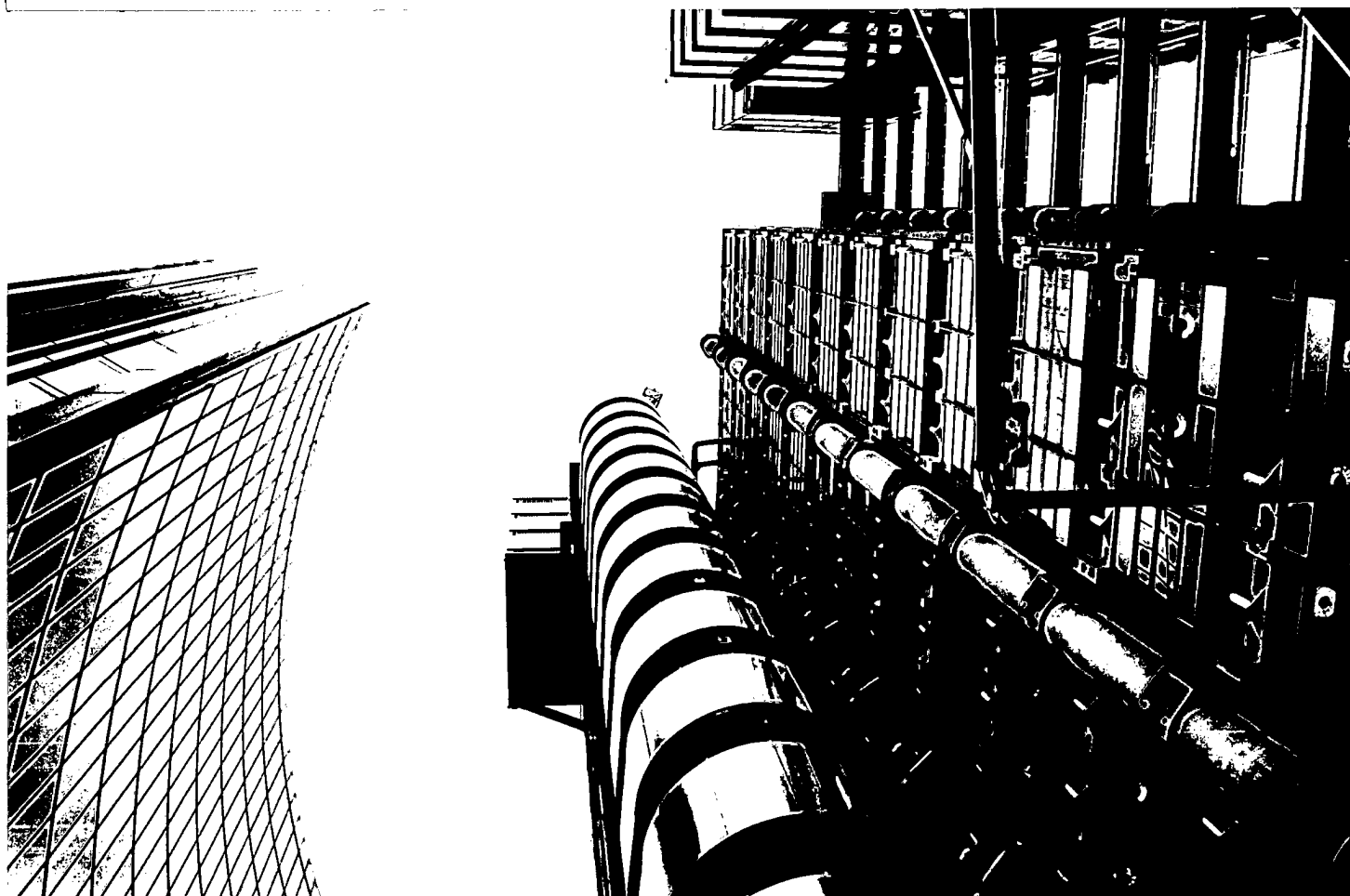


**W/R/B**

UNDERWRITING

Is Berkley Company

COMPANY REGISTRATION NUMBER: 06589640



# **W. R. Berkley Syndicate Holdings Limited**

## **Annual Report and Financial Statements**

**For the year ended 31 December 2021**

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**STRATEGIC REPORT**

The Directors present the Strategic Report of W. R. Berkley Syndicate Holdings Limited ("the Company") for the year ended 31 December 2021.

