

**R&Q SYNDICATE MANAGEMENT LIMITED
(formerly VIBE SYNDICATE MANAGEMENT
LIMITED)**

**Annual Report
and
Financial Statements
for the year ended 31 December 2022**

Registered No: 5957729



R&Q Syndicate Management Limited
Annual Report and Financial Statements
for the year ended 31 December 2022

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R&Q Syndicate Management Limited
Annual Report and Financial Statements
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Company Information

Directors and Advisers

T J Leggett*	(Chairman)
J B King	(Chief Executive Officer)
G D Jarvis	(resigned 16 th September 2022)
P S Donovan	
P A Flamank*	
A K M McFarland	(appointed 3 rd October 2022)

* Non-Executive Director

Company Secretary
R&Q Central Services Limited

Registered Office
71 Fenchurch Street
London EC3M 4BS

Auditors
PKF Littlejohn LLP
15 Westferry Circus
London E14 4HD

R&Q Syndicate Management Limited

Annual Report and Financial Statements

for the year ended 31 December 2022

Strategic Report

The directors present their strategic report for the year ended 31 December 2022.

Review of the business

R&Q Syndicate Management Limited (“the Company”) is an approved Lloyd’s managing agent.

Prior to the Reinsurance to Close (“RITC”) of Syndicate 5678 the Company managed its affairs. On 23 April 2022 the Company became Managing Agent of Syndicate 1110 (“the Syndicate”) by way of novation from Capita Managing Agency Limited.

On 23 November 2022, the Company changed its name from Vibe Syndicate Management Limited to R&Q Syndicate Management Limited.

The key financial and other performance indicators during the year were as follows:

	2022	2021
	£’000	£’000
Turnover	100	100
Administration expenses	103	798
Operating (loss)	(3)	(698)
Profit/(loss) after tax	130	(698)
Shareholders’ funds	497	367

Turnover has remained constant at a flat fee of £100k. Expenses were higher in the prior year as the Company moved to a new operating model.

Principal risks and uncertainties

As a Lloyd’s managing agent, the Company is dependent on the continued operation of the Syndicates it manages. From this perspective the Company is exposed to credit, liquidity and solvency risk. It manages these risks through regular monitoring of the Company’s and the Syndicate’s financial position and prospects.

The Company must also maintain certain regulatory solvency surpluses.

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Strategic Report (continued)

Section 172 (1) Statement

The directors are aware of their duty under s172 of the Companies Act 2006 to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with brokers, policyholders and others; and
- the desirability of the Company maintaining a reputation for high standards of business conduct

Stakeholder engagement

The Board considers the following groups to be its key stakeholder groups:

- Policyholders and brokers of the Syndicate – Policyholders and brokers are the central focus of the business. The Company has built lasting relationships with brokers (representing policyholders interests) and also policyholders where there is no broker on certain large contracts of the Syndicate. The aim of the Company is to honour all policies underwritten by the Company in accordance with their terms and conditions.
- Parent entities – The parent entities provide the capital which allows the Company to operate. They are concerned with a broad range of issues including the Company's financial and operational performance. Executive management are in regular dialogue with the parent entities. They are consulted on significant matters and their views are taken into account when making relevant decisions.
- Employees – Employees of the service company are a key resource dedicated to the operation of the business. They are engaged through various forums including Company wide updates, manager briefings (which are cascaded to teams) and electronic communications. Feedback from these forums is communicated to the Executive and the Board where relevant to assist in decision making.

R&Q Syndicate Management Limited
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Strategic Report (continued)

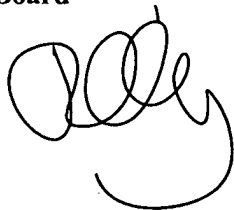
- Regulators – The Company is an approved Lloyd's managing agent and as such is subject to supervision by Lloyd's and as a consequence the Prudential Regulatory Authority. The Company aims to meet all regulatory requirements and maintains an appropriate level of contact with the regulators.
- Other providers of capital to the Syndicate – The Syndicate is supported by capital providers through a number of relationships. In a manner proportionate to the depth of the relationship, capital providers are kept abreast of developments within the Syndicate and their interests are taken into account.

Principal decisions

On 23 April 2022 the Company became Managing Agent of the Syndicate by way of novation, following regulatory approval.

By Order of the Board

J B King
Director
23 March 2023



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Directors' Report

The Directors present their Annual Report and Financial Statements for the year ended 31 December 2022.

The Company changed its name from Vibe Syndicate Management Limited to R&Q Syndicate Management Limited on 23 November 2022.

Results and dividend

The results for the year are set out in the Income Statement on page 14. The directors do not recommend a dividend for the year (2021: Nil).

Directors and share interests

The names of the directors who held office during 2022 are as shown on page 2.

The directors of the Company do not hold any interests in the share capital of the company.

Charitable and political donations

During the year the Company made no charitable or political donations (2021: Nil).

