2<sup>nd</sup> March 2022



# **Syndicate 2468**

## **Independent Auditors' Report to the Member of Syndicate 2468**

### **For the year ended 31<sup>st</sup> December 2021**

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#### **Report on the audit of the syndicate annual financial statements**

#### **Opinion**

In our opinion the syndicate annual financial statements of Syndicate 2468 (the 'syndicate'):

- give a true and fair view of the state of the syndicate's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008.

We have audited the syndicate annual financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in members' balances;
- the cash flow statement;
- the statement of accounting policies; and
- the related notes 1 to 26.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

#### **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 financial statements 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 financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of matter - Financial statements prepared other than on a going concern basis**

We draw attention to note 3 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

#### **Other information**

The other information comprises the information included in the annual report, other than the syndicate annual financial statements and our auditor's report thereon. The managing agent is responsible for the other information contained within the annual report. Our opinion on the syndicate annual financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a

# **Syndicate 2468**

## **Independent Auditors' Report to the Member of Syndicate 2468**

### **For the year ended 31<sup>st</sup> December 2021**

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material misstatement themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of managing agent**

As explained more fully in the managing agent's responsibilities statement, the managing agent is responsible for the preparation of the syndicate annual financial statements 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 syndicate annual financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the syndicate annual financial statements**

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

A further description of our responsibilities for the audit of the syndicate annual financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the syndicate and its control environment, and reviewed the syndicate's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the syndicate operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Lloyd's Byelaws, Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 and Lloyd's Syndicate Accounting Byelaw (no. 8 of 2005); and;
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the syndicate's ability to operate or to avoid a material penalty. These include the requirements of Solvency II.

We discussed among the audit engagement team including relevant internal specialists such as actuarial and IT, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

# **Syndicate 2468**

## **Independent Auditors' Report to the Member of Syndicate 2468**

### **For the year ended 31<sup>st</sup> December 2021**

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As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- Valuation of technical provisions includes assumptions and methodology requiring significant management judgement and involves complex calculations, and therefore there is potential for management bias. There is also a risk of overriding controls by making late adjustments to the technical provisions. In response to these risks we involved our actuarial specialists to develop independent estimates of the technical provisions and we tested the late journal entries to technical provisions.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, in house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with the PRA and Lloyd's.

#### **Report on other legal and regulatory requirements**

##### **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 strategic report and the managing agent's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the managing agent's report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the managing agent's report.

##### **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 in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

# **Syndicate 2468**

## **Independent Auditors' Report to the Member of Syndicate 2468**

### **For the year ended 31<sup>st</sup> December 2021**

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#### **Use of our report**

This report is made solely to the syndicate's members, as a body, in accordance with regulation 10 of 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adam Ely, FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
2<sup>nd</sup> March 2022

**Syndicate 2468**  
**Profit and Loss Account**  
**For the year ended 31<sup>st</sup> December 2021**

	Note	2021 £'000	2020 £'000
<b>Technical Account – General Business</b>			
Gross premiums written	6	(2,190)	72,176
Outward reinsurance premiums		<u>(36,890)</u>	<u>(56,110)</u>
<b>Net premiums written</b>		<b><u>(39,080)</u></b>	<b><u>16,066</u></b>
<b>Change in provision for unearned premium</b>			
Gross amount		20,880	168,772
Reinsurers' share		<u>(1,849)</u>	<u>(28,362)</u>
<b>Change in net provision for unearned premium</b>		<b>19,031</b>	<b>140,410</b>
<b>Written and earned premiums net of reinsurance</b>		<b><u>(20,049)</u></b>	<b><u>156,476</u></b>
Gross claims paid	7	(107,712)	(185,769)
Reinsurers' share	7	<u>43,198</u>	<u>77,386</u>
Net claims paid		<u>(64,514)</u>	<u>(108,383)</u>
Change in the gross provision for claims		153,426	(87,891)
Reinsurers' share		<u>(45,580)</u>	<u>25,637</u>
Change in the net provision for claims		<u>107,846</u>	<u>(62,254)</u>
<b>Claims incurred, net of reinsurance</b>		<b>43,332</b>	<b>(170,637)</b>
Net operating expenses	6,8	<u>(12,350)</u>	<u>(116,824)</u>
<b>Total technical credit, net of reinsurance</b>		<b><u>10,933</u></b>	<b><u>(130,985)</u></b>
<b>Balance on the technical account for general business</b>		<b>10,933</b>	<b>(130,985)</b>
<b>Non-Technical Account</b>			
Investment income	10	1,175	1,449
Unrealised gains on investments		-	218
Unrealised losses on investments		(839)	(205)
Investment expenses and charges	11	(10)	(3)
Foreign Exchange loss	12	<u>(3,572)</u>	<u>(1,708)</u>
<b>Profit / (loss) for the financial year</b>		<b><u>7,687</u></b>	<b><u>(131,234)</u></b>

The results above are all derived from continuing operations.

**Syndicate 2468**  
**Balance Sheet**  
**For the year ended 31<sup>st</sup> December 2021**

	Note	2021 £'000	2020 £'000
<b>Assets</b>			
<b>Investments</b>			
Other financial investments	13	94,623	107,190
Deposits from ceding undertakings		2,513	-
<b>Reinsurers' share of technical provisions</b>			
Claims outstanding	7	94,563	140,547
Provision for unearned premium		3,779	5,677
		<b>98,342</b>	<b>146,224</b>
<b>Debtors</b>			
Debtors arising out of direct insurance operations	14	12,707	33,464
Debtors arising out of reinsurance operations	15	28,210	27,678
Other debtors	16	4,509	18,741
		<b>45,426</b>	<b>79,883</b>
<b>Other assets</b>			
Cash at bank and in hand		66,915	112,286
Overseas Deposits		16,038	23,599
		<b>82,953</b>	<b>135,885</b>
<b>Prepayments and accrued income</b>			
Accrued interest		725	911
Deferred Acquisition costs		2,517	9,735
		<b>3,242</b>	<b>10,646</b>
<b>Total assets</b>		<b>327,099</b>	<b>479,828</b>
<b>Capital, Reserves and Liabilities</b>			
<b>Capital and reserves</b>			
Member's balances		(49,931)	(69,873)
<b>Technical provisions</b>			
Claims outstanding		312,493	468,644
Provision for unearned premium		14,279	35,697
		<b>326,772</b>	<b>504,341</b>
Deposits received from reinsurers		23,306	-
<b>Creditors</b>			
Creditors arising out of direct insurance operations	17	7,437	13,116
Creditors arising out of reinsurance operations	18	12,828	15,732
Other creditors including taxation and social security	19	6,686	15,283
		<b>26,951</b>	<b>44,131</b>
Accruals and deferred income		-	1,229
<b>Total capital, reserves and liabilities</b>		<b>327,098</b>	<b>479,828</b>

