

# Syndicate Accounts

## Frequently Asked Questions

Period: Q2 2025 Reporting

Version: 2.0

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## 1. Version Control

Version	Period	Section	Question	Date	Comments
1.0	Q2 2025	All	-	30/06/25	First Version
2.0	Q2 2025	3A & 3B	A3-A6 & B1	16/07/25	Updated to address queries from managing agents and audit firms

## 2. Introduction

The purpose of this Frequently Asked Questions ('FAQ') document is to provide supplementary information and/or clarification in respect of the [Download Syndicate Accounts Instructions V3.0](#) (the "Instructions") issued in December 2024.

These FAQs will be updated as required during the reporting period and published on the Lloyd's website ([Syndicate Accounts & Financial Reporting>Specifications](#)), with all changes clearly logged in the Version Control section of this document. Once issued, these FAQs are a formal addendum to the Syndicate Accounts Instructions V3.0 and must be complied with.

The answers to all FAQ's included in this version will be used to update the Syndicate Account Instructions issued ahead of the next reporting period.

For further clarification on the content of this document please email Central Finance at [Lloyds-MRD-ReturnQueries@lloyds.com](mailto:Lloyds-MRD-ReturnQueries@lloyds.com).

### 3. Frequently Asked Questions

#### A. Illustrative Syndicate Accounts

	Question (reference)	Answer
<b>A1</b>	<p>Should the comparative reporting period for the Cash and cash equivalents note be 31 December or 30 June for interim reporting?</p> <p><i>Illustrative Syndicate Accounts V3.0 – Note 24</i></p>	<p>The comparative reporting period for the Cash and cash equivalents note at interim should be 31 December 2024, not 30 June 2024 (as incorrectly shown in the appendix to the Illustrative Syndicate Accounts).</p> <p>This ensures compliance with FRS 102.7.20.</p>
<b>A2</b>	<p>Do the interim accounts need to include the full disclosure on accounting policies that was included in the annual accounts?</p> <p><i>Illustrative Syndicate Accounts V3.0 – Note 3</i></p>	<p>As set out in FRS 104 (16A(a)), full disclosure of all accounting policies is not required within the interim accounts unless there have been changes in the period, in which case the nature of these changes must be disclosed.</p> <p>This disclosure was marked as 'yes' in the Appendix to the Illustrative Syndicate Accounts to prompt this reduced disclosure, rather than prescribe that the full detail should be reported.</p>
<b>A3</b>	<p>FRS 104.16A(j) requires the disclosure of fair value measurements, categorised by the fair value hierarchy, in interim financial reports. However, in the Illustrative Syndicate Accounts the fair value hierarchy table in Note 11 is marked as 'NO' for interim. Are we required to include this disclosure?</p> <p><i>Illustrative Syndicate Accounts V3.0 – Note 11 / Appendix</i></p> <p><i>Syndicate Accounts Instructions V3.0, section 1.3.1</i></p>	<p>FRS 104.16A(j) does require the disclosure of financial investments by fair value hierarchy at interim, with reference to the disclosure requirements of FRS 102 paragraphs 11.43, 11.48A(e), and 34.22, where applicable.</p> <p>The Illustrative Syndicate accounts have not marked this as required at interim as this disclosure is not reported at the Lloyd's aggregate level at interim. Therefore, compliance with FRS 104.16A(j) in the Syndicate interim accounts is optional.</p> <p>If you chose not to include this disclosure, it has been agreed with the audit firms that you should update the basis of preparation note in the Interim Syndicate Accounts as follows:</p> <p><i>The interim condensed financial statements have been prepared in accordance with the Lloyd's Syndicate Accounts Instructions Version [X.X], as modified by the Frequently Asked Questions Version [X.X] issued by Lloyd's (the 'instructions'), which require compliance with FRS 104 Interim Financial Reporting except as permitted by the instructions.</i></p> <p>To reflect this, the Syndicate Accounts Instructions will be updated as follows:</p> <p><i>1.3.1 Syndicate Accounts are required to be prepared in accordance with the LR 2008 and applicable Accounting Standards in the United Kingdom and the Republic of Ireland, including Financial Reporting Standard 102 (FRS 102). FRS 102 requires the application of Financial Reporting Standard 103 (FRS 103) in relation to insurance contracts. For interim reporting, the Syndicate Accounts should <del>also</del> comply with Financial Reporting Standard 104 (FRS 104), <b>except where these instructions, including any relevant FAQ, specifically state that a disclosure is optional.</b></i></p>

