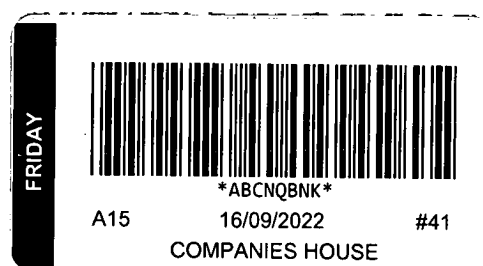


Alterra at Lloyd's Limited

Unaudited Annual Report and Financial
Statements for the year ended
31 December 2021

Registered Number 3304600



Alterra at Lloyd's Limited
Annual Report and Financial Statements
for the year ended 31 December 2021

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Directors and Administration

Board of Directors

Andrew J Davies

Nicholas J Line

William D Stovin

(resigned 01/11/2021)

Company Secretary

Lara S Teesdale

Registered office

20 Fenchurch Street

London

EC3M 3AZ

Registered number

Registration number is 3304600

Bankers

Barclays Bank plc

Lawyers

Norton Rose Fulbright LLP, London

Strategic Report

The Directors submit their Strategic Report for Alterra at Lloyd's Limited ("the Company") for the year ended 31 December 2021.

Principal activity

The Company was, until 9 September 2014, regulated by the Prudential Regulation Authority ("PRA") and the Financial Conduct Authority and operated as a Managing Agent at Lloyd's of London. It was the Managing Agent of Syndicate 1400 until the novation of the managing agency function to Markel Syndicate Management Limited ("MSM") as at 30 September 2013.

The Company is now only a holding company for Markel Brasil Servico Tecnicos Limitada.

Results and performance

The result for the year is disclosed on page 7.

There were no movements in the issued share capital of the Company during the year.

Principal risks and uncertainties

As the Lloyd's managing agent responsibilities of the Company were novated to MSM as at 30 September 2013, no further risks or uncertainties exist, as all of these have been transferred to MSM. As an intermediate holding company, the majority of risks that the Company faces arise from the performance of its subsidiary.

Climate change and society's response to it, are multifaceted, occur over an extended time horizon and are dependent on the severity of the changes in the climate. These risks continue to develop and the relative impact will be dependent on a number of aspects such as industry changes, policy changes and the speed with which those changes are implemented. Climate change and its associated potential risks are regularly reviewed by the Risks and Capital Committee. Markel International has developed a plan for managing the financial risks arising from climate change in line with PRA requirements. The plan will continue to develop over time as understanding of climate change and its potential impacts increases.

Business environment and future developments

The Company intends to continue as a holding company.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out above. The financial position of the Company as disclosed on the Statement of Financial Position shows net current assets of £0.3m (2020, £0.3m).

No material uncertainties have been identified by the Directors that cast significant doubt about the ability the Company to continue as a going concern. The Directors have considered the impact of Covid-19 on the Financial Statements of the Company, with the impact not being significant.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these annual Financial Statements.

By order of the Board,



Andrew J Davies
Director
London

18 August 2022

Directors' Report

The Directors submit the Annual Report and Financial Statements of the Company for the year ended 31 December 2021.

Future developments

Likely future developments in the business of the Company are discussed in the Strategic Report on page 2.

Dividends

Dividends declared and paid during the year were £Nil (2020, £Nil).

Directors

The Directors of the Company who served during the year ended 31 December 2021 and up to the date of this report were as follows:

Andrew J Davies

Nicholas J S Line

William D Stovin (resigned 01/11/2021)

During the year, the Directors had no interests in the shares of the Company which require disclosure. None of the Directors had a beneficial interest in the shares or debentures of any of the UK companies in the Markel Group.

Events since the reporting date

There have been no material events since the reporting date.

Political and charitable contributions

The Company made no political or charitable contributions during the year.

Carbon policy

As set out in the "Markel Style" the Company has a commitment to its communities which we recognise includes environmental responsibilities. Our goal is to minimise our environmental impact whilst still adhering to our other company principles as expressed in the Markel Style and our company profile.

Through the development of best practices in our business, the Company aims to use no more consumables than are necessary and recycle the maximum of those that are used. The Directors also believe that embedding environmental awareness throughout the organisation will be best achieved through a continuous programme of employee education.