**Syndicate 2468**  
**Balance Sheet**  
**For the year ended 31<sup>st</sup> December 2021**

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The financial statements on pages 12 to 39 were approved by the Board of RiverStone Managing Agency Limited and signed on its behalf by the Directors on date:

**L. R. Tanzer**  
Chief Executive Officer

**A. R. Creed**  
Chief Financial Officer

**Syndicate 2468**  
**Statement of Changes in Members' Balances**  
**For the year ended 31<sup>st</sup> December 2021**

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	<b>Member's Balances £'000</b>
<b>Balance at 1<sup>st</sup> January 2021</b>	<b>(69,873)</b>
Profit for the financial year	7,687
Loss call from members	12,255
<b>Balance at 31<sup>st</sup> December 2021</b>	<b><u>(49,931)</u></b>
<b>Balance at 1<sup>st</sup> January 2020</b>	<b>(27,405)</b>
(Loss) for the financial year	(131,234)
Loss call from members	126,189
Distribution to members	(37,423)
<b>Balance at 31<sup>st</sup> December 2020</b>	<b><u>(69,873)</u></b>



**Syndicate 2468**  
**Statement of Cash Flows**  
**For the year ended 31<sup>st</sup> December 2021**

	Note	2021 £'000	2020 £'000
<b>Reconciliation of (loss) / profit for the year to net cash inflow from operating activities</b>			
Profit/(loss) for the financial year		7,687	(131,234)
(Decrease) in gross technical provisions		(177,569)	(84,164)
Increase in reinsurers' share of gross technical provisions		47,882	5,050
Decrease in debtors		39,257	97,530
Increase (decrease) in creditors		4,897	(21,322)
Movement in other assets/liabilities		7,561	43,258
Investment return		(326)	(1,459)
Other including foreign exchange		4,762	4,535
<b>Net cash inflow from operating activities</b>		<b>(65,849)</b>	<b>(87,806)</b>
Purchase of equity and debt instruments		(35,102)	(165)
Sale of equity and debt instruments		-	6,318
Purchase of derivatives		(4,811)	4,051
Investment income received		1,121	1,462
<b>Net cash outflow from investing activities</b>		<b>(38,792)</b>	<b>11,666</b>
Open year cash calls		-	126,189
Distribution loss/(profit)		12,255	(37,423)
<b>Net cash outflow from financing activities</b>		<b>12,255</b>	<b>88,766</b>
Cash and cash equivalents at beginning of year		217,943	209,740
Foreign exchange on cash and cash equivalents		148	(4,423)
<b>Cash and cash equivalents at end of year</b>		<b>£ 125,705</b>	<b>£ 217,943</b>
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand	21	66,915	112,286
Short term deposits with credit institutions		58,790	105,657
<b>Cash and cash equivalents</b>		<b>£ 125,705</b>	<b>£ 217,943</b>

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

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#### 1. General Information

The Syndicate's principal activity was the underwriting of direct insurance and reinsurance business in the Lloyd's market.

The Syndicate wrote predominately marine, property and casualty insurance and reinsurance.

Syndicate 2468 is managed by RiverStone Managing Agency Limited ("the Managing Agent"), whose registered office address is Park Gate, 161-163 Preston Road, Brighton, East Sussex, United Kingdom, BN1 6AU.

#### 2. Statement of Compliance

The financial statements of Syndicate 2468 have been prepared in accordance with Regulation 5 of The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, and in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS102") and Financial Reporting Standard 103, "Insurance Contracts" ("FRS103").

#### 3. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### (a) Basis of Preparation

The preparation of financial statements in conformity with FRS102 and FRS103 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies of Syndicate 2468. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements, are disclosed further below.

##### (b) Going Concern

These financial statements have been prepared on the basis that the Syndicate ceased to write new business on the 6 January 2020. Its final year of account is 2020 which has a 100% whole account reinsurance into Syndicate 3500. The 2019 and Prior underwriting years have reinsured into Syndicate 3500 as of 1<sup>st</sup> January 2022. Therefore, these accounts have been prepared on a basis other than going concern.

The assets and liabilities at the balance sheet date have been recognised under the historical cost convention except for certain financial assets which are measured at fair value, using the annual basis of accounting in accordance with Regulation 5 the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts Regulations 2008), and in compliance with United Kingdom Accounting Standards including 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").

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

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There are no other assets or liabilities recognisable as a consequence of not preparing these financial statements on a going concern basis. Therefore, no adjustments are necessary to the amounts at which the net assets are included in these financial statements. FRS 102 and 103 have been consistently applied to all years presented. There have been no material changes in accounting policies compared to the 2020 financial statements.

#### (c) Insurance Contracts

##### i) Premiums Written

Gross premiums written comprise amounts due for contracts commencing in the financial year, together with any differences between booked premiums for the prior years and those previously accrued, and estimates of premiums due but not yet receivable or notified to the Syndicate.

Premiums written also relate to adjustments made in the year to estimates of premiums written in prior years. Premiums are shown gross of commission payable and exclude taxes and duties levied on them. Estimates are made for pipeline premiums, including amounts due to Syndicate 2468 not yet notified.

Premiums are accreted to the income statement on a pro-rata basis over the term of the related policy, except for those contracts where the period of risk differs significantly from the contract period. In these cases, premiums are recognised over the period of risk in proportion to the amount of insurance protection provided.

Unearned premiums represent the proportion of premiums written that relate to unexpired terms of policies in force at the balance sheet date. The unearned premium reserve is translated to Sterling at closing rates of exchange.

Acquisition costs, which represent commission and other related expenses, are allocated over the period in which the related premiums are earned.

##### ii) Claims Incurred and Reinsurers' Share

Claims incurred comprise claims and related claims handling expenses paid in the year and changes in provisions for outstanding claims, including provisions for claims incurred but not reported and related expenses, together with any other adjustments to claims from previous years. Where applicable, reductions are made for salvage and other recoveries.

Provisions for outstanding claims and related reinsurance recoveries are established based on estimates of the ultimate net cost of settlement along with actuarial and statistical projections. Claims provisions are determined based upon previous claims experience, knowledge of events and the terms and conditions of the relevant policies and on interpretation of circumstances. Particularly relevant is experience with similar cases and historical claims payment trends. The approach also includes the consideration of the development of loss payment trends, levels of unpaid claims, judicial decisions and economic conditions.

