Antares at Lloyds - Syndicate 1274

Annual Report and Accounts
31 December 2023

Antares

ANTARES SYNDICATE 1274

SYNDICATE ANNUAL REPORT AND ACCOUNTS
31 DECEMBER 2023

Contents

Directors and Administration

Managing Agent:
Antares Managing Agency Limited

Directors
H E Clarke** (resigned 31 December 2023)
M C Graham
Ahmed El Tabbakh*
A Craggs (resigned 28 July 2023)
M Van Der Straaten*
J L Lye
M Rajoo-Oakley
H R McKinlay**
R J Camp
R A Keers
B B Secrett**
G Sah

* Non-Executive Director
** Independent Non-Executive Director

Secretary
C L Sweeney

Managing Agent's Registered Office
21 Lime Street London, EC3M 7HB

Managing Agent's Registered Number
6646629

Syndicate 1274:

Active Underwriter
J L Lye

Bankers
Lloyds TSB Bank PLC
25 Gresham Street, London EC2V 7HN

Registered Auditor
KPMG LLP
15 Canada Square, London E14 5GL

Managing Agent's Report

The Directors of Antares Managing Agency Limited ('the Managing Agent') present their Report for the year ended 31 December 2023.

Directors
The names of the Directors who served during the year can be found in the Directors and Administration information on page 3.

Directors' Interests
None of the Directors hold any interests in Antares Managing Agency Limited.

The Managing Agent
The Managing Agent is Antares Managing Agency Limited (AMAL), whose registered office is 21 Lime Street, London, EC3M 7HB and registered number is 6646629.

Results and Review of the Business
Syndicate 1274 is a provider of global insurance and reinsurance products. The Syndicate is fully aligned with 100% of its capacity provided by Qatar Insurance Company QSPC ("QIC" formerly Qatar Insurance Company SAQ), a publicly listed composite insurer listed on the Qatar Exchange.

Antares Global Management Limited ("AGML") provides insurance services to the Syndicate under an outsourcing agreement with AMAL.

In line with QIC's strategy, the objective of the Syndicate is to contribute to profitable growth. The Syndicate provides a worldwide, diversified, range of insurance and reinsurance products and is dedicated to providing an efficient and effective service to its clients ensuring quality, security, continuity and a consistent approach to risk transfer.

$000	2023	2022
Gross Premium Written	599,087	554,199
Net Premium Earned	527,113	438,851
Net Claims Incurred	(285,589)	(307,373)
Net Commission	(127,439)	(103,066)
Net Underwriting Result	**114,085**	**28,412**
Operating Expenses	(56,997)	(40,917)
Net Foreign Exchange	397	(537)
Investment Return	48,975	(35,041)
Net Loss	106,460	(48,083)

Ratios:		
Claims Ratio	54.18%	70.04%
Commission Ratio	24.18%	23.49%
Expense Ratio	10.81%	9.32%
Combined Ratio	89.17%	102.85%

The above ratios have been calculated using net earned premium.

In 2023, the Syndicate made a profit of of $106m (2022: $48m loss).

At 89% (2022: 103%), the combined ratio has benefited from a relatively benign natural catastrophe season driving a net loss ratio below that of prior year. However, this favourable catastrophe experience was offset by individual large loses and increased reserves on long tail casualty lines in older years.

Premiums
The whole account increased by 8% to $599m (2022: $554m) driven by the Property Treaty and Marine Treaty classes.

Claims
Net claims incurred were $286m (2022: $307m) with the Claims Ratio decreasing from 70% to 54%. The decrease in the Claims Ratio is driven by the relatively benign natural catastrophe season experienced in 2023 together with positive underwriting results in the remaining segments. (Motor is an exception and is in run off, contributing an immaterial underwriting loss of £0.2m).

Commissions
The Syndicate continued to carefully manage commissions with the acquisition ratio remaining relatively stable at 24% (2022: 23%).

Expenses
Operating expenses increased to $57m (2022: $41m) and the expense ratio followed at 11% (2022 9%) driven by inflation and a larger bonus accrued due to the higher profits.

Investments
Overall, investments contributed a profit of $49m the result (2022 $35m loss), representing a 5.1% return (2022: -3.7%).

The fourth quarter of 2023 has seen a large movement in the unrealised position as markets have started to factor in rate cuts. Whilst interest rates have not moved in the quarter market expectation has seen treasury yields fall which in turn has seen the value of the fixed income portfolio increase.

Financial Instruments
Details of financial instruments are provided in Note 20 to the accounts.

Going Concern
In assessing going concern for the Syndicate, Lloyd's approved the 2024 year of account Syndicate Business Forecast and the Syndicate continues to underwrite in 2024. The Directors reviewed the budgets and forecasts, as well as the available sources of capital and the uses of that capital and associated cash flow for the Syndicate. After consideration of these factors, the Directors have concluded that it is appropriate to adopt the going concern basis of accounting.

Events after the Reporting Period and Future Developments
There are no events that are material to the operations of the Syndicate that have occurred since the reporting date (Note 22).

Principal Risk and Uncertainties
The Syndicate's activities expose the business to a number of risks which have the potential to affect the achievement of the business objectives. The Board of the Managing Agency (the AMAL Board) is responsible for maintaining an appropriate structure for managing these risks and acknowledges that it is not possible to eliminate risk(s) entirely. However, the AMAL Board seeks to manage risk in line with risk appetite by maintaining effective systems and controls.

Risk Categories
The Syndicate is exposed to risk in the following categories:

Underwriting Risk is defined as the risk that the frequency and severity of insured events exceeds the expectations of Syndicate 1274 at the time of underwriting.

Reserving Risk is defined as the risk of loss due to the previously established reserves for claims reported on previously exposed business turning out to be incorrect in terms of quantum or timing.

Claims Management Risk is the risk of loss or regulatory breach due to inappropriate claim management process and/or inadequate governance.

Credit Risk is defined as the risk of loss due to counterparty default or failure to fulfil their obligations. This is the risk of loss or of adverse change in AMAL's financial position, resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which AMAL is exposed, in the form of counterparty default risk, spread risk, or market risk concentrations.

Market Risk is defined as the risk of loss, or of adverse change in the financial situation, resulting directly or indirectly from fluctuations in the volatility of market prices of assets, liabilities and financial instruments. It is the risk that the value of AMAL's basic own funds changes unfavourably, due to economic factors such as variations in interest rates.

Liquidity Risk is defined as the risk of loss, or inability to realise investments and other assets, in order to settle financial obligations when they fall due.

Operational Risk is defined as the risk of loss arising from inadequate or failed internal processes, people, and systems or from external events impacting AMAL's ability to operate. This risk encompasses all functions rendered in the course of conducting business. This includes legal and regulatory risk, but excludes risks arising from strategic and reputational risk.

Regulatory Risk is the risk that the Managing Agency fails to meet the regulatory requirements of the Financial Conduct Authority, the Prudential Regulation Authority and Lloyd's. Lloyd's requirements include those imposed on the Lloyd's market by overseas regulators, particularly in respect of US situs business. Antares Managing Agency Limited has a Compliance department that monitors regulatory developments and assesses the impact on Agency policy.

Strategic Risk is defined as the risk to earnings or capital arising from adverse business decisions or improper implementation of those decisions. This risk is a function of the compatibility between AMAL's strategic goals, the business strategies developed to achieve those goals, the resources deployed against these goals, the quality of implementation and appropriateness of response to changing business conditions. This includes reputational risk that is recognised as a by-product of inappropriate and/or inadequate management and mitigation of other risk categories.

AMAL recognises **reputational risk** as a by-product of inappropriate/inadequate management and mitigation of all other risk categories.

Group Risk is the possibility that the operation of one part of the Group adversely affects another. Group risk includes: negative publicity; inadequate communication within the organisation; undue influence from fellow subsidiaries; holding companies or stakeholders; financial pressures to make funds available to the Group; and financial restraint leading to shortcomings in core activities. The overall strategy is to minimise Group risk by ensuring that there are clear lines of authority and communication between related parties, and that any intra-Group agreements are formed objectively and clearly understood by all parties.

