



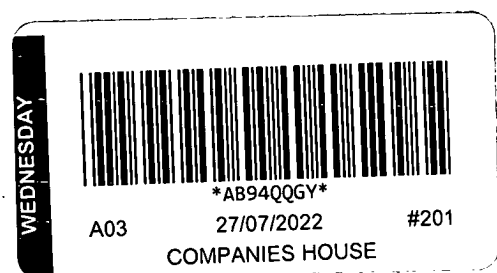
Registered number: 09229797

**XL Insurance
Reinsurance**

CATLIN SYNDICATE 6121 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

**For The Year Ended
31 DECEMBER 2021**



CONTENTS

	Page
Company information	1
Directors' Report	2
Independent Auditors' Report	4
Statement of Profit or Loss	7
Statement of Changes in Equity	7
Statement of Financial Position	8
Notes to the financial statements	9

COMPANY INFORMATION

Directors and officers at the date that the report is signed:

Directors	M Cummings R Littlemore (Resigned on 10th May 2022) L Prato
Company secretary	M L Rees
Registered number	09229797
Registered office	20 Gracechurch Street London EC3V 0BG
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT

**DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2021**

The Directors present their report and the audited financial statements for the year ended 31 December 2021.

Results and dividends

No interim dividend was paid and the Directors do not propose to pay a final dividend (2020: £nil).

Directors

Set out below are Directors who held office during the financial year and up to the date of signing of this report:

M Cummings
R Littlemore (Resigned on 10th May 2022)
L Prato

Principal Activities

Catlin Syndicate 6121 Limited ("the Company") acts as a corporate member at Lloyd's and was the sole member of Syndicate 6121 ("the Syndicate").

The Syndicate has been established since the 2012 year of account as a 'Special Purpose Syndicate' to underwrite a whole account quota share reinsurance of Syndicate 2003 and this is the only inwards contract that the Syndicate writes. The contract operates on a funds withheld basis. The Syndicate ceased to underwrite a whole account quota share reinsurance of Syndicate 2003 from the 2017 year of account.

Independent Auditors

The shareholders have dispensed with the requirements to hold Annual General Meetings and appoint auditors annually, through an elective resolution. The auditors, PricewaterhouseCoopers LLP, were in the office during the reported period for which these financial statements cover and at the date of signing.

Strategy and Future Outlook

The Directors have considered the factors relating to the ongoing performance of the Company. Given the straightforward nature of the Company's transactions, the Directors are of the opinion that an analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the Company.

The Company did not actively trade during the year ended 31 December 2021. The directors believe that the situation will not change in the foreseeable future.

Statement of Directors' Responsibilities

The Directors are responsible for preparing 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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

DIRECTORS' REPORT (CONTINUED)
YEAR ENDED 31 DECEMBER 2021

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 also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report was approved has confirmed that:

- as far as each Director is aware, there is no information relevant to the audit of the Company's financial statements for the year ended 31 December 2021 of which the auditors are unaware; and
- that each Director has taken all the steps that ought to have been taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This report was approved by the Board of Directors and signed on its behalf by:



M Cummings
Director
27 June 2022

Independent auditors' report to the members of Catlin Syndicate 6121 Limited

Report on the audit of the financial statements

Opinion

In our opinion, Catlin Syndicate 6121 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2021; the Statement of Profit or Loss and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material

misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities. With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those regulations set by the Council of Lloyd's, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate transactions to increase the assets or reduce the liabilities of the company. Audit procedures performed by the engagement team included:

- Discussions with management over consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading key correspondence with and reports to the Council of Lloyd's in relation to compliance with laws and regulations (where relevant);
- Identifying and testing transactions in the year, in particular any transactions with unusual activity; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

ANDREW BOX

Andrew Box (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 June 2022

**STATEMENT OF PROFIT OR LOSS
YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Turnover	—	—
RESULT BEFORE TAXATION	—	—
Tax on result on ordinary activities	—	—
RESULT FOR THE FINANCIAL YEAR	—	—

**STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Profit and loss account £	Total shareholders' funds £
Balance as at 1 January 2020	2	—	2
Result for the financial year	—	—	—
Balance as at 31 December 2020	2	—	2
Result for the financial year	—	—	—
Balance as at 31 December 2021	2	—	2

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
ASSETS			
Other Assets			
Cash at bank and in hand		50	331
Debtors - amounts falling due within one year			
Other debtors	4	21	—
TOTAL ASSETS		<u>71</u>	<u>331</u>
LIABILITIES			
Capital and reserves			
Called up share capital	6	2	2
Profit and Loss Account		—	—
Total shareholders' funds		<u>2</u>	<u>2</u>
Creditors - amounts falling due within one year			
Other creditors including taxation and social security	5	69	329
		<u>69</u>	<u>329</u>
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		<u>71</u>	<u>331</u>

The notes on pages 9 to 12 form part of these financial statements.

The financial statements on pages 7 to 12 were approved by the Board of Directors and signed on its behalf by:



M Cummings
Director
27 June 2022

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021****1 ACCOUNTING POLICIES****1.1 Basis of preparation**

These financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Principles (GAAP), including Financial Reporting Standard 102 - "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102), Financial Reporting Standard 103 - "Insurance Contracts" (FRS 103), both issued by the Financial Reporting Council and in compliance with The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI2008/410) relating to insurance companies and other requirements of the Companies Act 2006.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the previous years presented, unless otherwise stated. The Company has adopted FRS 102 and FRS 103 in these financial statements.