Provisions for unexpired risks are established based on estimates of the cost of all claims and expenses in connection with insurance contracts in force after the end of the financial year where these costs are estimated to be in excess of the related unearned premiums and any premiums receivable on those contracts.

# **Syndicate 2468**

## **Notes to the Financial Statements**

### **For the year ended 31<sup>st</sup> December 2021**

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Whilst the board of directors of the Managing Agent (“the Board”) believes that the provisions for outstanding claims and related reinsurance recoveries including bad debt provisions are fairly stated, these estimates inevitably contain inherent uncertainties because significant periods of time may elapse between the occurrence of an incurred loss, the reporting of that loss to Syndicate 2468, Syndicate 2468’s payment of the loss and the receipt of reinsurance recoveries. These uncertainties are inherent in much of the business previously underwritten and assumed by Syndicate 2468. The estimates made are based upon current facts available to Syndicate 2468 and the prevailing legal environment and are subjected to continual review, with any resulting adjustments reported in current earnings. Anticipated reinsurance recoveries are disclosed separately as assets on the balance sheet.

#### **(d) Syndicate Operating Expenses**

All costs relating to the administration and handling of claims are shown as part of gross claims paid. All other administrative costs of Syndicate 2468, including acquisition costs and any members’ expenses, are shown as net operating expenses.

#### **(e) Distribution of Profits and Collection of Losses**

Lloyd’s operates a detailed set of regulations regarding solvency and the distribution of profits and payment of losses between Syndicates and their members. Lloyd’s continues to require membership of Syndicates to be on an underwriting year of account basis and profits and losses accrue to members according to their membership of a year of account. Normally profits and losses are settled between Syndicate 2468 and members after results for a year of account are finalised after 36 months. This period may be extended if a year of account goes into run-off. Syndicate 2468 may make earlier on account distributions or cash calls according to the cash flow of a particular year of account and subject to Lloyd’s requirements.

#### **(f) Translation of Foreign Currencies**

The financial statements are presented in Pounds Sterling (GBP) and, unless otherwise stated, are rounded to thousands. Items included in Syndicate 2468’s financial statements are measured using the currency of the primary economic environment in which it operates. Syndicate 2468’s functional currency is GBP.

Foreign currency transactions are translated into the functional currency using the average rate of exchange during the year. At each year end foreign currency monetary items are translated using the year end rate of exchange. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account for the year. All exchange differences arising from the translation from functional currency to presentation currency are recognised through the Statement of Comprehensive Income as a separate component of equity.

#### **(g) Tax**

No amount has been provided in these financial statements for tax on trading income. 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 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.

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

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No provision has been made for any United States Federal Income Tax payable on underwriting results or investment earnings. Any payments on account made by Syndicate 2468 during the year have been included in the balance sheet under the heading 'other debtors'.

No provision has been made for any other overseas tax payable by members on underwriting results.

#### (h) Investment Return

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

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 year.

#### (i) Other Financial Investments

Syndicate 2468 has chosen to apply the recognition and measurement provisions of IAS 39 (as adopted for use in the EU) and the disclosure requirements of FRS 102 in respect of the financial statements.

Syndicate 2468 classifies all of its investments as financial assets at fair value through profit and loss. Management determines the classification of its investments at initial recognition and re-evaluates this at every reporting date.

A financial asset is classified as fair value through profit and loss at inception if it is acquired principally for the purpose of selling in the short term, if it forms part of a portfolio of financial assets in which there is evidence of short-term profit-taking, or if so designated by management to minimise any measurement or recognition inconsistency with the associated liabilities. All derivatives are classified as at fair value through profit and loss.

Financial assets designated as at fair value through profit and loss at inception are those that are managed and whose performance is evaluated on a fair value basis. Information about these financial assets is provided internally on a fair value basis to Syndicate 2468's key management personnel. Syndicate 2468's investment strategy is to invest in listed and unlisted equity securities and fixed interest rate debt securities and derivatives designated upon initial recognition at fair value through profit and loss.

The fair values of listed investments are based on current bid prices on the balance sheet date. Unlisted investments for which a market exists are also stated at the current bid price on the balance sheet date or the last trading day before that date.

Net gains or losses arising from changes in the fair value of financial assets at fair value through profit and loss are presented in the Profit and Loss Account within 'Unrealised gains on investments' or 'Unrealised losses on investments' in the year in which they arise.

Syndicate 2468 discloses its investments in accordance with a fair value hierarchy with the following levels:

- i) Level 1 – the unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date;
- ii) Level 2 – inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

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- iii) Level 3 – inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability

#### **(j) Related Party Transactions**

Syndicate 2468 discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the financial statements.

#### **4. Critical Accounting Judgements and Estimation Uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Syndicate 2468 makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimation of the ultimate liability arising from claims made under insurance contracts is Syndicate 2468's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that Syndicate 2468 will ultimately pay for such claims. Some of these claims are not expected to be settled for several years and there is uncertainty as to the amounts at which they will be settled. The level of provision has been set on the basis of the information that is currently available, including potential outstanding loss advices, experience of development of similar claims and case law.

The most significant assumptions made relate to the level of future claims, the level of future claims settlements and the legal interpretation of insurance policies. Whilst the directors consider that the gross provision for claims and the related reinsurance recoveries are fairly stated on the basis of the information currently available to them, the ultimate liability will vary as a result of subsequent information and events and may result in adjustments to the amount provided. Adjustments to the amounts of provision are reflected in the financial statements for the year in which the adjustments are made. The methods used, and the estimates made, are reviewed regularly. No other material critical judgements have been identified.

#### **5. Management of Insurance and Financial Risk**

##### **Financial Risk Management Objectives**

Syndicate 2468 is exposed to insurance risk through the insurance contracts that it has written and to financial risk through its financial assets, reinsurance assets and policyholder liabilities. In particular, the key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from insurance policies as they fall due. The most important components of this financial risk are market risk (including interest rate risk, equity price risk and currency risk), credit risk and liquidity risk.

Syndicate 2468 has established an overall risk management policy which focuses on the main risks to which it is exposed, paying particular attention to key risks which impact on the overall operation of the business. A risk register is maintained which is updated at least quarterly. All risks on the register are reviewed with key management personnel and the Board reviews the key risks on a quarterly basis.

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

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#### (a) Insurance Risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty over the amount of the resulting ultimate claim. By the very nature of an insurance contract, this risk is unpredictable at the outset.

The principal risk that Syndicate 2468 faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. The actual number and amount of claims and benefits arising from insurance contracts will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be materially affected by a change in any subset of the portfolio. Syndicate 2468 has a diversified portfolio of insurance risks.