Audit Exemption

For the financial year ended 31 December 2021, the Company was entitled to exemption from audit under the Companies Act 2006, (section 480 relating to dormant companies) and the members have not required the Company to obtain audit of its Financial Statements for the year in question in accordance with section 476 of the Companies Act 2006.

By order of the Board,



Andrew J Davies

Director

London

18 August 2022

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, 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.

By order of the Board,



Andrew J Davies

Director
London

18 August 2022

Statement of Comprehensive Income

for the year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Expenses		(3)	(10)
Operating result		(3)	(10)
Result before taxation		-	-
Taxation charge on result	3	-	(4)
Result/(Loss) after taxation		(3)	(14)
Other comprehensive income - net foreign exchange losses		-	-
Total Comprehensive retained income/(loss) for the year		(3)	(14)

The notes on pages 10 to 14 form part of these Financial Statements.

Statement of Changes in Equity

for the year ended 31 December 2021

2021	Share Capital £'000	Comprehensive Income £'000	Total £'000
At beginning of year	400	(72)	328
Total comprehensive retained loss for the year	-	(3)	(3)
At end of year	400	(75)	325

2020	Share Capital £'000	Comprehensive Income £'000	Total £'000
At beginning of year	400	(58)	342
Total comprehensive retained loss for the year	-	(14)	(14)
At end of year	400	(72)	328

The notes on pages 10 to 14 form part of these Financial Statements

Statement of Financial Position

As at 31 December 2021

	Notes	2021		2020	
		£'000	£'000	£'000	£'000
Fixed Assets					
Investments in subsidiaries	4		-		-
Current assets					
Debtors	5	-	-	-	-
Cash and cash equivalents		353		350	
Total assets		353		350	
Creditors: amounts falling due within one year	6	28		22	
Net current assets			325		328
Total assets less total liabilities			325		328
Capital and reserves					
Called up share capital	7		400		400
Comprehensive income			(75)		(72)
Equity shareholder's funds			325		328

The notes on pages 10 to 14 form part of these Financial Statements

For the year ended 31 December 2021 the Company was dormant and thereby entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit of its Financial Statements for the year in question in accordance with section 476 of the Companies Act 2006. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board of Directors on 18 August 2022 and signed on behalf of the Company by Andrew Davies, Company Director.



Andrew J Davies

Director
London

18 August 2022

Notes to the Financial Statements

1 Accounting policies

The Financial Statements have been prepared in compliance with Financial Reporting Standard ("FRS") 102, being the Financial Reporting Standard applicable in the UK and Republic of Ireland as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare consolidated Financial Statements on the grounds that the consolidated Financial Statements of its ultimate parent, Markel Corporation, are publicly available and include the Company in the consolidation. These Financial Statements present information about the Company as an individual undertaking and not about its group.

In these Financial Statements, the Company is considered to be a qualifying entity for the purposes of this FRS and has applied the exemptions available under FRS 102 in respect of the following disclosures:

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

These Financial Statements have been prepared in accordance with the historical cost convention modified by the revaluation of certain assets as required by the Standards. A summary of the more important accounting policies that have been applied consistently is set out below.

a) 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).

Classification

The accounting classification of financial assets and liabilities determines the way in which they are measured and changes in those values are presented in the Statement of Comprehensive Income. Financial assets and liabilities are classified on their initial recognition. Subsequent reclassifications are permitted only in restricted circumstances.

Recognition

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control of substantially all risks and rewards of the asset. A financial liability is derecognised when its contractual obligations are discharged, cancelled, or expire.

Regular way purchases and sales of financial assets are recognised and derecognised, as applicable, on the trade date, i.e. the date that the Company commits itself to purchase or sell the asset.

Measurement

A financial asset or financial liability is measured initially at fair value plus, for a financial asset or financial liability not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in fair value, and are used by the Company in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the Statement of Financial Position.

b) Taxation

Tax on the result for the year comprises current and deferred tax. Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted at the reporting date, and any adjustments to tax payable in respect of previous years. Deferred tax is recognised in respect of all timing differences that have originated but have not reversed at the reporting date and which will result in an obligation to pay more tax in the future or a right to pay less tax in the future.