**PRINCIPAL ACTIVITY**

The Company's principal activity during the year was as a UK holding company for its subsidiaries WRBC Corporate Member Limited ("WRBCML"), W. R. Berkley Syndicate Management Limited, ("WRBSML"), W. R. Berkley Syndicate Limited ("WRBSL"), W. R. Berkley UK Limited ("WRBUK"), W. R. Berkley London Holdings, Limited ("WRBLHL") and W. R. Berkley London Staff, Limited ("WRBLSL"). The Company will continue with this activity for the foreseeable future.

**BUSINESS REVIEW AND FUTURE OUTLOOK**

The results of the Company for the year ended 31 December 2021 are set out in the profit and loss account on page 13. The result for the year was a profit of £4,000,000 (2020: nil). No dividend was proposed for the year ended 31 December 2021 (2020: nil).

The Company is a non-trading intermediate holding company. Accordingly, the Directors are of the opinion that analysis using key performance indicators, other than a review of investments in group undertakings, is not necessary for an understanding of the development, performance or position of the business.

The performance and operation of the Company's subsidiaries continues to be in line with expectations. Accordingly, the investments in group undertakings continue to be held at cost with no diminution in value.

The Company will continue to operate as a UK holding company and its subsidiaries plan to continue their current activities.

On 22 January 2021 the Company received a capital contribution of £102,279,000 (\$139,100,000) from its immediate parent Berkley Insurance Company in the form of cash. This amount was contributed to WRBC Corporate Member Limited (a 100% owned subsidiary) and utilised as a cash call into Syndicate 1967. The Company's investment in group undertakings and net assets were increased by £102,279,000.

**STRATEGIC REPORT (CONT.)**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risk and uncertainties of the Company relate to the carrying value of its subsidiary shareholdings and the risks of those investments, which may result in an impairment of their value. Accordingly, the Company's net assets are dependent upon the activities, profitability and net asset value of its subsidiaries. In the opinion of the Directors, the principle risk to the ongoing operations of the Company is the risk that its subsidiaries cease conducting business.

**Risk Management Framework, Governance and Oversight**

An enterprise risk management framework has been developed and implemented to provide the structure through which risks posed to the Company and the other entities within the W. R. Berkley Syndicate Holdings Limited ("WRBSHL") U.K. Sub-Group are identified, assessed, monitored, measured, prioritised, reported and controlled. The enterprise risk management framework is articulated and set out in a comprehensive suite of policy, process and procedural documentation that is subject to a regular cycle of review and enhancement in accordance with business standards and needs; on-going changes in the risk environment; evolving good practice on risk management and governance; and applicable regulatory/supervisory requirements. An internal control system supports and enables the management of risks and the undertaking of appropriate related actions on a timely basis that is proportionate to the risk profile of the Company and the other entities within the UK Sub-Group of its immediate parent WRBSHL.

**Coronavirus (COVID-19)**

The worldwide spread of the COVID-19 virus has had wide ranging social, economic and financial implications leading to the virus being declared a global pandemic by the World Health Organisation on 11 March 2020. The Company's subsidiaries have experienced ongoing impacts on business operations as a result of the ongoing pandemic and has put in place mitigation strategies to support operations. The Directors believe that the Company has the resources (people, processes, IT infrastructure / technology and facilities, and data and information security) and the operational resilience to support and enable the continuing delivery of key services and activities.

**Brexit**

The UK left the EU on 31 January 2020, with a transition period that ended on 31 December 2020. At the present time, the Directors do not consider that Brexit will materially impact the Company's going concern assessment.

**Other Risks including Non-Financial and Emerging Risks**

The Company is exposed to continuous change from the external environment that can include political, social, legal, regulatory, governance, economic, industry, and environmental change. The Company monitors changes in the external environment to ensure appropriate action is taken in alignment with the enterprise risk management framework and risk appetite.

Over the past several years, changing weather patterns and climatic conditions, such as global warming, appear to have contributed to the unpredictability, frequency and severity of natural disasters and created additional uncertainty as to future trends and exposures. There is a growing scientific consensus that global warming and other climate change are changing the frequency, severity, nature and geographical scope of catastrophic weather events, such as hurricanes, windstorms, floods and other natural disasters.

As a holding company for its subsidiaries which includes a specialist (re)insurer in Lloyd's, the Company recognises that climate and environmental related change may present potential risks and opportunities that need to be carefully and thoughtfully considered and managed as an integrated part of business strategy, and governance and risk management frameworks. The potential opportunities for the Company's subsidiary insurance operations

**STRATEGIC REPORT (CONT.)**

include supporting its insureds in navigating a world of climate change-influenced weather events and the transition to low-carbon economies. Climate-related physical, transition and liability risk exposures present potential financial and reputational risks that could impact the Company and/or its subsidiaries.