Syndicate 2468 mitigates insurance risk through the use of reinsurance, both in the form of third party reinsurance associated with the business originally written and reinsurance with affiliated reinsurers.

##### i) Process for Assessment of Technical Provisions

Syndicate 2468 adopts a consistent process to the calculation of an appropriate provision for the exposures arising from the business it has written. A full reserving analysis is conducted at least annually and the technical provisions recorded on the balance sheet are in line with the Board's view of the best estimate value of the underlying liabilities.

The technical provisions recorded at the reporting date comprise the estimated ultimate cost of settlement of all claims incurred in respect of events up to that date, whether reported or not, together with related claims handling expenses, less amounts already paid. This is estimated based on known facts at the balance sheet date. The provision is revised as part of a regular ongoing process as claims experience develops, certain claims are settled and further claims are reported.

Syndicate 2468 uses assumptions based on a mixture of internal and market data to measure its claims liabilities. This information is used to project the ultimate number and value of claims, by major class of business, using recognised statistical estimation techniques.

Assumptions are reviewed and tested regularly in the light of actual claims development and general market movements and trends.

##### ii) Sources of Uncertainty in the Estimation of Future Claim Payments

The sources of estimation uncertainty in establishing the ultimate liability arising from claims made under insurance contracts is discussed in Note 4.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. Syndicate 2468 takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

The liability for insurance contracts comprises a provision for claims incurred but not yet reported and a provision for reported claims not yet paid. The estimation of claims incurred but not

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

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reported is generally subject to a greater degree of uncertainty than the estimates of claims that have already been notified, for which there is more information available.

#### iii) Key Assumptions and Sensitivities

The assumptions that have the greatest impact on gross and net technical provisions are those that affect the expected level of claims in the liability and professional indemnity classes. The largest sensitivities on these classes are in respect of uncertainties around future numbers and amounts of claims. The reserves for these classes will be paid out over several years.

Syndicate 2468 is judged not to have material insurance exposure to COVID-19 related claims and has experienced limited claims notifications in this regard during 2020 and 2021. The 31<sup>st</sup> December 2021 technical provisions make allowance for potential claims arising in relation to this pandemic based on the detailed knowledge of business written and the expert judgements of actuarial and claims subject matter experts. While the final outcome of any potential claims is subject to uncertainty and is unlikely to be known for some time, the current provisions are deemed sufficient.

#### iv) Claims Development Tables

The following table presents the comparison of actual claims incurred to previous estimates for the last 10 years.

#### Claims Outstanding (Gross)

Underwriting Year	2016 £'000	2017 £'000	2018 £'000	2019 £'000	2020 £'000	Total £'000
<b>Estimate of cumulative gross claims</b>						
At the end of the first year	41,367	146,119	160,166	86,177	29,264	463,094
- One year later	72,453	224,852	288,461	251,336	28,431	865,533
- Two years later	90,344	262,651	313,773	235,351	-	902,119
- Three years later	97,252	278,620	304,656	-	-	680,528
- Four years later	127,176	251,218	-	-	-	378,394
- Five years later	117,684	-	-	-	-	117,684
Current estimate of cumulative claims	117,684	251,218	304,656	235,350	28,431	937,339
Cumulative payments to date	71,926	196,018	222,132	123,064	11,706	624,846
<b>Liability recognised in the balance sheet</b>	<b>45,758</b>	<b>55,200</b>	<b>82,524</b>	<b>112,286</b>	<b>16,725</b>	<b>312,493</b>



**Syndicate 2468**  
**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> December 2021**

**Claims Outstanding (Net)**

<b>Underwriting Year</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Estimate of cumulative gross claims</b>						
At the end of the first year	34,042	83,733	89,659	65,937	22,636	296,007
- One year later	65,149	135,615	189,046	173,869	8,752	572,431
- Two years later	81,493	165,142	208,026	163,137	-	617,798
- Three years later	82,337	169,514	207,059	-	-	458,950
- Four years later	92,925	159,539	-	-	-	252,464
- Five years later	85,293	-	-	-	-	85,293
Current estimate of cumulative claims	85,293	159,539	207,059	163,137	8,752	623,779
Cumulative payments to date	56,995	119,933	140,527	79,642	8,752	405,849
<b>Liability recognised in the balance sheet</b>	<b>28,298</b>	<b>39,606</b>	<b>66,532</b>	<b>83,495</b>	<b>-</b>	<b>217,930</b>

**Insurance Risk Concentrations**

The concentration of insurance risk before and after reinsurance by the most material classes of business is summarised below, with reference to the carrying amount of outstanding claims (gross and net of reinsurance) arising from insurance contracts,

	<b>2021</b>		<b>2020</b>	
	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Credit and suretyship	38,078	22,692	56,755	33,865
Fire and other damage to property	55,504	22,214	82,729	33,152
General liability	156,921	121,358	233,891	181,112
Income protection	4,730	4,374	7,050	6,528
Marine, aviation and transport	30,208	27,073	45,025	40,403
Medical expenses	213	213	317	318
Miscellaneous financial loss	231	206	344	307
Property reinsurance	21,032	14,224	31,348	21,228
Claims expense reserve	5,576	5,576	11,184	11,184
<b>Total technical provisions</b>	<b>£ 312,493</b>	<b>£ 217,930</b>	<b>£ 468,644</b>	<b>£ 328,097</b>

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

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#### (b) Market Risk

##### i) Interest Rate Risk

Interest rate risk arises primarily from investments in fixed interest securities. In addition, to the extent that claims inflation is correlated to interest rates, liabilities to policyholders are exposed to interest rate risk. Syndicate 2468 works closely with its investment manager to review the duration of the investment portfolio in relation to the estimated mean duration of the liabilities.

Given the short-term nature of the cash and investments of Syndicate 2468, it is not exposed to significant interest rate risk since maturing short term investments are repriced at market interest rates on an ongoing basis.

The impact of a 100 basis point increase in interest rates on the value of Syndicate 2468's investments held at 31<sup>st</sup> December 2021 is an approximate £229,000 (2020: loss £646,279 (50 Basis Points) to the profit and loss account. Similarly, a 100 basis point decrease in interest rates would give rise to an approximate £244,000 gain (2020: gain £646,279 (50 Basis Points) to the profit and loss account).

##### ii) Currency Risk

Syndicate 2468 manages its foreign exchange risk against its functional currency, which is the Pound Sterling. Syndicate 2468 has a proportion of its assets and liabilities denominated in currencies other than the Pound Sterling, the most significant being the US Dollar, Euro and Australian Dollar. Syndicate 2468 seeks to mitigate the risk by matching the estimated foreign currency denominated liabilities with assets denominated in the same currency, and by the utilisation of forward currency contracts.