Climate Change Risk

Climate Change, and the response to climate change is an evolving risk area which has potential to impact AMAL along with the wider insurance industry. This risk could impact not only the physical environment, but also the liability environments in which we operate. There may also be potential transition risks arising from the transition to low carbon economy. Such impacts could be short or long term in nature, and potentially affect our other key risk types described above.

AMAL has a process to monitor the risks arising from climate change on an ongoing basis. This includes the monitoring of qualitative and quantitative considerations across the business (including the utilisation of scenario testing where feasible). Climate change risks are considered as part of our wider ongoing risk management processes, as is the case for the other potential risks impacting the organisation. We continue to monitor developments in this space, including regulatory expectations in this area.

Risk Governance

The AMAL Board is ultimately responsible for ensuring the effective management and control of risk affecting the Syndicate. The AMAL Board is committed to maintaining sound risk management and control systems that are suitable, effective and proportionate to protect the interests of all stakeholders. The AMAL Board has, for practical reasons, delegated its day-today responsibility for different aspects of the risk management to committees and the senior management.

Refer to Note 20 – Risk Management for more information on how the Syndicate 1274 monitors, controls, mitigates and manages the risks described above.

Business Outlook

The Syndicate Business Forecast for 2024 year of account has been approved by Lloyd's and management are continuing to focus on growth and profit. The stamp capacity for 2024 year of account is $490m.

Disclosure of Information to the Auditors

The Directors each confirm that:

- so far as they are aware, there is no relevant audit information of which the Syndicate'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 Syndicate's auditors are aware of that information.

Auditors

Pursuant to section 14(2) of Schedule 1 of the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board

C L Sweeney
Company Secretary
27 February 2024

Statement of Managing Agent's Responsibilities

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

The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 require the Managing Agent to prepare Syndicate annual accounts at 31 December each year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland). The annual accounts are required by law to give a true and fair view of the state of affairs of the syndicate as at that date and of its profit or loss for that year.

Under Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 the directors of the Managing Agent must not approve the annual accounts unless they are satisfied that they give a true and fair view of the state of the affairs of the Syndicate and of the profit or loss of the Syndicate for that period. In preparing these annual accounts, the Directors of the Managing Agent are required to:

1. select suitable accounting policies and then apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the annual accounts; and
4. assess the Syndicate's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
5. prepare the annual accounts on the basis that the syndicate will continue to write future business unless it is inappropriate to presume that the syndicate will do so.

The Directors of the Managing Agent are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Syndicate and enable it to ensure that the Syndicate annual accounts comply with the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of the annual accounts that are free from material misstatement, whether due to fraud or error and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Syndicate and to prevent and detect fraud and other irregularities.

The Directors of the Managing Agent is responsible for the maintenance and integrity of the corporate and financial information included on the business' website. Legislation in the United Kingdom governing the preparation and dissemination of annual accounts may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Members of Syndicate 1274

Opinion

We have audited the Syndicate annual accounts of Syndicate 1274 ("the Syndicate") for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, Balance Sheet – Assets, Balance Sheet – Liabilities, Statement of Changes in Members' Balances, Statement of Cash Flows, and related notes, including the accounting policies in note 3.

In our opinion the Syndicate annual accounts:

- give a true and fair view of the state of the Syndicate's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Syndicate in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to other entities of public interest. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors of the Managing Agent ("the Directors") have prepared the Syndicate annual accounts on the going concern basis as they do not intend to cease underwriting or to cease its operations, and as they have concluded that the Syndicate's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the Syndicate annual accounts ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Syndicate's business model and analysed how those risks might affect the Syndicate's financial resources or ability to continue operations over the going concern period, including reviewing correspondence with Lloyd's to assess whether there were any known impediments to establishing a further year of account.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the Syndicate annual accounts is appropriate; and
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Syndicate's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Syndicate will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures at the Syndicate and Managing Agent included:

- Enquiring of directors, the audit committee, internal audit, legal and risk and inspection of policy documentation as to the Syndicate and Managing Agent's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Syndicate and Managing Agent's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board and audit committee minutes.
- Considering remuneration incentive schemes and performance targets for management, directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that management may be in a position to make inappropriate accounting entries; and
- the risk of bias in accounting estimates and judgements such as the valuation of incurred but not reported insurance loss reserves and the valuation of premium estimates.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior management and inactive users, journals posted without a user identify, those posted to seldom used accounts, those posted with unusual descriptions; unusual entries posted to cash.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Other information - Report of the Directors of the Managing Agent

The Directors are responsible for the Report of the Directors of the Managing Agent. Our opinion on the Syndicate annual accounts does not cover that report and we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the Report of the Directors of the Managing Agent and, in doing so, consider whether, based on our Syndicate annual accounts audit work, the information therein is materially misstated or inconsistent with the Syndicate annual accounts or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Report of the Directors of the Managing Agent;
- in our opinion the information given in the Report of the Directors of the Managing Agent is consistent with the Syndicate annual accounts; and
- in our opinion the Report of the Directors of the Managing Agent has been prepared in accordance with the requirements of the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept on behalf of the Syndicate; or
- the Syndicate annual accounts are not in agreement with the accounting records; or
- certain disclosures of Managing Agent's emoluments specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Responsibilities of the Directors of the Managing Agent

As explained more fully in their statement set out on page 8, the Directors of the Managing Agent are responsible for: the preparation of the Syndicate annual accounts and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of Syndicate annual accounts that are free from material misstatement, whether due to fraud or error; assessing the Syndicate's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the Syndicate annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Syndicate annual accounts.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Syndicate's members, as a body, in accordance with the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the Syndicate's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Syndicate and the Syndicate's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Umar Jamil, Senior Statutory Auditor
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square, London E14 5GL

27 February 2024

Statement of Comprehensive Income For the year ended 31 December 2023

Technical Account – General Business	Notes	2023 $000	2022 $000
Earned Premium, Net of Reinsurance			
Gross Premium Written	4	599,087	554,199
Outward Reinsurance Premium		(65,182)	(94,413)
Net Premiums Written		533,905	459,786
Change in the Provision for Unearned Premium			
Gross Amount		3,431	(18,790)
Reinsurers' Share		(10,223)	(2,145)
Net Change in Provision for Unearned Premium		(6,792)	(20,935)
Earned Premiums, Net of Reinsurance		527,113	438,851
Allocated Investment Return Transferred from the Non-Technical Account		48,975	(35,041)
Claims Incurred, Net of Reinsurance			
Claims Paid			
Gross Amount		(292,515)	(265,828)
Reinsurers' Share		29,533	40,244
Net Claims Paid		(262,982)	(225,584)
Change in the Provision for Claims			
Gross Amount		(52,813)	(35,101)
Reinsurers' Share		30,206	(46,688)
Net Change in the Provision for Claims	5	(22,607)	(81,789)
Claims Incurred, Net of Reinsurance		(285,589)	(307,373)
Net Operating Expenses	6	(184,436)	(143,983)
Balance on the Technical Account – General Business		106,063	(47,546)

All the amounts above are in respect of continuing operations.

Statement of Comprehensive Income
For the year ended 31 December 2023

Non - Technical Account	Notes	2023 $000	2022 $000
Balance on General Business Account		106,063	(47,546)
Investment Income	10	26,229	23,502
Unrealised Gains/(losses)	10	24,078	(57,231)
Investment Expenses and Charges	10	(1,332)	(1,312)
Allocated Investment Return Transferred to General Business Technical Account		(48,975)	35,041
Exchange Gains		397	(537)
Profit/(loss) for the Financial Year		106,460	(48,083)

The Syndicate has no other comprehensive income other than the loss for the year.

