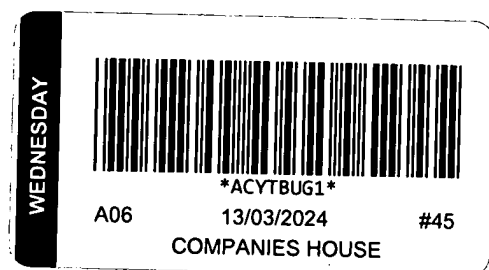


Company No: 2861145

ATRIUM 5 LIMITED

**REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2023**



ATRIUM 5 LIMITED

DIRECTORS

RSM Hayes

JRF Lee

KH Steward

SECRETARY

M Bruce

Shakespeare Martineau LLP

60 Gracechurch Street

London EC3V 0HR

AUDITOR

KPMG LLP

15 Canada Square

London E14 5GL

BANKER

Barclays Bank PLC

Level 11

1 Churchill Place

London E14 5HP

REGISTERED OFFICE

Level 20

8 Bishopsgate

London EC2N 4BQ

ATRIUM 5 LIMITED

STRATEGIC REPORT

The Directors present their strategic report for the year ended 31 December 2023.

Results

The profit for the year, after taxation, amounted to \$498k (2022: \$4,622k loss).

Principal activity and review of the business

Atrium 5 Limited (the Company) is a wholly owned subsidiary of Atrium Underwriting Group Limited (AUGL), the holding company to the Atrium Group of Companies (the Atrium Group), which also owns Atrium Underwriters Limited (AUL), the Lloyd's Managing Agency that manages Syndicate 609 (the Syndicate). The Syndicate's principal activity during the year continued to be the transaction of general insurance and reinsurance business at Lloyd's.

The principal activity of the Company is as a Corporate Underwriting Member at Lloyd's. The Company itself was only active on the 2016 and prior years of account. For the 2017 to 2020 years of account, the Company leased its underwriting capacity to SGL No.1 Limited (SGL1). The 2020 year of account was the final year of account on which the Company participated, either directly or through the lease arrangement with SGL1, on the Syndicate. The 2020 year of account closed on 31 December 2022. A fellow group company, Atrium Corporate Capital Limited (ACCL) participates on the Syndicate from the 2021 year of account onwards.

SGL1 paid the Company a lease premium equal to its share of the 2020 year of account closed result of the Syndicate, less the balance from a quota share reinsurance contract between SGL1 and Arden Reinsurance Company Ltd (Arden Re) in June 2023 as final settlement of the 2020 year of account. On 17 July 2023 the lease agreement between the Company and SGL1 was terminated with effect from 1 January 2023.

The lease premium of \$665k in the calendar year (2022: lease premium reduction of \$5,297k) represents a foreign exchange gain on the settlement of the 2020 closed year of account net of a quota share reinsurance contract with Arden Re.

The Company measures the following Key Performance Indicators (KPIs):

	2023 \$'000	2022 \$'000
Lease premium	665	(5,297)
Profit / (loss) before tax	651	(5,706)
Net assets	106	2,108

The Board has reviewed the results and KPIs of the Company is satisfied that they are in line with expectations following the closure of the 2020 year of account and final settlement of the lease agreement.

ATRIUM 5 LIMITED

STRATEGIC REPORT *(continued)*

Strategy

Following the closure of the 2020 year of account on 31 December 2022, together with the final settlement of the lease premium income in June 2023, the Directors do not anticipate any further income or expenses to be incurred. In adherence with the Lloyd's Byelaws, the liquidation of a Lloyd's corporate member is not permitted at this time and the Company is expected to remain a dormant corporate member.

Principal risks & uncertainties

Atrium 5 is a wholly owned subsidiary of AUGL and at the balance sheet date was ultimately owned by Northshore Holdings Limited (Northshore). The Board of Northshore is responsible for the Northshore Group's systems and internal controls and for reviewing their effectiveness.

Governance

The Board recognises the critical importance of having efficient and effective risk management systems in place but also recognises that it can only mitigate risks, and not eliminate them entirely. Within the Northshore Group there is an established risk management framework encompassing a risk register, a programme of internal control testing and the risk policies which set out the risk appetite, controls and business conduct standards in order to manage the risks to which the Northshore Group is exposed.

The principal risks and uncertainties facing the Company are as follows:

Liquidity risk

This is the risk that the Company will not be able to meet its liabilities as they fall due, owing to a shortfall in cash. To mitigate this risk, cashflow projections are reviewed on a regular basis. The need for borrowings or overdraft facilities in case of unprojected cash flow deficit is also reviewed regularly.