At 31<sup>st</sup> December 2021, if the US Dollar had weakened by 10% more in 2021 against the Pound Sterling with all other variables held constant, profit for the year would have been £0.3 million higher (2020: £4.2 million lower), mainly as a result of net foreign exchange gains on the translation of Pound Sterling denominated financial assets, and Pound Sterling denominated liabilities.

At 31<sup>st</sup> December 2021, if the Euro had weakened by 10% more in 2021 against the Pound Sterling with all other variables held constant, profit for the year would have been £2.2 million lower (2020: £3.9 million lower), mainly as a result of net foreign exchange gains on the translation of Pound Sterling denominated financial assets, and Pound Sterling denominated liabilities.

At 31<sup>st</sup> December 2021, if the Canadian Dollar had weakened by 10% more in 2021 against the Pound Sterling with all other variables held constant, profit for the year would have been £1.3 million higher (2020: £0.3 million higher), mainly as a result of net foreign exchange gains on the translation of Pound Sterling denominated financial assets, and Pound Sterling denominated liabilities.

At 31<sup>st</sup> December 2021, if the Australian Dollar had weakened by 10% more in 2021 against the Pound Sterling with all other variables held constant, profit for the year would have been £0.2 million higher (2020: £0.4 million higher), mainly as a result of net foreign exchange gains on the translation of Pound Sterling denominated financial assets, and Pound Sterling denominated liabilities.

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

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#### (c) Credit Risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where Syndicate 2468 is exposed to credit risk are:

- reinsurers' share of insurance liabilities;
- amounts due from reinsurers in respect of claims already paid;
- amounts due from insurance intermediaries;
- amounts due from corporate bond issuers;
- counterparty risk with respect to derivative transactions; and
- cash at bank and in hand.

As Syndicate 2468 is in runoff its exposures to other reinsurers and insurance intermediaries are determined by contracts previously written. Syndicate 2468 manages the levels of credit risk from reinsurers and insurance intermediaries by quarterly review of receivable balances by counterparty. Management assesses the creditworthiness of all reinsurers and intermediaries by reviewing credit grades provided by rating agencies and other publicly available financial information. It is Syndicate 2468's policy to provide for reinsurer bad debts in situations where it does not expect to collect the full amount outstanding due to the financial position of the reinsurer or due to disputes over coverage. In certain circumstances, collateral is held in the form of either deposits or letters of credit from reinsurers.

Syndicate 2468 reduces its exposure to credit risk in relation to investments by entering into transactions with counterparties that are reputable and by settling trades through recognised exchanges. Syndicate 2468 maintains strict control limits on the maximum notional amount of derivative positions. The assets bearing credit risk are summarized below, together with an analysis by credit rating (AM Best or equivalent) :

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Derivative Financial Instruments	-	97
Shares and other variable-yield securities	60,226	107,093
Debt securities	34,397	-
Deposits with ceded undertakings	2,514	-
Assets arising from reinsurance contracts held	109,051	168,225
Cash at bank and in hand	66,915	112,286
Overseas deposits	16,038	23,599
	<u>          </u>	<u>          </u>
<b>Total assets bearing credit risk</b>	<b>£ 289,141</b>	<b>£ 411,300</b>

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
AAA	14,860	14,013
AA	53,664	34,180
A	131,527	211,542
B++ and below or not rated	89,090	151,565
	<u>          </u>	<u>          </u>
<b>Total assets bearing credit risk</b>	<b>£ 289,141</b>	<b>£ 411,300</b>

**Syndicate 2468**  
**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> December 2021**

Assets arising from reinsurance and insurance contracts held are further analysed as follows:

	2021 £'000	2020 £'000
Performing	109,051	168,225
Past due	-	-
Impaired	-	-
Provision for irrecoverable amounts	-	-
	<b>£ 109,051</b>	<b>£ 168,225</b>

**(d) Liquidity Risk**

The primary liquidity risk is the obligation to pay claims to policy holders as they fall due. The projected settlement of these liabilities is modelled, on a regular basis, using a combination of operational cash flow forecasting and actuarial techniques. The Board sets limits on the minimum proportion of maturing funds available to meet such calls and on the minimum level of borrowing facilities that should be in place to cover anticipated liabilities and unexpected levels of demand. The table below analyses the maturity of Syndicate 2468's financial liabilities and outstanding claims. All liabilities are presented on a contractual cash flow basis except for the insurance liabilities, which are presented in their expected cash flows.

	No Contractual Maturity Date £'000	< 6 months or on demand £'000	Between 6 months and 1 year £'000	Between 1 year and 2 years £'000	Between 2 years and 5 years £'000	> 5 Years £'000	Carrying Value £'000
<b>At 31<sup>st</sup> December 2021</b>							
Deposits with reinsurers	-	-	23,306	-	-	-	23,306
Creditors	-	-	26,951	-	-	-	26,951
Claims outstanding	-	-	69,075	117,787	78,935	46,696	312,493
<b>Financial liabilities and outstanding claims</b>	<b>£ -</b>	<b>£ -</b>	<b>£ 119,331</b>	<b>£ 117,787</b>	<b>£ 78,935</b>	<b>£ 46,696</b>	<b>£ 362,750</b>
<b>At 31<sup>st</sup> December 2020</b>							
Deposits with reinsurers	-	-	-	-	-	-	-
Creditors	40,139	-	3,992	-	-	-	44,131
Claims outstanding	-	-	110,508	167,335	142,802	47,999	468,644
<b>Financial liabilities and outstanding claims</b>	<b>£ 40,139</b>	<b>£ -</b>	<b>£ 114,500</b>	<b>£ 167,335</b>	<b>£ 142,802</b>	<b>£ 47,999</b>	<b>£ 512,775</b>

**(e) Capital Management**

Syndicate 2468 maintains an efficient capital structure comprising only its members' balances, consistent with its risk profile and the regulatory and market requirements of its business. Syndicate 2468's objectives in managing its capital are:

- to match the profile of its assets and liabilities, taking account of the risks inherent in the business

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

- to satisfy the requirements of its policyholders and regulators
- to retain financial flexibility by maintaining adequate liquidity

Syndicate 2468 is regulated by the Prudential Regulation Authority, the Financial Conduct Authority and Lloyd's and is subject to insurance solvency regulations which specify the minimum amount and type of capital that must be held in addition to the insurance liabilities. Syndicate 2468 manages capital in accordance with these rules and performs the necessary tests to ensure continuous and full compliance with such regulations. Syndicate 2468 has complied with all of its capital requirements throughout the year.