Statement of Financial Position - Assets
at 31 December 2023

	Notes	2023 $000	2022 $000
Investments			
Financial Investments	9	890,821	782,716
Deposits with Ceding Undertakings		2,612	2,011
Reinsurers' Share of Technical Provisions			
Provision for Unearned Premiums	15	25,247	35,328
Claims Outstanding	15	201,621	168,110
		226,868	203,438
Debtors			
Debtors Arising out of Direct Insurance Operations	12	201,940	193,083
Debtors Arising out of Reinsurance Operations		118,176	99,176
Other Debtors		365	441
		320,481	292,700
Other Assets			
Cash at bank and in hand	13	74,707	81,890
Overseas Deposits	14	64,735	67,508
Prepayments and Accrued Income			
Other Prepayments and Accrued Income		2,246	2,199
Deferred Acquisition Costs	16	61,354	62,265
		63,600	64,464
Total Assets		1,643,824	1,494,727

Statement of Financial Position – Liabilities at 31 December 2022

	Notes	2023 $000	2022 $000
Capital and Reserves			
Members' Balances		110,873	(11,879)
Technical Provisions			
Provision for Unearned Premiums	15	265,854	266,207
Claims Outstanding	15	1,141,380	1,075,038
		1,407,234	1,341,245
Deposits Received from Reinsurers		Nil	Nil
Creditors			
Creditors Arising out of Direct Insurance Operations	17	41,651	36,996
Creditors Arising out of Reinsurance Operations		62,145	112,032
Other Creditors		18,938	10,037
		122,734	159,065
Accruals and deferred income		2,983	6,296
Total Liabilities		1,643,824	1,494,727

The annual accounts on pages 13 to 43 were approved by the Board of Antares Managing Agency Limited on 21 February 2024 and signed on its behalf by:

R A Keers
Finance Director

27 February 2024

Statement of Changes in Members' Balances Year ended 31 December 2023

	2023 $000	2022 $000
Members' Balances Carried Forward at 1 January	(11,879)	5,063
Settlement of Year of Account Loss	16,292	31,141
Financial Year Profit/(loss)	106,460	(48,083)
Members' Balances Carried Forward at 31 December	110,873	(11,879)

Members participate on Syndicates by reference to Years of Account and their forecast ultimate result; assets and liabilities are assessed with reference to policies incepting in that Year of Account in respect of their membership of a particular year.

Statement of Cash Flows
at 31 December 2023

	Notes	2023 $000	2022 $000
Cash Flows from operating activities			
Profit/(loss) for the financial year		106,460	(48,083)
Adjustments for non-cash items			
Unrealised (Gains)/losses on Investments		(24,078)	57,231
Changes in working capital			
Increase in gross technical provisions		49,382	53,891
(Decrease)/Increase in reinsurers' share of gross technical provisions		(19,984)	49,297
(Decrease)/Increase in debtors		(25,167)	6,078
Decrease in creditors		(40,609)	(12,851)
Movement in other assets/liabilities		4,386	(6,716)
Investment return		(24,898)	(22,190)
Net cash flows from operating activities		25,492	76,657
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equity and debt instruments		(229,641)	(434,943)
Sale of equity and debt instruments		151,380	306,207
Purchase of derivatives		(6,036)	(51,158)
Sale of derivatives		13,389	33,719
Investment income received		26,229	23,502
Other		(1,877)	(281)
Net cash flows from investing activities		(46,556)	(122,954)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loss distribution		16,292	31,141
Net cash flows from financing activities		16,292	31,141
Cash and cash equivalents at beginning of year		81,789	99,574
Effect of exchange rate fluctuations on cash and cash equivalents		340	(2,629)
Cash and cash equivalents at end of year		77,357	81,789
Cash at bank and in hand		74,707	81,890
Short term deposits with credit institutions		2,650	(101)
Cash and cash equivalents at end of year	13	77,357	81,789

NOTES TO THE ANNUAL ACCOUNTS AT 31 DECEMBER 2023

1. Managing Agent and Syndicate Information

The Managing Agent of Syndicate 1274 is Antares Managing Agency Limited ("AMAL"), whose registered office is 21 Lime Street, London, EC3M 7HB and registered number is 6646629. AMAL's ultimate parent company is Qatar Insurance Company QSPC ("QIC"), Dohar, Qatar, P.O. Box 666, Tamin St, West Bay, an insurance group listed on the Qatar Exchange.

The principal activity of Syndicate 1274 is the transaction of general insurance and reinsurance business in the London Market.

2. Basis of Preparation

The accounts for the year ended 31 December 2023 were approved by the Antares Managing Agency Board of directors on 21 February 2024.

These annual accounts have been prepared in accordance with The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, and applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and Financial Reporting Standard 103 Insurance Contracts ("FRS103") and in accordance with the provisions of Schedule 3 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations relating to insurance companies.

The annual accounts have been prepared on a going concern basis. The Directors reviewed the budgets and forecasts, as well as the available sources of capital and the uses of that capital and associated cash flow for the Syndicate.

The accounts have been prepared on a historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below. The Syndicate presents its annual accounts as an individual undertaking and not about its group.

The Syndicate's functional currency and presentational currency is US Dollars and the level of rounding used is the nearest thousand.

3. Accounting Policies

(a) Premiums written

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

(b) Unearned premiums

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

(c) Reinsurance premium ceded

Outwards reinsurance premiums are earned according to the type of policy. For losses occurring during (LOD) contracts the premium is earned on a straight line basis over the period of coverage. For risks attaching during (RAD) contracts the premium is earned in line with the gross premiums earned to which the risks attaching contract relates.

(d) Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with FRS 102 and 103 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the year. The estimates and associated assumptions are based on historical experience and other factors as deemed reasonable and appropriate. The results of these factors allow judgements to be made in respect of the carrying values of assets and liabilities that are not readily apparent from other sources. The nature of estimation means that actual outcomes could differ from those estimates. Uncertainties exist where current valuations are dependent on estimates of future results.

The Syndicate's areas of estimation primarily relate to premium estimates, valuation of liabilities in respect of insurance and reinsurance contracts and valuation of investments.

The estimates and assumptions are reviewed on an ongoing basis. To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of equity, it shall be recognised by adjusting the carrying amount of the related assets, liability or equity item in the period of change.

(d) (i) Premium estimates

In the syndicate, the majority of the estimation arises within the binder and lineslip estimates where the premium amounts are dependent on the volume of policies that are insured under the binder / lineslip over the coverage period. In these cases underwriters estimate an initial premium Income (EPI) volume and then adjust throughout the life of the binder / lineslip as and when new information becomes available. The process of determining the EPI is based on a number of factors, which can include:

- coverholder business plan documents supplied prior to binding;
- historical trends of business written;
- current and expected market conditions for this line of business; and
- life to date bordereaux submissions versus expectation.

As the year of account matures, the premium estimates are moved to ultimate premium. At a class of business level, ultimate premium is the total premium expected for all business. For older year of account, this estimation is based on statistical methods, where historical patterns comparing the booked premium against the ultimate over time are used to project the ultimate for those years believed to not yet be fully booked. For the middle year of account, the ultimate premium estimates are based on the combination of statistical methods for the lines of business that are more than 70% developed while others on underwriter information provided, with validations performed by internal actuaries using the statistical methods and by way of discussion with the underwriting teams for each class of business. For those classes of business where inwards reinstatement premiums are likely to be material to the ultimate premium estimate, these are explicitly modelled as a function of the ultimate claims for a year of account. Reinsurance premiums are estimated by reinsurance type: proportional and non-proportional.

(d) (ii) Claims provisions and related recoveries

Gross claims incurred comprise the estimated cost of all claims occurring during the year, whether reported or not, including related direct and indirect claims handling costs and adjustments to claims outstanding from previous years.

The provision for claims outstanding is assessed on an individual case basis and is based on the estimated ultimate cost of all claims notified but not settled by the balance sheet date, together with the provision for related claims handling costs. The provision also includes the estimated cost of claims incurred but not reported ("IBNR") at the balance sheet date based on statistical methods.

These methods generally involve projecting from past experience of the development of claims over time to form a view of the likely ultimate claims to be experienced for more recent underwriting, having regard to variations in the business accepted and the underlying terms and conditions. For the most recent years, where a high degree of volatility arises from projections, estimates may be based in part on output from rating and other models of the business accepted and assessments of underwriting conditions. The amount of salvage and subrogation recoveries is separately identified and, where material, reported as an asset.

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

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

The Directors consider that the provisions for gross claims and related reinsurance recoveries are fairly stated on the basis of the information currently available to them. However, the ultimate liability will vary as a result of subsequent information and events and this may result in significant adjustments to the amounts provided. Adjustments to the amounts of claims provisions established in prior years are reflected in the annual accounts for the period in which the adjustments are made. The methods used, and the estimates made, are reviewed regularly.