Timing differences are differences between the Company's taxable profits and its results as stated in the Financial Statements that arise from the inclusion of gains and losses in tax assessments. A net deferred tax asset is regarded as more likely than not when there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are not discounted.

c) Investments in subsidiaries

Investments in subsidiaries are stated at the lower of cost and net realisable value. Any impairment losses are recognised in the Statement of Comprehensive Income.

An impairment loss is reversed if the subsequent increase in fair value can be related objectively to an event after the impairment loss was recognised. The reversal is recognised in the Statement of Comprehensive Income.

d) Foreign currencies translation

The Company's functional currency is US dollars and the presentational currency is sterling.

Transactions in foreign currencies are translated at the average rates of exchange for the period. Monetary assets and liabilities are translated at the rate of exchange at the reporting date or if appropriate at the forward contract rate. Non-monetary assets and liabilities are translated at the rate of exchange proceeding on recognition. All exchange differences arising on the translation of the results and financial position in US dollars (the functional currency) into sterling (the reporting currency) are recognised in the Statement of Comprehensive Income. Exchange differences on all other currencies are recognised within other administrative expenses.

e) Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out above. The financial position of the Company as disclosed on the Statement of Financial Position shows net current assets of £0.3m (2020, £0.3m).

No material uncertainties have been identified by the Directors that cast significant doubt about the ability of the Company to continue as a going concern.

The Directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting on preparing the Financial Statements.

2 Information regarding Directors and employees

The Directors' emoluments were paid by an affiliated group expense service company, Markel International Services Limited which makes no recharge to the Company for these costs. The Directors are also Directors of other companies in the group and it is not possible to make an accurate apportionment of the emoluments in respect of each Company of the group that these Directors provide services to. The Directors' full emoluments can be seen in the Financial Statements of Markel International Insurance Company Limited.

The Company had no employees during the year. Services were provided to the Company by MISL, which makes no recharge to the Company for these services.

3 Taxation on loss

a) Analysis of charge in the year:

	2021 £'000 –	2020 £'000
Current taxation	-	2
Adjustment in respect of prior periods	-	2
Total current taxation charge	-	4
Taxation charge on result/(loss) on ordinary activities for the year	-	4

b) Factors affecting the taxation charge for the year:

	2021 £'000	2020 £'000
Result on ordinary activities before taxation	(3)	10
Result on ordinary activities before taxation multiplied by standard rate of corporation taxation in the UK of 19.00% (2020, 19.00%)	-	2
Effects of:		
Adjustments in respect of prior periods	-	2
Total taxation charge	-	4

4 Investments in subsidiaries**Investments in subsidiaries**

	2021 £'000	2020 £'000
Investments in subsidiaries		
Markel Brasil Servicos Tecnicos Limitada	-	-
Total	-	-

Details of the investments in which the Company holds more than 5% of the nominal value of any class of share capital are as follows:

Subsidiary Undertakings	Country of Registration	Ordinary shares held	Principal activity
Markel Brasil Servicos Tecnicos Limitada	Brazil	100%	Group Expense Services

The registered office for Markel Brasil Servicos Tecnicos Limitada is AV ALMIRANTE BARROSO, 52 SALA 2401, Bairro CENTRO, Cidade Rio de Janeiro, Brazil.

In the opinion of the Directors the aggregate value of the shares in the subsidiary undertaking is not less than the amount at which it is stated in the Statement of Financial Position.

5 Debtors - amounts falling due within one year

	2021 £'000	2020 £'000
Amounts falling due within one year:		
Amounts owed by other Markel entities	-	-
Total	-	-

6 Creditors - amounts falling due within one year

	2021 £'000	2020 £'000
Amounts owed to fellow Markel entities	28	22
Total	28	22

7 Called up share capital

	2021 £'000	2020 £'000
Authorised, issued and fully paid		
40,000,900 Ordinary shares of £0.01 (2020, £0.01)	400	400

8 Related party

The Directors have availed of the exemption in FRS 102 "Related party disclosures" which permits qualifying entities of an undertaking not to disclose details of transaction and balances between group entities that are eliminated on consolidation.

9 Ultimate holding company

The Company's immediate parent company is Alterra Capital UK Limited. The Company's ultimate holding company is Markel Corporation, which is incorporated in the US. Copies of the holding company's consolidated Financial Statements may be obtained from 4521 Highwoods Parkway, Glen Allen, Virginia 23060, USA. The website address is www.markelcorp.com.