Further climate risk related information for the Company as an operating unit of WRBC is also available in the Group sustainability reports that are available on <https://www.berkley.com>. For example, the report provides information on the Company's office space in the 'The Scalpel' at 52 Lime Street and the approach to minimise the environmental impact from the occupation of office space in the building.

**GOING CONCERN**

In the opinion of the Directors the principle risk to the ongoing operations of the Company is that its subsidiaries cease their operations. Based on the going concern assessment performed as at 31 December 2021 the Directors consider there to be no material uncertainties that may cast significant doubt over the Company's ability to continue to operate as a going concern. The Directors have formed a judgment that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements.



By order of the Board  
**A. Blades**  
Director  
14 July 2022

## DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Company no. 06589640, for the year ended 31 December 2021.

### PRINCIPAL ACTIVITY

The Company's principal activity is contained within the Strategic Report.

Consolidated accounts have not been produced for 2021, or the preceding year, for the reason explained in Note 1 - Basis of Preparation, Consolidation Section.

### RESULTS AND DIVIDENDS

The results and dividends of the Company are contained in the Business Review of the Strategic Report.

### DIRECTORS

The Directors of the Company during the period were as follows:

W. R. Berkley Jr <sup>1</sup>  
A. Blades  
D. J. Brosnan  
I. S. Lederman <sup>1</sup>  
S. W. Taylor

<sup>1</sup> Director of the ultimate holding company, W. R. Berkley Corporation

### TRANSACTIONS INVOLVING DIRECTORS

Other than disclosed in Note 4 - Directors' Remuneration, there were no transactions in relation to the business of the Company in which the Directors had any interest, as defined in the Companies Act 2006, at any time during the year ended 31 December 2021.

### POLITICAL AND CHARITABLE DONATIONS

The Company made no political or charitable donations during the year (2020: nil).

### REGISTERED OFFICE

14<sup>th</sup> Floor  
52 Lime Street  
London  
EC3M 7AF

**DIRECTORS' REPORT (CONT.)****GOING CONCERN**

As laid out in the Strategic Report, the Directors have prepared these accounts on a going concern basis, as they are of the opinion that the Company will be able to pay its debts as and when they fall due. As an indirect wholly owned subsidiary of W. R. Berkley Corporation ("WRBC"), the Directors expect the Company to have access to adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risk and uncertainties of the Company are contained within the Strategic Report.

**DISCLOSURE OF INFORMATION TO THE AUDITOR**

In the case of each of the persons who were Directors of the Company as at the time the Directors Report was approved, they confirm that:

- so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that he ought to have taken as Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006

**AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.



By order of the Board

**A. Blades**

Director

14 July 2022

Registered Number: 06589640

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements 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 Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



<b>INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W. R. BERKLEY SYNDICATE HOLDINGS LIMITED</b>
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### **Opinion**

We have audited the financial statements of W. R. Berkley Syndicate Holdings Limited ("the Company") for the year ended 31 December 2021 which comprise the Balance Sheet, the Profit and Loss Account, the Statement of Changes in Equity and related notes, including the significant accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at ended 31 December 2021 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 Companies Act 2006.

### **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 Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company'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 financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- 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 Company'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 Company will continue in operation.

<b>INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W. R. BERKLEY SYNDICATE HOLDINGS LIMITED</b>
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**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 included:

- Enquiring of Directors, internal audit and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit committee meeting minutes.
- 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, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit, we do not believe there is a fraud risk related to revenue recognition because of the non-complex nature of revenue, being dividend income received from investments in group undertakings.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management, entries containing specific words, entries posted to seldom used accounts, those entries posted by individuals who do not usually post journals, and entries posted to unusual accounts relating to cash or borrowings.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience through discussion with the Directors and other management (as required by auditing standards), and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's capacity to operate. We identified the following areas as those most likely to have such an effect: fraud, corruption and bribery and certain aspects of company legislation recognizing the financial nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other

<b>INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W. R. BERKLEY SYNDICATE HOLDINGS LIMITED</b>
--

management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing noncompliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Strategic report and Directors' report**

The Directors are responsible for the strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration 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.

**Directors' responsibilities**

As explained more fully in their statement set out on page 8, the Directors are responsible for: the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company'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 liquidate the Company or to cease operations, or have no realistic alternative but to do so.