(d) (iii) Financial investments

The Syndicate classifies its investments as financial assets measured at fair value through profit or loss.

The Syndicate investments are initially recorded at fair value. Subsequent to initial recognition, these investments are re-measured at fair value at each reporting date. Fair value adjustments and realised gains and loss are recognised in the Income Statement.

The Syndicate uses the following hierarchy for determining the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Refer to Note 20 Risk Management for details on the Fair Value Hierarchy and fair value measurement criteria.

The Syndicate measures the fair value of its financial assets based on market data from independent pricing services. The pricing services used obtain the actual transaction prices for securities that have quoted prices in active markets. For those securities which are not actively traded, the pricing services use common market valuation pricing models. Observable inputs used in common market valuation pricing models include, but are not limited to, broker quotes, credit ratings, interest rates and yield curves, prepayment speeds, default rates and other such inputs which are available from market sources.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of the derivatives are recognised in profit or loss in finance costs as appropriate. The syndicate does not apply hedge accounting.

(e) Unexpired Risks Provision

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

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

(f) Deferred Acquisition Costs

Acquisition costs, comprising commission and underwriters costs related to the acquisition of new insurance contracts, are deferred to the extent that they are attributable to premiums unearned at year end.

(g) Financial Assets/Liabilities

All financial assets/liabilities are recognised initially at fair value. Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Syndicate currently has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(h) Foreign Currencies

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

Foreign currency transactions are recorded in the functional currency using the exchange rates prevailing at the date of the transactions, or at the average rate for the period when this is a reasonable approximation. Monetary assets and liabilities (which include all assets and liabilities arising from insurance contracts including unearned premiums and deferred acquisition costs) denominated in foreign currencies are translated at period end exchange rates. Non-monetary assets and liabilities carried at historical cost denominated in a foreign currency are translated at historic rates. Non-monetary assets and liabilities carried at estimated fair value denominated in a foreign currency are translated at the exchange rate at the date the estimated fair value was determined.

Exchange differences are recorded in the non-technical account.

(i) Investment Return

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

Realised gains and losses on investments are calculated as the difference between sale proceeds and purchase price. Unrealised gains and losses on investments represent the difference between the valuation at the balance sheet date and their valuation at the previous balance sheet date, or purchase price, if acquired during the year, together with the reversal of unrealised gains and losses recognised in earlier accounting periods in respect of investment disposals in the current period.

Investment return is initially recorded in the non-technical account. A transfer is made from the non-technical account to the general business technical account. Investment return has been wholly allocated to the technical account as all investments relate to the technical account.

(j) Taxation

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

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

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

(k) Pension Costs

Antares Global Management Limited operates a defined contribution scheme for staff working on behalf of Antares Syndicate 1274. Pension contributions relating to these members of staff are charged to the Syndicate and included within net operating expenses. Antares Global Management Limited is a wholly owned subsidiary within Antares Global.

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in fair value, and are used by the Syndicate in the management of its short-term commitments.

4. Segmental Analysis

An analysis of the underwriting result before investment return for 2023 and 2022 is set out below:

2023	Gross Written Premiums	Gross Premiums Earned	Gross Claims Incurred	Gross Operating Expenses	Reinsurance Balance	Total	Net Technical Provisions
	$000	$000	$000	$000	$000	$000	$000
Marine, Aviation and Transport	250,782	249,323	(162,389)	(81,095)	5,178	11,017	(397,319)
Reinsurance	126,464	124,048	(34,500)	(32,021)	(23,414)	34,113	(217,541)
Specialty	221,343	228,649	(146,502)	(71,034)	(2,868)	8,245	(553,190)
Property	499	499	2,047	(207)	1,573	3,912	(11,098)
Motor	(1)	(1)	(3,984)	(79)	3,865	(199)	(1,218)
	599,087	602,518	(345,328)	(184,436)	(15,666)	57,088	(1,180,366)

2022	Gross Written Premiums	Gross Premiums Earned	Gross Claims Incurred	Gross Operating Expenses	Reinsurance Balance	Total	Net Technical Provisions
	$000	$000	$000	$000	$000	$000	$000
Marine, Aviation and Transport	226,425	213,426	(102,233)	(64,134)	434	47,493	(352,678)
Reinsurance	95,722	92,213	(81,484)	(17,512)	(28,356)	(35,139)	(226,692)
Specialty	233,634	230,794	(136,614)	(62,022)	(57,392)	(25,234)	(535,132)
Property	(1,542)	(1,091)	4,180	(299)	(2,342)	448	(21,931)
Motor	(40)	67	15,222	(16)	(15,346)	(73)	(1,374)
	554,199	535,409	(300,929)	(143,983)	(103,002)	(12,505)	(1,137,807)

The above segmental analysis is broken down into the divisional structure by which management views the business. For the purpose of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations, the Specialty division consists of Third Party Liability insurance.

Commissions on direct insurance gross premiums earned were $109,409,436 during 2023 and $92,063,448 during 2022.

Gross Operating Expenses include reinsurance commission's receivable.

All premium transactions were concluded in the UK, Brussels, Singapore and China.

The geographical analysis of premiums by destination (or by situs of the risk) is as follows:

	2023	2022
	$000	$000
UK	192,180	203,183
Other EU Countries	62,531	49,193
US	173,742	151,793
Central & South America	13,480	12,618
Japan	8,557	9,344
Australia	17,601	18,149
Other	130,996	109,919
Total	599,087	554,199

5. Change in Net Provision for Claims

The change in net provision for claims is made up of the following:

	2023	2022
	$000	$000
Outstanding Claims	(1,839)	(20,729)
Claims Incurred but not Reported	24,355	100,901
Claims Handling Expenses Provision	91	1,617
Change in Net Provision for Claims	22,607	81,789

The movement in the net provision for claims includes a deterioration of ($234,187) in respect of claims outstanding at the previous year end (2022: deterioration $10,253,290). The deterioration comprises net claims including the change in claims incurred but not reported ('IBNR').

6. Net Operating Expenses

	2023	2022
	$000	$000
Acquisition costs	135,721	112,656
Change in deferred acquisition costs	(3,808)	(7,713)
Acquisition costs – other	6,075	4,236
Administrative expenses	50,974	36,478
	188,962	145,657
Reinsurance commissions receivable	(4,526)	(1,674)
Net operating expenses	184,436	143,983

Administrative Expenses Include:	2023	2022
	$000	$000
Auditors' Remuneration		
Audit of the Syndicate Annual Accounts	689	668
Audit related services	164	124
Members' Standard Personal Expenses (Lloyd's Subscription, New Central Fund Contributions, Managing Agent's Fees and Profit Commission)	5,663	5,810

7. Staff Costs

The Syndicate and its Managing Agent have no employees. Antares Global Management Limited (the Service Company) hired employees and recharged the cost to the Managing Agent who in turn recharges to the Syndicate. The following amounts were recharged to the Syndicate in respect of salary and related costs:

	2023	2022
	$000	$000
Wages and Salaries	27,288	17,366
Social Security Costs	3,548	2,434
Other Pension Costs	2,573	1,489
Other Staff Costs including Recruitment, Training and Medical Insurance	2,689	1,962
	36,098	23,251

8. Emoluments of the Directors of Antares Managing Agency Limited

The Directors of Antares Managing Agency Limited received the following aggregate remuneration charged to the Syndicate and included within net operating expenses:

	2023	2022
	$000	$000
Total Emoluments	3,047	3,374

The active underwriter received the following remuneration charged as a syndicate expense:

	2023	2022
	$000	$000
Total Emoluments	403	387

No advances or credits were granted by the Managing Agent to any of its Directors during the year.