The minimum capital required to support Syndicate 2468 is required to be provided by the corporate member, 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, all of the assets less liabilities of the Syndicate, as represented in the member balances reported on the Balance Sheet, represent resources available to meet member and Lloyd's capital requirements.

#### 6. Segmental Analysis

	Gross premiums written 2021 £'000	Gross premiums earned 2021 £'000	Gross claims incurred 2021 £'000	Gross operating expenses 2021 £'000	Re- insurance balance 2021 £'000
<b>Direct Insurance</b>					
Accident and health	(140)	(122)	1,531	(54)	(1,151)
Motor	-	-	-	-	-
--Marine, aviation and transport	(804)	1,266	3,007	(1,665)	700
Credit and surety	73	168	271	(18)	(1,357)
Fire and other damage to property	(2,337)	6,856	24,493	(5,686)	(26,023)
Third party liability	(2,336)	3,096	5,025	(3,086)	(9,347)
	<u>(5,544)</u>	<u>11,264</u>	<u>34,327</u>	<u>(10,509)</u>	<u>(37,178)</u>
Reinsurance acceptances	<u>3,353</u>	<u>7,426</u>	<u>11,387</u>	<u>(1,841)</u>	<u>(3,943)</u>
<b>Total</b>	<b>£ (2,190)</b>	<b>£ 18,690</b>	<b>£ 45,714</b>	<b>(12,350)</b>	<b>£ (41,121)</b>

	Gross premiums written 2020 £'000	Gross premiums earned 2020 £'000	Gross claims incurred 2020 £'000	Gross operating expenses 2020 £'000	Re- insurance balance 2020 £'000
<b>Direct Insurance</b>					
Accident and health	1,078	1,325	476	(608)	-
Motor	-	-	-	-	-
Marine, aviation and transport	14,402	33,769	(21,067)	(16,060)	(4737)
Credit and surety	86	126	(152)	(52)	140
Fire and other damage to property	38,094	111,441	(147,837)	(54,754)	29,123
Third party liability	22,053	61,404	(91,540)	(31,619)	12,216
	<u>75,713</u>	<u>208,065</u>	<u>(260,120)</u>	<u>(103,093)</u>	<u>36,742</u>
Reinsurance acceptances	<u>(3,537)</u>	<u>32,883</u>	<u>(13,540)</u>	<u>(13,731)</u>	<u>(18,191)</u>
<b>Total</b>	<b>£ 72,176</b>	<b>£ 240,948</b>	<b>£ (273,660)</b>	<b>£ (116,824)</b>	<b>£ 18,551</b>

All premiums written were in respect of insurance contracts concluded in the UK.

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**Notes to the Financial Statements**  
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**7. Technical Provisions**

The change in the provisions for claims outstanding during the year was as follows:

	2021			2020		
	Gross £'000	Reinsurers' Share £'000	Net £'000	Gross £'000	Reinsurers' Share £'000	Net £'000
Claims outstanding at 1 January	468,644	(140,547)	328,097	389,009	(117,901)	271,108
Change in estimates of technical provisions, including foreign exchange	(48,439)	2,786	(45,653)	265,404	(100,032)	165,372
Paid claims	(107,712)	43,198	(64,514)	(185,769)	77,386	(108,383)
Claims outstanding at 31 December	<b>£ 312,493</b>	<b>£ (94,563)</b>	<b>£ 217,930</b>	<b>£ 468,644</b>	<b>£ (140,547)</b>	<b>£ 328,097</b>

Included within reinsurers' share of technical provisions – claims outstanding are amounts recoverable from related companies of £23.3 million (2020: £Nil)

The change in the provisions for unearned premium during the year was as follows:

	2021			2020		
	Gross £'000	Reinsurers' Share £'000	Net £'000	Gross £'000	Reinsurers' Share £'000	Net £'000
Unearned premium at 1 January	35,697	(5,677)	30,020	199,496	(33,373)	166,123
Premiums written in the year	(2,190)	(22,435)	(24,625)	72,176	(56,110)	16,066
Premiums earned in the year	(18,690)	24,284	5,594	(240,948)	84,472	(156,476)
Foreign exchange	(538)	49	(489)	4,973	(666)	4,307
Unearned premium at 31 December	<b>£ 14,279</b>	<b>£ (3,779)</b>	<b>£ 10,500</b>	<b>£ 35,697</b>	<b>£ (5,677)</b>	<b>£ 30,020</b>

The change in the provisions for deferred acquisition costs during the year was as follows:

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	2021			2020		
	Gross £'000	Reinsurers' Share £'000	Net £'000	Gross £'000	Reinsurers' Share £'000	Net £'000
Deferred acquisition costs at 1 January	9,735	-	9,735	54,826	-	54,826
Change in deferred acquisition costs	(7,463)	-	(7,463)	(46,344)	-	(46,344)
Foreign exchange	245	-	245	1,253	-	1,253
Deferred acquisition costs at 31 December	£ <u>2,517</u>	£ <u>-</u>	£ <u>2,517</u>	£ <u>9,735</u>	£ <u>-</u>	£ <u>9,735</u>

**8. Net Operating Expenses**

Syndicate operating expenses included within net operating expenses comprise:

	2021 £'000	2020 £'000
Administrative expenses	11,057	50,488
Acquisition costs	(6,170)	19,992
Change in deferred Acquisition Costs	<u>7,463</u>	<u>46,344</u>
	£ <u>12,350</u>	£ <u>116,824</u>

From the 1<sup>st</sup> July 2020, the management and administration of RiverStone Managing Agency is carried out by RiverStone Management, a fellow subsidiary, which also provides these services to other group companies. RiverStone Management recharges these costs to RiverStone Managing Agency, which in turn recharges them to Syndicate 2468. Prior to this date Neon Management Services Limited recharged costs to Neon Underwriting Limited, which in turn recharged them to Syndicate 2468.

Operating costs charged to Syndicate 2468 by RiverStone Managing Agency during the year were £6,359,848 (2020: £Nil).

The Directors, Run-off Manager and other key management personnel of Syndicate 2468 receive no emoluments from RiverStone Managing Agency. The contracts of employment of the U.K. executive Directors and employees are with RiverStone Management which makes charges for the services described above. Emoluments paid by RiverStone Management to the key management personnel of Syndicate 2468 in respect of their services in relation to Syndicate 2468 are summarised below. These amounts represent emoluments based on an apportionment of time.

	2021 £'000	2020 £'000
Total emoluments: Directors, run off manager and key management personnel	£ <u>480</u>	£ <u>4,088</u>
Run-off Manager	£ <u>1,014</u>	£ <u>671</u>

Further information in respect of the directors of RiverStone Managing Agency is provided in that company's financial statements.