<b>INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W. R. BERKLEY SYNDICATE HOLDINGS LIMITED</b>
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**Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://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 Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company'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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**David Maddams (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
Canary Wharf  
London E14 5GL

14 July 2022

<b>PROFIT AND LOSS ACCOUNT: FOR THE YEAR ENDED 31 DECEMBER 2021</b>
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		2021	2020
	<i>Notes</i>	£	£
Administrative expenses	4,5	-	-
<b>Operating result</b>		-	-
Dividend income from investments in group undertakings		4,000,000	-
<b>Profit before tax</b>		4,000,000	-
Tax on profit	6	-	-
<b>Profit retained for the financial year</b>		4,000,000	-

All the amounts above are in respect of continuing operations

There is no difference between profit before taxation and retained profit for the year stated above and the historical cost equivalent.

There are no recognised gains and losses for the current year other than those included in the profit and loss account above and therefore no statement of other comprehensive income has been presented.

The notes on pages 16 to 21 form part of these financial statements.

**BALANCE SHEET: AS AT 31 DECEMBER 2021**

	<i>Notes</i>	2021 £	2020 £
Investments in group undertakings	7	180,423,588	74,144,176
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	-	-
Creditors: amounts falling due within one year	9	-	-
<b>Net current assets</b>		-	-
<b>Net assets</b>		<b>180,423,588</b>	<b>74,144,176</b>
<b>Capital and reserves</b>			
Called up share capital		103	102
Share Premium		175,673,485	73,394,074
Retained earnings		4,750,000	750,000
<b>Shareholder's funds attributable to equity interests</b>		<b>180,423,588</b>	<b>74,144,176</b>

The notes on pages 16 to 21 form part of these financial statements.

The annual accounts on pages 13 to 21 were approved by written consent of the Board and were signed on behalf of the Board of W. R. Berkley Syndicate Holdings, Limited by:



**A. Blades**  
**Director**

14 July 2022

**STATEMENT OF CHANGES IN EQUITY: FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share Capital	Share Premium	Retained Earnings	Shareholder's funds
2021	£	£	£	£
As at 1 January	102	73,394,074	750,000	74,144,176
Profit for the year	-	-	4,000,000	4,000,000
Share capital issued	1	102,279,411	-	102,279,412
<b>As at 31 December</b>	<b>103</b>	<b>175,673,485</b>	<b>4,750,000</b>	<b>180,423,588</b>

	Share Capital	Share Premium	Retained Earnings	Shareholder's funds
2020	£	£	£	£
As at 1 January	101	47,283,365	750,000	48,033,466
Profit for the year	-	-	-	-
Share capital issued	1	26,110,709	-	26,110,710
<b>As at 31 December</b>	<b>102</b>	<b>73,394,074</b>	<b>750,000</b>	<b>74,144,176</b>

The notes on pages 16 to 21 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. BASIS OF PREPARATION**

**General information**

W. R. Berkley Syndicate Holdings Limited is a company incorporated in England and Wales. The address of the registered office is given on page 6. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 3.

**Basis of Preparation**

The financial statements of the Company have been prepared in accordance with the provisions of section 396 of the Companies Act 2006.

These financial statements were prepared in accordance with Financial Reporting Standard 102, *the Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as issued in August 2014.

**New and amended standards**

A number of new amendments of published standards and interpretations are effective from 1 January 2021 but they do not have a material effect on the Company's financial statements.

**Going concern**

The annual accounts are prepared on a going concern basis in accordance with FRS 102. The Directors have performed an assessment of the Company's ability to continue as a going concern, including the impact of the COVID-19 pandemic as detailed in the Strategic Report.

Based on the going concern assessment performed as at 31 December 2021, the Directors consider there to be no material uncertainties that may cast significant doubt over the Company's ability to continue to operate as a going concern. The Directors have formed a judgment that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements.

**Qualifying entity and exemptions applied**

The Company's ultimate parent undertaking, W. R. Berkley Corporation ("WRBC"), includes the Company in its consolidated financial statements. The consolidated financial statements of WRBC are prepared in accordance with US GAAP and are available to the public.

In these financial statements, the Company is considered to be a qualifying entity (for the purpose of this FRS) and has applied the exemptions available under FRS 102 Paragraph 1.12 in respect of the following disclosures:

- Reconciliation of number of shares outstanding from beginning to end of the period;
- Cash Flow statement and related note; and
- Key Management Personnel compensation.

Under FRS 102 Paragraph 1.12, the Company is exempt from the requirement to disclose related party transactions with WRBC and its associated undertakings on the grounds that it is a wholly owned subsidiary of WRBC, which prepares consolidated financial statements.

As the consolidated financial statements of WRBC include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.



**NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT.)**

**1. BASIS OF PREPARATION (CONT.)**

**Consolidation**

These financial statements represent the results of the Company as an individual entity. The Company has taken advantage of Section 401 of the Companies Act 2006 in not preparing consolidated accounts as it is included in the consolidated financial statements of its ultimate parent undertaking, W. R. Berkley Corporation, a company incorporated in the State of Delaware in the USA, which are publicly available.