9. Financial Investments

	Market Value		Cost	
	2023	2022	2023	2022
	$000	$000	$000	$000
Shares and Other Variable Yield Securities and Units in Unit Trusts	47,216	47,117	48,711	45,029
Debt Securities and other Fixed Income Securities	766,990	655,374	793,603	709,846
Derivatives	5,353	8,106	5,353	8,106
Participation in Investment Pools	71,262	72,119	72,157	73,373
	890,821	782,716	919,824	836,354

10. Investment Income and Expenses

	2023	2022
	$000	$000
Investment Income		
Income from Investments	28,522	19,584
Realised (Losses)/gains on Investments	(2,293)	3,918
Unrealised Gains/(losses) on Investments	24,078	(57,231)
	50,307	(33,729)
Investment Expenses and Charges		
Investment Management Expenses	(1,332)	(1,312)

11. Calendar Year Investment Yield

The average amount of syndicate funds available for investment during 2023 and the investment return and yield for that calendar year was as follows:

	2023	2022
	$000	$000
Average Fund	981,188	905,446
Investment Return	50,307	(33,729)
Calendar Year Investment Yield	5.1%	(3.7%)
Average Funds Available for Investment by Currency		
United States Dollars and Other	$788,600	$717,004
Sterling	£56,658	£59,914
Canadian Dollars	C$84,343	C$75,620
Analysis of Calendar Year Investment Yield by Fund	%	%
United States Dollars and Other	5.6	(4.0)
Sterling	5.4	(6.5)
Canadian Dollars	3.1	(0.1)

"Average fund" is the average of bank balances, overseas deposits and investments held during the calendar year.

12. Debtors Arising out of Direct Insurance Operations

	2023	2022
	$000	$000
Due from Intermediaries	201,940	193,083

There were no balances due from policyholders arising out of direct insurance operations as at 31 December 2023 (2022: $nil).

13. Cash and Cash Equivalents

	2023	2022
	$000	$000
Cash at bank and in hand	74,707	81,890
Short term deposits with credit institutions	2,650	(101)
	77,357	81,789

14. Overseas Deposits

Overseas deposits are lodged as a condition of conducting underwriting business in certain countries. These assets are managed by Lloyd's on a pooled basis and are predominantly invested in fixed income securities.

15. Insurance Contracts and Reinsurance Contracts

	2023			2022		
	Insurance contract liabilities	Reinsurance Contracts Assets	Net	Insurance contract liabilities	Reinsurance Contracts Assets	Net
	$000	$000	$000	$000	$000	$000
Claims Outstanding	1,141,380	201,621	939,759	1,075,038	168,110	906,928
Provision for Unearned Premiums	265,854	25,247	240,607	266,207	35,328	230,879
	1,407,234	226,868	1,180,366	1,341,245	203,438	1,137,807
Contracts due no more than 12 months after the reporting date	300,742	33,694	267,048	319,393	43,289	276,104
Contracts due more than 12 months after the reporting date	1,106,492	193,174	913,318	1,021,852	160,149	861,703
	1,407,234	226,868	1,180,366	1,341,245	203,438	1,137,807

(a) Movement in Claims Outstanding

	2023			2022		
	Insurance Contract Liabilities	Reinsurance Contracts Assets	Net	Insurance Contract Liabilities	Reinsurance Contracts Assets	Net
	$000	$000	$000	$000	$000	$000
Balance at 1 January	1,075,038	168,110	906,928	1,075,050	224,169	850,881
Movements During the Year	52,813	30,206	22,607	35,101	(46,688)	81,789
Impact of Foreign Exchange	13,529	3,305	10,224	(35,113)	(9,371)	(25,742)
Balance at 31 December	1,141,380	201,621	939,759	1,075,038	168,110	906,928

(b) Movement in Unearned Premium

	2023			2022		
	Insurance Contract Liabilities	Reinsurance Contracts	Net	Insurance Contract Liabilities	Reinsurance Contracts	Net
	$000	$000	$000	$000	$000	$000
Balance at 1 January	266,207	35,328	230,879	254,788	38,152	216,636
Premiums Written During the Year	599,087	65,182	533,905	554,199	94,413	459,786
Premiums Earned During the Year	(602,518)	(75,405)	(527,113)	(535,409)	(96,558)	(438,851)
Impact of Foreign Exchange	3,078	142	2,936	(7,371)	(679)	(6,692)
Balance at 31 December	265,854	25,247	240,607	266,207	35,328	230,879

16. Deferred Acquisition Costs

	2023	2022
	$000	$000
Balance as 1 January	62,265	62,817
Charges during the year	3,808	7,713
Impact of Foreign Exchange	(4,719)	(8,265)
Deferred Acquisitions Costs	61,354	62,265

17. Creditors Arising out of Direct Insurance Operations

	2023	2022
	$000	$000
Due to Intermediaries	41,651	36,996

There were no balances due to policyholders arising out of direct insurance operations as at 31 December 2023 (2022: £nil).

18. Related Parties

a) Related party insurance and reinsurance transactions with Syndicate 1274

During the year the Syndicate entered into transactions in the ordinary course of business with Qatar Insurance Company QSPC (QIC) as well as Antares Reinsurance Company Limited (ARE), a subsidiary of QIC. QIC is the ultimate parent of Antares Global that supports the majority of the capacity of Syndicate 1274.

	2023			2022		
	Qatar Insurance Company	Antares Reinsurance Company Limited	Total	Qatar Insurance Company	Antares Reinsurance Company Limited	Total
	$000	$000	$000	$000	$000	$000
Gross Written Premium	(503)	(99)	(602)	1,995	106	2,101
Reinsurance Written Premium	1,541	16,138	17,679	1,622	14,702	16,324
Gross Claims Paid	260	14	274	151	392	543
Reinsurance Recoveries	2,892	2,698	5,590	4,468	6,042	10,510
Gross Claims Outstanding	4,581	198	4,779	5,241	256	5,497
Reinsurance Claims Outstanding	13,400	21,148	34,548	12,879	11,261	24,140
Due from Related Party	819	240	1,059	819	164	983
Due to Related Party	(170)	-	(170)	1,569	-	1,569

b) Other related transactions with Syndicate 1274

During 2023, managing agency fees were charged to the Syndicate as follows:

	2023	2022
	$000	$000
Antares Managing Agency Limited	1,548	1,544

Antares Managing Agency Limited also charged the Syndicate $46,632,903 (2022: $30,967,742) for expenses paid on its behalf. A balance of $13,342,116 was due to Antares Managing Agency Limited at 31 December 2023 (2022: $5,359,505), $nil (2022:$nil) was due from Antares Managing Agency Limited, $836,502 (2022: $522,264) was due to Antares Underwriting Asia PTE Ltd, $nil (2022:$nil) was due to Antares Underwriting Limited (AUL), $nil was due to Antares Capital I Limited (2022: $340) and $165 was due from Antares Capital I Limited (2022: nil). The Syndicate has no related party transactions with key management personnel.

19. Funds at Lloyd's

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

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

20. Risk Management

Principal Risk and Uncertainties

The Syndicate's activities expose the business to a number of risks which have the potential to affect the achievement of the business objectives. The Board is responsible for maintaining an appropriate structure for managing these risks and acknowledges that it is not possible to eliminate risk entirely. However, the Board seeks to manage risk in line with risk appetite by maintaining effective systems and controls.

The Syndicate is exposed to risk in the following categories:

Insurance Risk: Underwriting Risk is defined as: "The risk that the frequency and severity of insured events exceeds the expectations of Syndicate 1274 at the time of underwriting".

Reinsurance is an important risk mitigation tool employed by the Syndicate to reduce its exposure to Underwriting Risk. Reinsurance strategy is developed as part of the Three Year Business Plan and the Annual Business Plan, with reference to the overall risk appetite of the Syndicate, historical and projected future reinsurance costs, and potential sources of capital. The reinsurance strategy is approved by the AMAL Board and implemented by senior management.

The other risk mitigation techniques/tools in respect of the Underwriting Risk include: increasing diversification; altering limits and attachment points; and changing product mix (including classes of business and territories).

Underwriting Risk is managed through underwriting authorities, and both peer and independent expert review procedures. Pricing is determined through the use of bespoke pricing models. Underwriting authorities are monitored through systems which report adherence to individual underwriter limits (including contract limits and jurisdiction restrictions). Any delegated underwriting authorities are subject to diligence review, and regular audit.

Exposure limits, including model based and Realistic Disaster Scenario (RDS) methodologies are set to limit the exposure to underwriting risk. Aggregate and Class of Business exposures are assessed and monitored, in line with the Exposure Management Framework, to control the risk from the underwriting activities.