Regulatory risk

The Company is required to comply with requirements of corporate members at Lloyd's. Regulatory risk is the risk of loss owing to a breach of regulatory requirements or failure to respond to regulatory change. The Northshore Group has a Compliance Officer and a team who monitor regulatory developments and assess the impact on group policy.

Since the Company's principal activities are limited to acting as a dormant corporate member at Lloyd's, it is considered that there are no other significant risks and uncertainties facing the business going forward.

By order of the Board



JRF Lee

Director

8 March 2024

ATRIUM 5 LIMITED

DIRECTORS' REPORT

The Directors present their report for the year ended 31 December 2023.

Dividends

The Directors do not recommend a final dividend, making the total dividends paid in the year \$2,500k (2022: nil).

Directors and officers of the Company

The current directors of the Company are disclosed on page 1.

On 30 June 2023, RdWW Harries stepped down as a director of the Company.

On 5 September 2023, RSM Hayes was appointed as a director of the Company.

None of the Directors have any financial interest in the Company.

Events since the balance sheet

There have been no significant events since the balance sheet date.

Going concern

Following the closure of the 2020 year of account on 31 December 2022, together with the final settlement of the profit distribution in June 2023, the Directors do not anticipate any further income or expenses to be incurred.

In adherence with the Lloyd's Byelaws, the liquidation of a Lloyd's corporate member is not permitted at this time. As such, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least a twelve-month period from the date of issue of these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Political donations

The Company made no political donations during the year (2022: \$nil).

Financial risk management

The risk management of the Company has been detailed within the Strategic Report on pages 2 to 3.

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he/she is obliged to take as a director, in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

ATRIUM 5 LIMITED

DIRECTOR'S REPORT *(continued)*

Re-appointment of 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 handwritten signature in black ink, appearing to be 'JRF Lee', with a horizontal line above it.

JRF Lee
Director
8 March 2024

ATRIUM 5 LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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.

ATRIUM 5 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATRIUM 5 LIMITED

Opinion

We have audited the financial statements of Atrium 5 Limited ("the Company") for the year ended 31 December 2023 which comprise the Income Statement, Balance Sheet and Statement of Changes in Equity and related notes, including the 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 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 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.

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.

ATRIUM 5 LIMITED

Our risk assessment procedures included:

- Enquiring of directors, the audit committee, internal audit, and inspection of policy documentation as to the Atrium Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and Atrium's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected, or alleged fraud.
- Reading Board 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, 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, 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 the revenue is composed of relatively simple income streams and has limited complexity in income earned.

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 and those entries posted by individuals who do not usually post journals, and entries posted to unusual accounts.

Identifying and responding to risks of material misstatement related to 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 and discussed with the directors and other management (as required by auditing standards), the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

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.

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.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

ATRIUM 5 LIMITED

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 information, 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 information, 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 fraud 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 non-compliance 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 9, 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.

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.

ATRIUM 5 LIMITED

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 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.



Garin McFarlane (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square London
E14 5GL
8 March 2024

ATRIUM 5 LIMITED**INCOME STATEMENT****For the year ended 31 December 2023**

	Note	2023 \$'000	2022 \$'000
Lease premium	4	665	(5,297)
Interest income		5	-
Foreign exchange gains / (losses)		1	(389)
Other charges, including amortisation	7	(20)	(20)
Profit / (loss) before taxation		651	(5,706)
Tax (charge) / credit on profit / (loss)	8	(153)	1,084
Profit / (loss) for the financial year		498	(4,622)


The attached notes form an integral part of these financial statements.

ATRIUM 5 LIMITED**BALANCE SHEET****At 31 December 2023**

	Note	2023 \$'000	2022 \$'000
Current assets			
Debtors: due within one year	10	-	2,191
Cash at bank		261	421
		261	2,612
Current liabilities			
Creditors: due within one year	11	(155)	(504)
Net current assets		106	2,108
Net assets		106	2,108
Capital and reserves			
Called up share capital	12	-	-
Retained earnings		106	2,108
Shareholder's funds		106	2,108

The attached notes form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 8 March 2024 and signed on its behalf by:



JRF Lee
Director

Company No: 2861145

ATRIUM 5 LIMITED

STATEMENT OF CHANGES IN EQUITY As at 31 December 2023

	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 January 2022	-	6,730	6,730
Loss for the year	-	(4,622)	(4,622)
Balance as at 31 December 2022	-	2,108	2,108
Profit for the year	-	498	498
Dividends		(2,500)	(2,500)
Balance as at 31 December 2023	-	106	106

The attached notes form an integral part of these financial statements.