**Syndicate 2468**  
**Notes to the Financial Statements**  
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**9. Auditors' Remuneration**

Fees payable for the audit of the annual accounts of RiverStone Managing Agency Limited are £12,125 (2020: £7,913). Fees payable for audit-related assurance services provided to the managing agent are £nil (2020: nil). There were no other fees payable for the provision of other non-audit services.

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Audit of these financial statements	109	322
Audit related assurance services	96	51
Non-audit related other assurance services	85	-
	<b>£ 290</b>	<b>£ 373</b>

**10. Investment Income**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Income from financial assets at fair value through profit and loss	<b>£ 1,175</b>	<b>£ 1,449</b>

**11. Investment Expenses and Charges**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Investment expenses	<b>£ 10</b>	<b>£ 3</b>

**12. (Loss) / Profit for the year**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
The (Loss)/Profit for the year is stated after charging:		
Foreign exchange loss	<b>£ 3,572</b>	<b>£ 1,708</b>



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**13. Other Financial Investments**

**(a) Other Financial Investments by Category**

	<b>Market Value 2021 £'000</b>	<b>Market Value 2020 £'000</b>	<b>Historic Cost 2021 £'000</b>	<b>Historic Cost 2020 £'000</b>
<b>Financial Assets – at fair value through profit and loss</b>				
Shares and other variable-yield securities and units in unit trusts - designated at fair value through profit and loss on initial recognition	60,226	107,093	60,226	107,093
Debt securities and other fixed interest securities designated at fair value through profit and loss on initial recognition	34,397	-	35,012	-
Derivative financial instruments - at fair value through profit and loss, held for trading	-	97	-	-
	<u>£ 94,623</u>	<u>£ 107,190</u>	<u>£ 95,238</u>	<u>£ 107,093</u>

**Financial Liabilities**

Derivative financial instruments - at fair value through profit and loss, held for trading	<u>£ -</u>	<u>£ 3,992</u>	<u>£ -</u>	<u>£ -</u>
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**(b) Listed Investments**

Included in carrying values of financial assets above are amounts in respect of listed investments as follows:

	<b>2021 £'000</b>	<b>2020 £'000</b>
<b>At fair value through profit and loss</b>		
Shares and other variable yield securities and units in unit trusts	-	-
Debt securities and other fixed interest securities	<u>34,397</u>	<u>-</u>
<b>Total listed investments</b>	<u>£ 34,397</u>	<u>£ -</u>

**Syndicate 2468**  
**Notes to the Financial Statements**  
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**Derivative Financial Instruments at Fair Value through Profit and Loss**

	<b>Market Value 2021 £'000</b>	<b>Market Value 2020 £'000</b>
<b>Derivative financial instruments assets</b>		
Foreign currency forward contracts	£ <u>-</u>	£ <u>97</u>
<b>Derivative financial instruments liabilities</b>		
Foreign currency forward contracts	£ <u>-</u>	£ <u>3,992</u>

The foreign currency forward contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key inputs used in valuing the derivatives are the forward exchange rates for USD: GBP.

	<b>Market Value</b>	
	<b>2021 £'000</b>	<b>2020 £'000</b>
Foreign currency forward contracts	£ <u>-</u>	£ <u>97</u>

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**(c) Disclosures of Fair Values in Accordance with the Fair Value Hierarchy**

	<b>Level 1 2021 £'000</b>	<b>Level 2 2021 £'000</b>	<b>Level 3 2021 £'000</b>	<b>Total 2021 £'000</b>
Shares and other variable yield securities and units in unit trusts	58,790	-	1,436	60,226
Debt securities and other fixed interest securities	-	34,397	-	34,397
Overseas Deposits	1,456	14,582	-	16,037
Derivative financial instruments at fair value through profit or loss, held for trading	-	-	-	-
Deposits with credit institutions	-	-	-	-
	<b>£ 60,246</b>	<b>£ 48,979</b>	<b>£ 1,436</b>	<b>£ 110,660</b>
	<b>Level 1 2020 £'000</b>	<b>Level 2 2020 £'000</b>	<b>Level 3 2020 £'000</b>	<b>Total 2020 £'000</b>
Shares and other variable yield securities and units in unit trusts	387	105,270	1,436	107,093
Debt securities and other fixed interest securities	-	-	-	-
Overseas Deposits	3,820	19,779	-	23,599
Derivative financial instruments at fair value through profit or loss, held for trading	-	97	-	97
Deposits with credit institutions	-	-	-	-
	<b>£ 4,207</b>	<b>£ 125,146</b>	<b>£ 1,436</b>	<b>£ 130,789</b>

**(d) Level 3 Pricing**

Level 3 investments are made up of loan to the Lloyd's Central Fund of £1,435,500 (2020: £1,435,500). This is valued at fair value.

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(e) **Reconciliation of Movements in Level 3 Financial Investments Measured at Fair Value**

	At Fair Value Through Profit and Loss			
	Debt Securities	Equity Shares	Derivatives	Total
	2021	2021	2021	2021
	£'000	£'000	£'000	£'000
At 1 <sup>st</sup> January	-	-	97	97
Expiry of in force forward contracts	-	-	(97)	(97)
<b>Total</b>	<b>£ -</b>	<b>£ -</b>	<b>£ -</b>	<b>£ -</b>

	At Fair Value Through Profit and Loss			
	Debt Securities	Equity Shares	Derivatives	Total
	2020	2020	2020	2020
	£'000	£'000	£'000	£'000
At 1 <sup>st</sup> January	-	-	155	155
Expiry of in force forward contracts	-	-	(58)	(58)
Sales	-	-	-	-
<b>Total</b>	<b>£ -</b>	<b>£ -</b>	<b>£ 97</b>	<b>£ 97</b>

Total losses of £4.8 million (2020: gains £Nil million as derivatives were shown as level 2 in the prior year) comprise realised losses of £4.8 million, and unrealised losses of £Nil million on Level 3 financial investments held during the year, all of which are presented in the net investment return in the profit and loss account.

(f) **Collateralised Cash and Investments**

Syndicate 2468 maintains Lloyd's trust funds and overseas deposits in respect of its contractual obligations under which Syndicate 2468 is obliged to collateralise its liabilities. The total amount of collateral provided at 31<sup>st</sup> December 2021 was £107.5 million.