Detailed underwriting management information is prepared regularly, including metrics for the main components of risk. These include pricing, loss ratio selection, experience variations, cycle management, reinsurance protection and catastrophe modelling through proprietary software.

The table below sets out the concentration of outstanding claims liabilities by division:

	2023			2022		
	Insurance Contract Liabilities	Reinsurance Contracts Assets	Net	Insurance Contract Liabilities	Reinsurance Contracts Assets	Net
	$000	$000	$000	$000	$000	$000
Marine, Aviation and Transport	329,200	29,886	299,314	270,781	13,991	256,790
Reinsurance	201,864	1,551	200,313	213,254	2,633	210,621
Specialty	544,917	117,101	427,816	513,993	97,781	416,212
Property	15,890	4,792	11,098	30,189	8,258	21,931
Motor	49,509	48,291	1,218	46,821	45,447	1,374
Total	1,141,380	201,621	939,759	1,075,038	168,110	906,928

Notes to the Annual Accounts
At 31 December 2023

The table below sets out the concentration of outstanding claims liabilities by geographic area:

	2023			2022		
	Insurance Contract Liabilities	Reinsurance Contracts Assets	Net	Insurance Contract Liabilities	Reinsurance Contracts Assets	Net
	$000	$000	$000	$000	$000	$000
UK	399,769	97,477	302,292	423,790	90,418	333,372
Other EU Countries	113,966	16,004	97,962	91,268	10,888	80,380
US	316,655	44,468	272,187	281,625	33,597	248,028
Central & South America	24,568	3,450	21,118	23,410	2,793	20,617
Japan	15,596	2,190	13,406	17,336	2,068	15,268
Australia	32,078	4,505	27,573	33,673	4,017	29,656
Other	238,748	33,527	205,221	203,936	24,329	179,607
	1,141,380	201,621	939,759	1,075,038	168,110	906,928

Insurance Risk: Reserving Risk is defined as: "The risk of loss due to the previously established reserves for claims reported on previously exposed business being incorrect in terms of quantum or timing".

The Reserving Policy and Technical Provisions Framework, approved by the AMAL Board and the Finance Committee, sets out the detailed principles, methodologies, practice and governance arrangements for the estimation of reserves and technical provisions.

The reserving policy seeks to ensure consistency in reserving from year to year, and the equitable treatment of capital providers on closure of a Syndicate Year of Account.

Reserving risk is monitored by the robust application of actuarial methodologies, sign-off procedures, quarterly tracking of projected ultimate loss ratios and reassessment of methodologies where appropriate. Regular dialogue between actuaries, underwriters and claims adjusters also assists the process.

Future economic and social inflation are a material component due to the heightened inflation environment.

The claims liabilities are sensitive to a number of assumptions, and can vary significantly from class to class. A key, quantifiable, assumption is the average claim cost. If the average claim cost were to increase by 1%, loss and Members' Balances would be impacted by $9.3m (2022: $9.0m).

Insurance Risk: Claims Management Risk is the risk of loss or regulatory breach due to inappropriate claim management process and/or inadequate governance.

Claims related risks are managed through a number of control activities and Key Performance Indicators that range from claim authority and claims processing time to potential significant loss event reporting and outstanding case reserve monitoring.

Claims development tables are shown on an underwriting year basis; these set out the development of claims over time on a gross and net of reinsurance basis (without any adjustment for any impact from changes to projected premiums). These claims are shown on an earned basis for each successive development year. Balances have been translated at exchange rates prevailing at 31 December 2023 in all cases.

Notes to the Annual Accounts
At 31 December 2023

Whole Account Underwriting	2013 & prior	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Gross Claims												
Estimate of incurred gross claims												
At the end of underwriting year		101,779	101,371	113,406	208,543	163,144	151,100	144,846	124,850	181,357	127,152	
One year later		193,207	191,160	266,717	382,251	367,572	350,577	281,267	239,112	307,208		
Two years later		203,467	213,363	541,452	437,720	411,578	374,339	262,727	271,929			
Three years later		201,261	219,038	485,178	467,720	418,075	379,908	247,193				
Four years later		223,074	224,740	516,008	487,220	448,468	380,634					
Five years later		217,403	229,206	517,244	488,784	476,488						
Six years later		227,856	235,496	506,567	513,280							
Seven years later		233,607	240,361	520,604								
Eight years later		230,716	241,372									
Nine years later		232,216										
2013 & prior years	1,139,908											
Gross paid claims position												
At the end of underwriting year		11,669	6,784	9,656	20,891	15,291	16,962	9,501	8,941	8,919	11,202	
One year later		61,259	55,811	86,162	141,870	136,221	97,682	52,294	49,884	53,615		
Two years later		101,035	109,467	200,310	269,531	223,342	185,020	102,782	109,689			
Three years later		139,256	137,766	215,168	346,722	273,901	231,673	129,068				
Four years later		152,875	161,650	269,611	394,373	315,062	272,088					
Five years later		174,274	176,362	282,718	420,507	352,340						
Six years later		188,014	190,198	285,659	437,597							
Seven years later		193,954	199,464	433,395								
Eight years later		204,028	206,476									
Nine years later		210,956										
2013 & prior years	1,100,178											
Gross claims reserve	39,730	21,260	34,896	87,209	75,683	124,148	108,546	118,125	162,240	253,593	115,950	1,141,380

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Whole Account Underwriting Year	2013 & prior	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Net Claims												
Estimate of Incurred gross claims												
At the end of underwriting year		92,321	94,570	103,996	147,768	149,693	129,493	119,976	112,338	172,651	125,351	
One year later		181,302	184,658	243,532	298,153	321,430	291,168	242,780	215,596	269,500		
Two years later		191,336	209,952	276,609	339,596	369,825	302,488	235,559	241,186			
Three years later		189,051	213,504	267,619	357,882	367,480	306,087	230,055				
Four years later		211,959	219,207	285,508	378,774	401,370	304,070					
Five years later		205,974	224,743	293,307	383,677	416,952						
Six years later		215,644	232,884	296,909	398,852							
Seven years later		218,480	237,780	303,880								
Eight years later		217,449	238,709									
Nine years later		219,415										
2013 & prior years	933,566											
Net paid claims position												
At the end of underwriting year		11,669	6,709	9,654	20,745	15,138	15,695	9,125	9,354	8,574	11,202	
One year later		61,258	55,729	83,562	113,690	124,493	88,798	53,178	46,134	52,487		
Two years later		100,932	109,422	146,300	210,933	201,614	154,915	94,783	103,359			
Three years later		128,168	137,701	180,232	261,906	247,973	191,787	124,536				
Four years later		147,565	159,611	206,668	301,973	286,893	219,570					
Five years later		165,965	174,687	219,630	322,919	320,410						
Six years later		179,633	188,461	256,831	339,487							
Seven years later		185,500	207,202	269,449								
Eight years later		194,940	204,564									
Nine years later		200,639										
2013 & prior years	896,074											
Net claims reserve	37,492	18,776	34,145	34,431	59,365	96,542	84,500	105,519	137,827	217,013	114,149	939,759

Credit Risk is defined as: "The risk of loss due to counterparty default or failure to fulfil their obligations". This is the risk of loss or of adverse change in the Syndicate's financial position, resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which the Syndicate is exposed, in the form of counterparty default risk, spread risk, or market risk concentrations.

Syndicate Investment Guidelines are approved by the AMAL Board and include details of permitted securities (including limits), minimum credit ratings and maximum concentrations, to mitigate credit and counterparty default risk exposures in respect of the investment portfolio. Adherence to these guidelines is monitored on a monthly basis.

The Syndicate deals primarily with brokers that are registered with Lloyd's and with which it has a current, signed Terms of Business Agreement (TOBA). The financial standing of the brokers, their payment performance and adherence to approved procedures is monitored and all exceptions are escalated to the Security Committee, which recommends a bad and doubtful debt provision to be applied against amounts due from brokers.