ATRIUM 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

1. GENERAL INFORMATION

The Company is a Corporate Underwriting Member at Lloyd's but was only active on the 2016 and prior years of account. With respect to the 2017 to 2020 years of account, the Company leased its underwriting capacity to SGL1. On 17 July 2023 the capacity lease agreement between the Company and SGL1 was terminated with effect from 1 January 2023, and going forward the Company is expected to remain as a dormant corporate member at Lloyd's.

The Company is limited by shares and is incorporated in the United Kingdom. The address of its registered office is Level 20, 8 Bishopsgate, London, EC2N 4BQ.

2. BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis with the exception of financial assets which are measured at fair value through profit or loss.

The financial statements are prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102).

The result of the leased underwriting from SGL1, net of the quota share contract with Arden Re, is presented on a single line in the income statement as a lease premium and in the balance sheet under amounts due to SGL1 and is further explained in note 5.

FRS 102 allows a qualifying entity certain disclosure exemptions. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The Company is a qualifying entity as its results are consolidated into the financial statements of Alopuc Limited which are publicly available.

As a qualifying entity, the Company has taken exemption from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102.

All amounts in the financial statements are presented in US dollars and have been rounded to the nearest \$1,000.

Going Concern

Following the closure of the 2020 year of account on 31 December 2022, together with the final settlement of the profit distribution in June 2023, the Directors do not anticipate any further income or expenses to be incurred.

In adherence with the Lloyd's Byelaws, the liquidation of a Lloyd's corporate member is not permitted at this time. As such, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least a twelve month period from the date of issue of these financial statements. For this reason they continue to adopt the going concern basis in preparing the financial statements.

ATRIUM 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

3. SIGNIFICANT ACCOUNTING POLICIES

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

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

There have been no changes in accounting policies or any prior period adjustments.

(a) Interest income

Interest income is received from cash and cash equivalents and is included in the income statement in the period it arises.

(b) Foreign currencies

The Company's functional and presentation currency is US dollars.

Foreign currency transactions are translated into the functional currency using the quarterly average rate in effect at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate.

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 income statement.

Foreign currency rates of exchange to the functional currency are shown in the table below.

	Balance sheet rate at 31 December 2023	Average rate Quarter 1 2023	Average rate Quarter 2 2023	Average rate Quarter 3 2023	Average rate Quarter 4 2023
Sterling	1.2732	1.2222	1.2510	1.2607	1.2425

(c) Taxation

The tax charge or credit represents the sum of the current tax and deferred tax.

Current tax: the current tax charge or credit is based on the taxable profit or loss for the year. The taxable result differs from the result as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax: deferred tax is generally provided in full on timing differences arising between the tax bases of assets and liabilities and their carrying value in the financial statements. Deferred tax is measured on an undiscounted basis using tax rates enacted or substantively enacted at the balance sheet date and which are expected to apply when the related tax is payable or receivable.

ATRIUM 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(e) Underwriting lease

The profit from underwriting leases is recognised in the income statement as the net underwriting lease income incurred in the calendar year. A corresponding receivable is recognised on the balance sheet. Additional disclosures are made in order to allow the user of the accounts to analyse the key insurance technical and non-technical components.

ATRIUM 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. UNDERWRITING LEASE PREMIUM

The lease premium of \$665k (2022: reduction in premium of \$5,297k) on leased underwriting relates to the lease of the Syndicate capacity to SGL1. SGL1 pays the Company a lease premium equal to its share of the result of the Syndicate less the balance due through the reinsurance contract with Arden Re, when settlement is received from the Syndicate upon closure of a year of account. However, should the lease ultimately result in a loss, the lease premium will be nil and Arden Re will reimburse SGL1 with the amount of the loss.

Analysis of the income on leased underwriting

	2023	2022
	\$'000	\$'000
Gross premiums written	-	7,620
Net earned premium	-	9,435
Net claims incurred	-	(9,603)
Net operating expenses	-	(838)
Net investment return	-	(4,291)
Foreign exchange gains	665	-
Lease income	665	(5,297)

Analysis of the balance sheet on leased underwriting

	2023	2022
	\$'000	\$'000
Financial investments	-	188,760
Reinsurers' share: provisions for unearned premium	-	120
Reinsurers' share: claims outstanding	-	34,763
Debtors : arising out of reinsurance operations	-	1,277
Cash at bank	-	31,792
Other prepayments and accrued income	-	2,536
Total assets	-	259,248
Profit & loss account reserve	-	10,475
Claims outstanding	-	173,409
Creditors: arising out of direct insurance operations	-	6,148
Creditors: arising out of reinsurance operations	-	605
Other creditors including taxation and social security	-	65,977
Accruals and deferred income	-	2,634
Total liabilities & equity	-	259,248

ATRIUM 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

5. STAFF COSTS

The Company does not directly employ any staff however it uses the services of employees of the Atrium Group. No amounts are charged to the Company (2022: \$nil) for the use of these services.