**Functional currency**

The functional and presentational currency of the Company is GBP. Income and expenditure in foreign currencies are translated at the average rates of exchange for the year. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the balance sheet date or if appropriate at the forward contract rate. Non-monetary assets and liabilities are translated at the rate of exchange ruling at the date of transaction. All differences arising on translation of foreign currency amounts are included in the profit and loss account.

**2. USE OF JUDGEMENTS AND ESTIMATES**

In preparing these financial statements, the Directors of the Company have made no significant judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The following principal accounting policies have been applied consistently within the accounts and from one financial year to another in dealing with items which are considered material in relation to the Company's financial statements.

**Financial assets and liabilities**

In applying FRS 102, the Company has chosen to apply the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement (as adopted for use in the EU).

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. The Company considers financial assets and liabilities to include debtors and creditors and are stated at fair value which is deemed to be cost.

At each reporting date the Company assesses whether there is objective evidence that financial assets not at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of an asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably. An impairment loss recognised reduces directly the carrying amount of the impaired asset. All impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

**Investments in group undertakings**

Investments in group undertakings are stated at cost, less any impairment for permanent diminution in value. Impairment assessments are conducted by the Company at least annually.

**NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT.)**

**3. SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

**Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

**4. DIRECTORS' REMUNERATION**

The remuneration paid to Directors of other group companies for their services to those companies is disclosed in the accounts of those companies. No emoluments were payable to the Directors in respect of their services to the Company for the year ended 31 December 2021 (2020: Nil).

**5. AUDITOR'S REMUNERATION**

Auditor's remuneration of £6,386 (2020: £5,000) is settled by the subsidiary management services company, W. R. Berkley Syndicate Limited and not recharged to the Company.

**NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT.)**

**6. TAXATION**

	2021	2020
	£	£
Current Tax	-	-
Deferred tax	-	-
<b>Tax on profit</b>	-	-

The tax assessed on the profit on ordinary activities for the period is lower (2020: same) than the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are reconciled below:

	2021	2020
	£	£
Profit before tax	4,000,000	-
Profit multiplied by the standard rate in the UK of 19% (2020: 19%)	760,000	-
Effects of non-taxable income	(760,000)	-
<b>Current tax charge/ for the year</b>	-	-

**NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT.)**

**7. INVESTMENTS IN GROUP UNDERTAKINGS**

	2021	2020
	£	£
Investments in group undertakings at the end of the year	180,423,588	74,144,176

Investments in group undertakings, which are all wholly owned, are as follows:

Name	Registered office address	Class and Proportion of Shares Held	Principal activity	Held directly or indirectly
W. R. Berkley Syndicate Limited	14th Floor, 52 Lime Street London, EC3M 7AF	100% Ordinary	Management services company	Directly
WRBC Corporate Member Limited	14th Floor, 52 Lime Street London, EC3M 7AF	100% Ordinary	Lloyd's corporate member	Directly
W. R. Berkley Syndicate Management Limited	14th Floor, 52 Lime Street London, EC3M 7AF	100% Ordinary	Lloyd's managing agency	Directly
W. R. Berkley London Holdings Limited	14th Floor, 52 Lime Street London, EC3M 7AF	86% Ordinary	Holding Company	Directly
W. R. Berkley UK Limited	14th Floor, 52 Lime Street London, EC3M 7AF	100% Ordinary	Insurance intermediary	Indirectly
W. R. Berkley London Staff, Limited	14th Floor, 52 Lime Street London, EC3M 7AF	86% Ordinary	Management services company	Indirectly

**NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT.)**

**8. DEBTORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Dividends due from WRBC Corporate Member Limited	-	-
	-	-

**9. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Dividends due to Berkley Insurance Company	-	-
	-	-

**10. SUBSEQUENT EVENTS**

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were signed and determined that there were no such events requiring recognition or disclosure in the financial statements.

**11. ULTIMATE HOLDING COMPANY**

The Company's immediate parent undertaking is Berkley Insurance Company, a company incorporated in the State of Delaware in the United States of America.

The ultimate parent undertaking of W. R. Berkley Syndicate Holdings Limited is W. R. Berkley Corporation, a company incorporated in the State of Delaware in the United States of America. Copies of the accounts of W. R. Berkley Corporation can be obtained from W. R. Berkley Corporation, 475 Steamboat Road, Greenwich, Connecticut 06830 or at [www.wrberkley.com](http://www.wrberkley.com).