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The Security Committee sets reinsurer exposure thresholds based on credit ratings. This is supported by placing limits on exposure to a single reinsurer in respect of the largest Realistic Disaster Scenario exposures. Reinsurer exposures are monitored on a regular basis and reported to the Security Committee, which considers the ongoing appropriateness of the thresholds and agrees strategies for reducing exposure in respect of any breaches. The Finance Committee monitors the payment performance of approved reinsurers and sets out bad debt write-off provisions. All Outward commutation agreements are approved by the Security Committee and if required by the board.

The Syndicate's maximum exposure to counterparty credit risk analysed by credit quality is detailed below.

As at 31 December 2023	AAA	AA	A	"BBB & Below"	Lloyd's syndicates	Unrated	Total
	$000	$000	$000	$000	$000	$000	$000
Financial investments (Including Overseas deposits)	60,446	343,590	206,096	288,289	-	57,134	955,555
Cash at bank and in hand	25,300	18,011	31,241	155	-	-	74,707
Insurance and other receivables	-	-	2,612	-	-	-	2,612
Reinsurance contracts assets	-	76,311	85,443	92	40,073	5,934	207,853
	85,746	437,912	325,392	288,536	40,073	63,068	1,240,727

As at 31 December 2022	AAA	AA	A	"BBB & Below"	Lloyd's syndicates	Unrated	Total
Restated							
	$000	$000	$000	$000	$000	$000	$000
Financial investments (Including Overseas deposits)	62,162	303,264	164,986	259,393	-	60,419	850,224
Cash at bank and in hand	44,007	-	37,728	155	-	-	81,890
Insurance and other receivables	-	-	-	-	-	2,011	2,011
Reinsurance contracts assets	-	65,618	57,345	6,845	40,655	4,832	175,295
	106,169	368,882	260,059	266,393	40,655	67,262	1,109,420

In addition to above, debtors arising out of insurance operations amounting to $202m (2022:$193m) and debtors arising out of reinsurance operations in respect of inward business amounting to $103m (2022:$83m) are considered as unrated, however, since these assets are linked to the claim liabilities, the credit risk is mitigated by way of payments being withheld in the event the premiums are not received by the Syndicate.

Overdue reinsurance receivables, including premiums and claims, were as follows:

Overdue Reinsurance Receivable	0-1 month	2-3 months	4-6 months	7-12 months	Total
	$000	$000	$000	$000	$000
At 31 December 2023	1,588	1,001	2,007	8,095	12,691
At 31 December 2022	599	4,209	2,347	10,172	17,327

Approx 6% of the Insurance and other receivables are past due. More than 44% of the past due balance is up to 12 months overdue with the remaining balance over 12 months overdue. All overdue balances are deemed to be fully recoverable, as such no impairement as been recognised against these receivables.

Market Risk is defined as: "The risk of loss, or of adverse change in the financial situation, resulting directly or indirectly from fluctuations in the volatility of market prices of assets, liabilities and financial instruments". Market risk is driven by currency risk, interest risk, and spread risk as follows:

Currency Risk: the sensitivity of the values of assets, liabilities and financial instruments to changes in the level, or in the volatility of, currency exchange rates.

The Syndicate underwrites a significant proportion of business in currencies other than US Dollars, which gives rise to a potential exposure to currency risk. In addition, the Syndicate has a natural currency mismatch, as a higher proportion of its expenses are incurred in Sterling.

The most significant non-US Dollar currency exposure relates to Sterling and Euro.

Currency risk is controlled through an Asset Liability Matching (ALM) process. The ALM process is performed on a quarterly basis to achieve alignment of assets and liabilities in currency, to address any mismatch between currency premiums and claims, and the natural mismatch between US Dollar income and Sterling expenses. The income and expenditure process is performed on an annual basis and, in particular, endeavours to align the currency mix of outward reinsurance premiums paid with that of related inwards premium received. AMAL does not specifically target asset liability matching for duration. Benchmarks are broadly in line with average liabilities on the main trust fund assets, and deliberate mismatching, within limits, is viewed as a valid strategy to limit any losses arising from interest rate risk and, where possible, to enhance returns.

The syndicate uses derivative financial instruments as an economic hedge for the risk of revaluation of net monetary assets denominated in non-functional currency. The syndicate does not apply hedge accounting. The marked to market value of open contracts at 31 December 2023 is a asset of $2.7m (2022: Asset $7.9m).

If the Sterling and the Euro were to weaken against the US Dollar by 10%, with all other variables constant, loss and receivable from members would be higher by an estimated $1.6m (2022: lower $3.2m). This analysis is based on the current information available and the assumptions in making this assessment are:

- The closing year-end spot rates and average rates throughout the year are 10% higher
- There is no active hedging of currency during the period
- The analysis includes an estimate of the impact on foreign borrowings
- The impact of foreign exchange movements on non-monetary items is assumed to be nil

Interest Risk: the sensitivity of the values of assets, liabilities and financial instruments to changes in the term structure of interest rates, or in the volatility of interest rates.

Interest rate risk is the risk that the value and/or future cash flows of a financial instrument will fluctuate due to changes in interest rates. The Syndicate's exposure to interest rate risk is spread across the Syndicate's investment portfolio, and cash and cash equivalents.

In managing interest rate risk, the Syndicate currently invests in short duration financial investments, cash and cash equivalents. Interest rate risk is controlled by imposing maximum duration limits to the conventional fixed income assets, as defined in the investment guidelines provided to investment managers.

Duration is a commonly used measure of risk and gives an indication of the likely sensitivity of the Syndicate's portfolio of fixed interest securities to changes in interest rates. The average duration for investment assets is 2.67 years (2022 2.70 years).

The Syndicate's financial assets comprise a portfolio of fixed income securities, UCITS funds and bank deposits. The portfolio of fixed income securities is managed by professional fund managers, under a segregated investment mandate, and in accordance with guidelines approved by the AMAL Board. The guidelines permit investment in a range of fixed income investment products, including government securities,

corporate bonds and asset backed securities, as well as a modest allocation to equities and other alternative investments.

An increase of 50 basis points in interest rates, with all other variables constant, would decrease the valuation of the Syndicate's investments by an estimated 156 basis points. Therefore if interest rates were to increase by 0.5%, with all other variables constant, loss and receiveable from members would increase by an estimated $16m (2022: $17m).

A comparable decrease in interest rates would increase the valuation by an estimated 151 basis points.

Spread Risk: the sensitivity of the values of assets, liabilities and financial instruments to changes in the level or in the volatility of credit spreads over the risk-free interest rate term structure.

Volatility (spread risk) is controlled by imposing Value at Risk (VaR) limits, at a specified confidence level and time period, to the overall investment funds. This is reviewed on a quarterly basis by the Investment Committee.

Fair value hierarchy

The tables below summarise the fair value hierarchy for the Syndicate. The levels of the fair value hierarchy are defined as follows:

- Level 1 – Fair values are measured using quoted prices (unadjusted) in active markets for identical instruments.
- Level 2 – When quoted prices are unavailable, fair values are measured using the price of a recent transaction for an identical instrument. The price can be adjusted if it can be demonstrated that the last transaction price is not a good estimate of fair value.
- Level 3 – Fair values measured using valuation techniques. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

The Syndicate measures the fair value of its financial assets based on prices provided by investment managers (who obtain market data from independent pricing services). These are reviewed by the finance team. The pricing services used by the investment manager obtain the actual transaction prices for securities that have quoted prices in active markets. For those securities which are not actively traded, the pricing services use common market valuation pricing models. Observable inputs used in common market valuation pricing models include, but are not limited to, broker quotes, credit ratings, interest rates and yield curves, prepayment speeds, default rates and other such inputs which are available from market sources.

At 31 December 2023:	Level 1	Level 2	Level 3	Total
	$000	$000	$000	$000
Financial investments (Including Overseas deposits)	729,971	190,221	32,792	952,984

At 31 December 2022: (Restated)	Level 1	Level 2	Level 3	Total
	$000	$000	$000	$000
Financial investments (Including Overseas deposits)	376,030	431,509	42,500	850,039

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Level 1 of the hierarchy includes all government bonds/bills and corporate bonds only which are measured based on prices representing actual and regularly occurring market transactions. Level 2 of the hierarchy includes all other financial assets except those included in Level 3.