**14. Debtors Arising Out of Direct Insurance Operations**

	2021 £'000	2020 £'000
Amount owed from intermediaries	£ <u>12,707</u>	£ <u>33,464</u>

**Syndicate 2468**  
**Notes to the Financial Statements**  
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**15. Debtors Arising Out of Reinsurance Operations**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Amount owed from intermediaries	<u>28,210</u>	<u>27,678</u>
	<b>£ 28,210</b>	<b>£ 27,678</b>

**16. Other Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Overseas taxation	4,482	3,812
Claims loss funds	-	14,256
Other debtors	<u>27</u>	<u>673</u>
	<b>£ 4,509</b>	<b>£ 18,741</b>

**17. Creditors Arising out of Direct Insurance Operations**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to cedants and intermediaries	<u>£ 7,437</u>	<u>£ 13,116</u>

**18. Creditors Arising out of Reinsurance Operations**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to cedants and intermediaries	<u>12,828</u>	<u>15,732</u>
	<b>£ 12,828</b>	<b>£ 15,732</b>

**19. Other Creditors Including Taxation and Social Security**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to group undertakings	6,686	10,882
Other Creditors	-	409
Derivative liabilities	<u>-</u>	<u>3,992</u>
	<b>£ 6,686</b>	<b>£ 15,283</b>

**Syndicate 2468**  
**Notes to the Financial Statements**  
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**20. Movement in Opening and Closing Portfolio Investments Net of Financing**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Net cash outflow for the year	(44,362)	65,848
Increase in overseas deposits	(6,997)	(683)
Net portfolio investment	<u>(13,017)</u>	<u>(59,437)</u>
Movement arising from cash flows	(64,376)	5,728
Changes in market value and exchange rates	<u>(1,123)</u>	<u>(3,811)</u>
Total movement in portfolio investments, net of financing	(65,499)	1,917
Balance brought forward at 1 <sup>st</sup> January, net of financing	<u>243,075</u>	<u>241,158</u>
<b>Balance carried forward at 31<sup>st</sup> December, net of financing</b>	<b>£ <u>177,576</u></b>	<b>£ <u>243,075</u></b>

**21. Movement in Cash, Portfolio Investments and Financing**

	<b>At</b>		<b>Changes to</b>	
	<b>1 January</b>	<b>Cash</b>	<b>Market</b>	<b>At 31</b>
	<b>2021</b>	<b>Flow</b>	<b>Value and</b>	<b>December</b>
	<b>£'000</b>	<b>£'000</b>	<b>Currencies</b>	<b>2021</b>
			<b>£'000</b>	<b>£'000</b>
Cash at bank and in hand	112,286	(44,362)	(1,009)	66,915
Overseas deposits	<u>23,599</u>	<u>(6,997)</u>	<u>(564)</u>	<u>16,038</u>
	<b><u>135,885</u></b>	<b><u>(51,359)</u></b>	<b><u>(1,573)</u></b>	<b><u>82,953</u></b>
<b>Portfolio investments:</b>				
Shares and other variable yield securities	107,093	(48,022)	1,155	60,226
Debt and other fixed income	-	35,102	(705)	34,397
Derivative financial instruments	97	(97)	-	-
Deposits with credit institutions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total portfolio investments</b>	<b><u>107,190</u></b>	<b><u>(13,017)</u></b>	<b><u>450</u></b>	<b><u>94,623</u></b>
<b>Total cash, portfolio investments and financing</b>	<b>£ <u>243,075</u></b>	<b>£ <u>(64,376)</u></b>	<b>£ <u>(1,123)</u></b>	<b>£ <u>177,576</u></b>

**22. Net Cash Inflow (Outflow) on Portfolio Investments**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Shares and other variable yield securities	48,022	53,058
Debt and other fixed income securities	(35,102)	6,322
Derivative financial instruments	97	58
Deposits with credit institutions	<u>-</u>	<u>-</u>
<b>Net cash inflow/ (outflow) on portfolio investments</b>	<b>£ <u>13,017</u></b>	<b>£ <u>59,438</u></b>

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

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#### 23. Commitments and Contingent Liabilities

As at 31<sup>st</sup> December 2021, there were no outstanding commitments or contingent liabilities (2020: nil).

#### 24. Funds at Lloyd's

Every member of Lloyd's is required to hold capital at Lloyd's which is held in trust and known as Funds at Lloyd's (FAL). These funds are required primarily in case syndicate assets prove insufficient to meet members' underwriting liabilities. The level of FAL that Lloyd's requires a member to maintain is determined by Lloyd's according to the nature and the amount of risk to be underwritten by the member and the assessment of the reserving risk in respect of that business. FAL is not hypothecated to any specific syndicate participation by a member, therefore there are no specific funds available to a Syndicate which can be precisely identified as its capital. Consequently, no amount has been shown in these financial statements by way of capital reserves. In addition to the FAL and any additional funds a member may introduce to meet losses, there is a Central Guarantee Fund controlled by Lloyd's which they may utilise to meet any syndicate liabilities that are not met by a member.

#### 25. Related Parties

The managing agent of the syndicate, RiverStone Managing Agency, and the corporate member that provides capital to the syndicate, RiverStone Corporate Capital, are wholly owned subsidiaries of RiverStone Holdings Limited which is registered in England and Wales. The ultimate parent company and controlling party is Gatland Holdings Jersey Limited ("Gatland") which is registered in Jersey.

The nature of the transactions with the related parties below were primarily the provision of services and insurance transactions. All transactions are entered into on an arms length basis.

The following amounts reflected in the profit and loss were transacted with related parties:

	<u>2021</u>	<u>2020</u>
	<u>£'000</u>	<u>£'000</u>
Neon Management Services Limited	-	-
Neon Underwriting Limited	(4,306)	(52,413)
Riverstone Managing Agency Limited	(6,329)	-
Other RSMA managed Syndicates	-	-
Gatland subsidiaries (Insurance)	(11,416)	-
Gatland subsidiaries (Other)	-	-
<b>Total</b>	<b>£ (22,051)</b>	<b>£ (2,528)</b>

# Syndicate 2468

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> December 2021

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The following balance sheet amounts were outstanding at the year end

	<u>2021</u>	<u>2020</u>
	<u>£'000</u>	<u>£'000</u>
Neon Management Services Limited	(4,777)	(10,249)
Neon Underwriting Limited	-	(633)
Riverstone Managing Agency Limited	(1,722)	-
Other RSMA managed Syndicates	(14,503)	-
Gatland subsidiaries (Insurance)	(8,800)	-
Gatland subsidiaries (Other)	(186)	-
<b>Total</b>	<b>£ (29,988)</b>	<b>£ (10,882)</b>

#### 26. Subsequent Events

The 2019 year of account was closed into Syndicate 3500 as of 1<sup>st</sup> January 2022, this is considered a non-adjusting post balance sheet event.