6. DIRECTORS REMUNERATION

The Directors of the Company are remunerated by Atrium Group Services Limited (AGSL), the employing company within the Atrium Group. Their remuneration is disclosed in the financial statements of AGSL. No amounts are charged to the Company for the use of these services (2022: \$nil).

7. OTHER CHARGES

Other charges include auditors' remuneration in respect of audit services of \$16,666 (2022: \$17,365).

8. TAX

(a) Tax on profit / (loss)

	2023 \$'000	2022 \$'000
The tax charge / (credit) is made up as follows:		
Current tax:		
UK corporation tax on the profit / (loss) for the year	153	(1,084)
Tax charge / (credit) on profit / (loss) (note 8 (b))	153	(1,084)

(b) Reconciliation of tax charge / (credit)

	2023 \$'000	2022 \$'000
Profit / (loss) before tax	651	(5,706)
Profit / (loss) multiplied by standard rate of corporation tax in the UK of 23.5% (2022: 19%)	153	(1,084)
Total tax charge / (credit) for the year (note 8 (a))	153	(1,084)

(c) Factors that may affect future tax charges

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly.

9. DIVIDENDS

	2023 \$'000	2022 \$'000
Declared and paid during the year	2,500	-

ATRIUM 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

10. DEBTORS

	2023 \$'000	2022 \$'000
Amounts falling due within one year		
Amounts due from SGL1	-	2,191
	<u>-</u>	<u>2,191</u>

11. CREDITORS

	2023 \$'000	2022 \$'000
Amounts falling due within one year		
Amounts owed to group undertakings	155	504
	<u>155</u>	<u>504</u>

12. AUTHORISED AND ISSUED SHARE CAPITAL

	2023 £	2022 £
Authorised:		
75 (2022: 75) ordinary shares of £1 each	75	75
100 (2022: 100) 'A' of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:		
1 (2022: 1) ordinary share of £1	<u>1</u>	<u>1</u>

Following the change of functional currency in 2009, the brought forward balances for the issued share capital have been translated into USD for the purposes of financial reporting at the exchange rate at the date of the change being £1:\$1.4479.

	2023 \$	2022 \$
Allotted, issued and fully paid:		
1 (2022: 1) ordinary share	<u>1</u>	<u>1</u>

The rights of the shares can be summarised as follows:

Ordinary shares confer upon the holders the right to receive notice, attend and vote at General Meetings of the Company, and the right to receive a dividend. The holders of the 'A' ordinary shares do not have the right to receive notice, attend and vote at General Meetings of the Company.

The holders of 'A' ordinary shares shall, on payment of a dividend, or other distribution, be entitled to receive 1p on each 'A' ordinary share for every £10,000 paid per ordinary share, either by dividend or other distribution.

Upon wind-up of the Company and a return of assets, the 'A' ordinary shareholders will be paid the amounts paid up on each 'A' ordinary share, after repayment of the amount paid up on the ordinary shares plus the payment of £1m per ordinary share.

ATRIUM 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. CONTINGENT LIABILITIES

Charge over assets

On 24 September 2020, AUGL entered into a deed of indemnity with the Company. The Company underwrote insurance business at Lloyd's through its participation on the Syndicate and such insurance business may give rise to, inter alia, US Federal Income and Federal Excise tax liabilities as well as other tax liabilities in those jurisdictions where the Company underwrote insurance business. AUGL has agreed to pay to Lloyd's an amount equivalent to any tax liability of the Company arising in respect of, by reference to or in consequence of the insurance business underwritten by the Company together with any reasonable costs and expenses incurred.

14. RELATED PARTIES

The Company is included within the consolidated accounts of Alopuc Limited, an intermediate parent company as at the balance sheet date. The financial statements of Alopuc Limited are publicly available. Accordingly, the Company has taken advantage of the exemption in Section 33.1A of FRS 102 'Related party disclosures'.

15. ULTIMATE PARENT COMPANY

The Company's immediate parent undertaking and controlling party is Atrium Underwriting Group Limited, incorporated in the UK. The Company's ultimate controlling party is Northshore Holdings Limited, incorporated in Bermuda.

As the ultimate UK parent undertaking, Alopuc Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Alopuc Limited are prepared in accordance with accounting principles generally accepted in the United Kingdom and the Republic of Ireland (UK GAAP) and are available to the public and may be obtained from Companies House. Refer to note 2 for exemptions claimed in relation to the preparation of the financial statements under FRS 102. The registered office address of Alopuc Limited is Level 20, 8 Bishopsgate, London, EC2N 4BQ.