Debt securities that are not listed on a recognised exchange or traded in an established over-the-counter market are classified as level 1 where the external investment manager is comfortable that there is an active market. An active market is defined as a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Management recognises that there can be judgement in the selection of methodologies relating to pricing models used. The factors considered where judgment arises in respect to a securities fair value are, amongst others, the volume of trading of a security with a market to deem such a market to be active for that instrument; consideration of the bid-ask spreads particularly for corporate bonds; the number of executable quotes considered in determining fair value.

The Syndicate asset portfolio in respect of the level 3 investments primarily consists of Private Equity instruments and Syndicate loan. The Syndicate has valued Private Equity instruments based on the latest available audited statements/financial statements provided by investment managers as of 30 September 2023 and accounted for any subsequent contributions/distributions after the September NAV's during the last quarter of 2023. In addition, management has assessed the movement in a range of broader market indices which, although not directly comparable, maybe used as an indicative benchmark to determine if the NAV's reported by fund managers would be significantly different as of 31 December 2023. Based on this assessment Management has concluded the NAV's reported by investment managers would fairly represent their current fair value as of 31 December 2023.

There have been transfers between level 1 and level 2 in 2023 and 2022.

Liquidity Risk is defined as: "The risk of loss, or inability to realise investments and other assets, in order to settle financial obligations when they fall due".

Liquidity policy includes a specific requirement to hold sufficient funds in working capital to meet the following quarter's estimated claims liabilities and this position is reviewed by the Finance Committee on a quarterly basis. Additionally, an annual stress test is performed to ensure that sufficient liquidity is maintained in order to meet a Realistic Disaster Scenario ("RDS") event without unnecessary cost to AMAL. Rolling 12-month cash flow projections, in each of the underlying main operating currencies, are prepared quarterly, reviewed against available liquid funds and used in the quarterly balance sheet asset liability matching exercise. The review recognises the restrictions placed on funds committed to meet Lloyd's overseas trust fund requirements. Liquidity requirements for all accounts and respective currency amounts are determined periodically via a process of analysis of historic daily settlements.

A summary showing the undiscounted expected timing of future cash flows is as follows (insurance contract liabilities and reinsurance contract assets have been analysed based on actuarial cash flow estimates): Provisions, reinsurance and other payables includes $2m of derivatives liabilities (2022: $0.2m). Derivative liabilities are included in Other Creditors in the balance sheet.

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At 31 December 2023

At 31 December 2023:	< 1years	1-3 years	3-5 years	> 5 years	Total
	$000	$000	$000	$000	$000
Financial investments	53,272	87,033	334,414	416,102	890,821
Cash at bank and in hand	74,707	-	-	-	74,707
Overseas Deposits	64,735	-	-	-	64,735
Insurance and other receivables	384,081	-	-	-	384,081
Reinsurance contracts assets	33,693	51,131	107,674	34,370	226,868
Other assets	2,612	-	-	-	2,612
Total assets	613,100	138,164	442,088	450,472	1,643,824
Insurance contracts liabilities	300,738	407,570	534,112	164,814	1,407,234
Provisions, reinsurance and other payables	125,717	-	-	-	125,717
Total liabilities	426,455	407,570	534,112	164,814	1,532,951
Net assets	186,645	(269,406)	(92,024)	285,658	110,873

At 31 December 2022: Restated	< 1years	1-3 years	3-5 years	> 5 years	Total
	$000	$000	$000	$000	$000
Financial investments	46,806	76,471	293,832	365,607	782,716
Cash at bank and in hand	81,890	-	-	-	81,890
Overseas Deposits	67,508	-	-	-	67,508
Insurance and other receivables	356,535	-	-	-	356,535
Reinsurance contracts assets	43,289	42,792	91,535	25,822	203,438
Other assets	2,640	-	-	-	2,640
Total assets	598,668	119,263	385,367	391,429	1,494,727
Insurance contracts liabilities	332,139	361,579	505,706	141,821	1,341,245
Provisions, reinsurance and other payables	165,361	-	-	-	165,361
Total liabilities	497,500	361,579	505,706	141,821	1,506,606
Net assets	101,168	(242,316)	(120,339)	249,608	(11,879)

Operational Risk is defined as: "The risk of loss arising from inadequate or failed internal processes, people, systems or from external events impacting the Syndicate's ability to operate. This risk encompasses all functions rendered in the course of conducting business. This includes legal and regulatory risk, but excludes risks arising from strategic and reputational risk".

AMAL has formally documented policies and procedures for all key aspects of the business that define the end-to-end business processes, provide guidelines, put in place appropriate governance structures and include control activities to ensure the robustness of the business operations. Internal Audit provides independent assurance over the robustness of the business operations and compliance with the internal policies/procedures.

Regulatory Risk is the risk that the Managing Agency fails to meet the regulatory requirements of the PRA, FCA and Lloyd's. Lloyd's requirements include those imposed on the Lloyd's market by overseas regulators, particularly in respect of US situs business. AMAL has a Compliance department that monitors regulatory developments, ensures adherence to regulatory requirements and assesses the impact on agency policy.

Strategic Risk is defined as: "The risk to earnings or capital arising from adverse business decisions or improper implementation of those decisions. This risk is a function of the compatibility between the Group's strategic goals, the business strategies developed to achieve those goals, the resources deployed against these goals, the quality of implementation and appropriateness of response to changing business conditions. This includes reputational risk that is recognised as a by-product of inappropriate/inadequate management and mitigation of other risk categories".

The Syndicate mitigates this risk through a variety of planning techniques including robust business planning, stress and scenario testing and capital contingency planning.

Group Risk is the possibility that the operation of one part of the Group adversely affects another. Group risk includes: negative publicity; inadequate communication within the organisation; undue influence from fellow subsidiaries; holding companies or stakeholders; financial pressures to make funds available to the Group; and financial restraint leading to shortcomings in core activities. The overall strategy is to minimise Group risk by ensuring that there are clear lines of authority and communication between related parties, and that any intra-Group agreements are formed objectively and clearly understood by all parties.

Risk Governance

The AMAL Board is ultimately responsible for ensuring the effective management and control of risk affecting the Syndicate. The AMAL Board is committed to maintaining sound risk management and control systems that are suitable, effective and proportionate to protect the interests of all stakeholders, including those of its capital providers and policyholders. The AMAL Board has, for practical reasons, delegated its day-to-day responsibility for different aspects of the risk management to committees and the senior management.

The AMAL Board utilises a "Three Lines of Defence" model for risk governance.

First Line: Those individuals undertaking any activity or making decisions on behalf of Antares are responsible for managing the risk that is attached to that activity. They are the 'first risk managers'.

Second Line: Those functions and executive level committees responsible for the provision of the risk management framework and policies within which the First Line is expected to operate and who are responsible for providing assurance to the Board of adherence to that framework.

Third Line: Oversight of the above by the Board, Audit Committee together with Internal Audit. The majority of risk reporting is through the Risk, Actuarial and Exposure Management Departments, that routinely engage individual business units and report to the Board and its Committees.

Risk Appetite
Risk Appetite is the amount of risk that the AMAL Board is prepared to take in pursuit of its objectives. Although set by the AMAL Board, Risk Appetite is driven by key stakeholders and includes both qualitative and quantitative statements.

The Risk Appetite Statement covers all material risk categories (Underwriting, Reserve, Credit, Market, Liquidity and Operational Risk). In addition, it details the approved Risk Appetite and Risk Tolerances for losses arising from various events, based upon the extent to which the risks could impact the business.

Risk Monitoring and controls
Risk management processes are based on risk identification; assessment and quantification; response; and monitoring and reporting.

All risk categories are identified in the risk register. Supporting controls mitigate the inherent impact of the risks to a residual level that is within the approved risk appetite and tolerance levels. All risk categories and related controls are assigned risk owners and control owners that are responsible for managing the risks.

The risk register is maintained through regular review by the Risk Department and through the monthly self-certification process by the risk and control owners. The Risk Department provides regular reports on key risk issues and actions required to the AMAL Board and its Committees.

21. Off-Balance Sheet Items

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

22. Events After the Reporting Period

There are no events that are material to the operations of the Syndicate that have occurred since the reporting date.

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