The preparation of these financial statements required management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Following the Reinsurance to Close (RITC) of Syndicate 6121 to Syndicate 2003 effective 1st January 2019, the company does not hold any insurance Liabilities therefore there is no requirement to report insurance liabilities and reinsurance assets from this date. Each Lloyd's Syndicate underwriting account is normally closed at the end of the third year by means of reinsurance into the following year, which reinsurer's all future liabilities for the closed year and all previous years in return for a premium which is approved by the managing agent. The payment of a reinsurance to close premium does not eliminate the liability of the closed year for outstanding claims. If the reinsuring Syndicate was unable to meet its obligations, and other elements of Lloyd's chain of security were to fail, then the closed underwriting account would have to settle the outstanding claims. The directors consider that the likelihood of such a failure of the reinsurance to close is extremely remote, and consequently the reinsurance to close has been deemed to settle liabilities outstanding at the closure of an underwriting account.

1.2 Exemption from preparing cash flow statement

The Company has availed itself of the exemption under FRS 102 section 1 on 'Reduced disclosures for subsidiaries' on the grounds that it is a wholly-owned subsidiary whose ultimate parent as at Balance sheet date was AXA SA (registered in France) which prepared a group consolidated cash flow statement in its group consolidated financial statements that are publicly available.

1.3 Exemption from disclosing related party transactions

As the Company is a wholly-owned subsidiary whose ultimate parent as at Balance sheet date was AXA SA (registered in France), the Company has taken advantage of the exemption contained in FRS 102 section 33 'Related Party Disclosures' from disclosing related party transactions with entities which formed part of the AXA SA Group.

1.4 Going Concern

Having assessed the principal risks, the directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2021**1 ACCOUNTING POLICIES (CONTINUED)****1.5 Foreign currencies**

The Company's financial statements are presented in pounds sterling which is the Company's functional currency. Foreign currency transactions in US Dollars, Canadian dollars and Euros are translated at the rate of exchange ruling at the dates of the transactions or at an appropriate average rate.

With the adoption of FRS 102 and FRS 103, all assets and liabilities arising from insurance contracts should be treated as monetary items. At each period end foreign currency monetary items are re-translated into pound Sterling at the rate of exchange at the Balance Sheet date.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss.

1.6 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the year. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years and is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences 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. Deferred tax is recognized on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognized when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

1.7 Financial liabilities

Creditors are recognized initially at fair value, net of directly attributable transaction costs. Creditors are subsequently stated at amortized cost determined according to the effective interest rate method.

1.8 Cash and cash equivalents

Cash and cash equivalents consist of cash held at bank, cash in hand, deposits held at call with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These investments have less than three months' maturity from the date of acquisition.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2021

2 RESULT ON ORDINARY ACTIVITIES BEFORE TAX

Result on ordinary activities before tax is stated after charging:

	2021	2020
	£	£
Auditors' remuneration		
Audit services:		
Fees payable to the Company's auditors for the audit of statutory financial statements	10,209	9,171

The auditors' remuneration for the audit of the financial statements for the year has been borne by another group service company XL Catlin Services SE ("XLCSSSE").

3 EMPLOYEE'S AND DIRECTORS

The company has no direct employees. The company did not incur staff costs during the year (2020: \$nil). The employees that provide services to the company are employed by another group service company XL Catlin Services SE (XLCSSSE).

No emoluments were paid to the directors during the year (2020: £nil) as all the directors' emoluments are borne by another group company XL Catlin Services SE (XLCSSSE) (2020: nil).

The Company was not recharged any expenses during the year relating to the remuneration of the directors of Catlin Syndicate 6121 Limited (2020: £nil).

4 OTHER DEBTORS

	2021	2020
	£	£
Due within one year	<u>21</u>	<u>—</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

5 OTHER CREDITORS INCLUDING TAXATION AND SOCIAL SECURITY

	2021	2020
	£	£
Other creditors within one year	<u>69</u>	<u>329</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

6 CALLED UP SHARE CAPITAL

	2021	2020
	£	£
Ordinary shares		
Allotted, called-up and fully paid		
2 (2020 : 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2021**7 FUNDS AT LLOYD'S**

Every member is required to hold capital at Lloyd's which is held in trust and known as Funds at Lloyd's (FAL). As at 31 December 2021, the value of assets supporting FAL is £0.4 m (2020 : £5.9m).

These funds are intended primarily to cover circumstances where Syndicate assets prove insufficient to meet participating members' underwriting liabilities. The FAL to support the Company's participation in the Syndicate are provided by Aioi Nissay Dowa Insurance Co Ltd, from whom the Company has purchased a whole account quota share covering all of its participation in the Syndicate.

Since FAL is not under the management of the managing agent, no amount has been shown in these financial statements by way of such capital resources. However, the managing agent is able to make a call on the member's FAL to meet liquidity requirements or to settle losses.

8 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company was a wholly owned subsidiary of Catlin Holdings Limited, a company registered in England & Wales, until 10 May 2022. The ownership of Catlin Syndicate 6121 Limited was transferred from Catlin Holdings Limited to Catlin (North American) Holdings Limited via a distribution of its shareholding in specie agreed at a Board meeting on 6 May 2022.

The smallest undertaking for which the Company is a member and for which group financial statements are prepared is XL Bermuda Limited (XLB), a company registered in Bermuda, and the largest group is AXA SA. The results of the Company are consolidated within the financial statements of AXA SA and XLB. Copies of the audited consolidated financial statements of XLB can be obtained from XL House, One Bermudiana Road, Hamilton HM 11, Bermuda. Copies of the audited consolidated financial statements of AXA SA can be obtained from 25 Avenue Matignon, 75008 Paris, France.