	Question (reference)	Answer
A4	<p>In the appendix to the Syndicate Accounts Instruction, is the FRS 104 accounting reference for Note 3 correct?</p> <p><i>Illustrative Syndicate Accounts V3.0 – Appendix</i></p>	<p>The accounting reference in the appendix to the syndicate accounts instructions for Note 3 (currently stated as FRS 104.16A(j)) is not correct. The correct reference is FRS 104.16A(a).</p> <p>Refer also to FAQ A2, above.</p>
A5	<p>Are we required to include the Statement of Managing Agent's Responsibilities, as it's not an FRS 104 requirement?</p> <p><i>Illustrative Syndicate Accounts V3.0 – Statement of Managing Agent's Responsibilities</i></p>	<p>Yes, the Statement of Managing Agents Responsibilities must be included in the interim accounts, as indicated in the Appendix to the Illustrative Syndicate Accounts V3.0.</p> <p>Whilst not a specific requirement of FRS 104, it is common market practice for interim reporting. The purpose of the Statement of Managing Agent's Responsibility is to provide confirmation to Lloyd's that the interim syndicate accounts have been approved by the Managing Agent, replacing the Managing Agent's Report (910) previously collected by Lloyd's in relation to the Q2 QMA.</p> <p>Illustrative wording for the Statement of Managing Agent's Responsibilities in the interim syndicate accounts is as follows:</p> <p><i>The Directors of the managing agent are responsible for preparing the interim syndicate accounts in accordance with applicable law and regulations.</i></p> <p><i>The Underwriting Byelaw (No. 2 of 2003) requires the Directors of the managing agent to prepare financial returns in the format specified by the Council of Lloyd's. The required format and content for interim reporting is a set of interim syndicate accounts prepared in accordance with the Syndicate Accounts Instructions version [X.X], as modified by the Frequently Asked Questions version [X.X].</i></p> <p><i>In preparing these financial statements, the Directors of the managing agent are required to:</i></p> <ul style="list-style-type: none"> <li><i>• select suitable accounting policies and then apply them consistently;</i></li> <li><i>• make judgements and estimates that are reasonable and prudent;</i></li> <li><i>• assess the syndicate's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and</i></li> <li><i>• use the going concern basis of accounting unless they either intend to cease trading or have no realistic alternative but to do so.</i></li> </ul> <p><i>We confirm that to the best of our knowledge the interim syndicate accounts, including the iXBRL tagging applied to these accounts, comply with the requirements of the Lloyd's Syndicate Accounts Instructions version [X.X] as modified by the Frequently Asked Questions version X.X issued by Lloyd's.</i></p>

	Question (reference)	Answer
<b>A6</b>	<p>Are we required to include the Managing Agent's Report as it's not an FRS 104 requirement?</p> <p><i>Illustrative Syndicate Accounts V3.0 – Managing Agent's Report</i></p>	<p>Yes, the Managing Agent's Report must be included in the interim accounts, as indicated in the Appendix to the Illustrative Syndicate Accounts V3.0.</p> <p>Whilst not a specific requirement of FRS 104, it is common market practice for interim reporting. The Managing Agent's Report plays a key role in supporting robust governance: it enables directors to provide thoughtful narrative on recent performance, highlight emerging risks or priorities, and ensure that significant developments are clearly recorded. From Lloyd's perspective, the report demonstrates the managing agent's accountability and transparency, and it will be the primary reference for addressing any initial questions on the interim financial results.</p> <p>As there are no Insurance Accounts Directive requirements applicable for interim reporting, the content of the report is at the discretion of Managing Agents, allowing for a more focused and relevant update. It may also be a relevant place for disclosure of narrative required by FRS 104.16A(b-d), if not addressed elsewhere in the interim report.</p>

## B. Syndicate Accounts Instructions

	Question (reference)	Answer
<b>B1</b>	<p>Are the interim syndicate accounts required to be approved by the board?</p>	<p>Financial reporting that has an audit/review opinion would normally go to the audit committee and be recommended to the board for approval. However, it is at each managing agent's discretion whether this has been delegated to a relevant sub-committee / directors, as may have been the case for the Q2 QMA in previous years.</p> <p>Therefore, the approval process for the interim syndicate accounts will depend on each managing agent's documented process; but after the accounts have been through the required governance, at a minimum Lloyd's expect the interim syndicate accounts to be signed by the finance director.</p> <p>The signature(s) should be included as part of the Statement of Managing Agent's responsibilities. There is no requirement to include director's signatures elsewhere in the interim report.</p>