Going Concern

The financial statements have been prepared on a going concern basis. In assessing whether the going concern basis is appropriate, the directors have considered the information contained in the financial statements, the company's business expectations, and the company's current solvency calculations. The directors are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Future developments

The company continues to act as the managing agent for the Syndicate.

Environmental matters

R&Q Syndicate Management Limited is committed to being a successful, sustainable, long-term business and is currently assessing its impacts on the environment, its communities and wider society. Acting Responsibly is at the heart of R&Q's business model and values; we are now taking the necessary steps to ensure that this is embedded throughout the R&Q Group and its subsidiary businesses and that, in the future, we are aligned and can be measured against the relevant industry.

R&Q Syndicate Management Limited
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Director's Report (continued)

Disclosure of information to the Auditors

The Directors of R&Q Syndicate Management Limited at the time the report is approved confirm that:

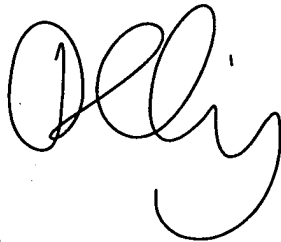
- So far as each person who was a director at the date approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware.
- Having made enquiries with fellow directors and the auditor,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

Re-appointment of auditors

PKF Littlejohn were the auditors for the year ended 31 December 2022. PKF Littlejohn have expressed their willingness to continue in office as auditors.

By Order of the Board

J B King
Director
23 March 2023



R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Directors' Responsibilities Statement

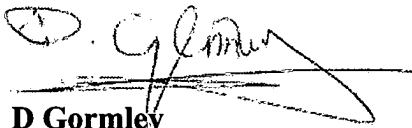
The directors are responsible for preparing the Strategic Report, Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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 judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained within 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.

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.

By order of the Board



D Gormley

For and on behalf of R&Q Central Services Limited

Secretary

23 March 2023

R&Q Syndicate Management Limited
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for the year ended 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R&Q SYNDICATE MANAGEMENT LIMITED

Opinion

We have audited the financial statements of R&Q Syndicate Management Limited for the year ended 31 December 2022 which comprise of the Income Statement, Statement of Financial Position and Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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.

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

R&Q Syndicate Management Limited
Annual Report and Financial Statements
for the year ended 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R&Q SYNDICATE MANAGEMENT LIMITED (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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.

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R&Q SYNDICATE MANAGEMENT LIMITED (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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 irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, and our experience of the sector.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from the Companies Act 2006, UK GAAP, Lloyd's of London byelaws, the rules and regulations of the Prudential Regulation Authority and Financial Conduct Authority as they relate managing agents and UK taxation legislation.

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R&Q SYNDICATE MANAGEMENT LIMITED (continued)

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. These procedures included, but were not limited to:
 - Discussion with management of any known, or suspected instances of non-compliance by the Company of those laws and regulations;
 - Discussion with management of any, or suspected, incidence of fraud;
 - Review of the minutes of the board of directors and other correspondence as we deemed appropriate;
 - Review of the disclosures in the financial statements; and
 - Testing of supporting documentation to assess compliance with applicable law and regulations.
- We addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and preliminary and final analytical review to identify any unusual or unexpected relationships or variances.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R&Q SYNDICATE MANAGEMENT LIMITED (continued)

Use of our report

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.

TUE Seaman

Thomas Seaman (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
23 March 2023

15 Westferry Circus
Canary Wharf
London E14 4HD

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Income Statement for the year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover	2	100,000	100,000
Administrative expenses		(87,177)	(787,160)
Interest expense		(15,416)	(10,451)
Loss on ordinary activities before taxation		(2,593)	(697,611)
Taxation on profit on ordinary activities	6	132,861	-
Profit/(loss) on ordinary activities after taxation		130,268	(697,611)

There are no gains or losses to be reported in a Statement of Comprehensive Income other than those shown in the Income Statement for the current and preceding year.

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Statement of Financial Position as at 31 December 2022

	Notes	2022	2021
		£	£
Current assets			
Debtors:			
Amounts falling due within one year	7	945,335	825,715
Cash at bank and in hand		1,434	1,238
Creditors			
Amounts falling due within one year	8	-	(10,452)
Net assets		946,769	816,501
Capital and reserves			
Called up share capital	9	50,001	50,001
Share premium	10	449,999	449,999
Profit and loss account		(3,231)	(133,499)
Shareholder funds attributable to equity interests		496,769	366,501
Subordinated Loan	11	450,000	450,000
Total equity and liabilities		946,769	816,501

The financial statements on pages 14 to 23 were approved by the Board of Directors on 23 March 2023 and signed on its behalf on 23 March 2023 by:



A K M McFarland
Director

Company number: 5957729

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Statement of Changes in Equity For the year ended 31 December 2022

	Called up Capital £	Share Premium £	Profit & Loss Account £	Total Equity £
As at 1 January 2022	50,001	449,999	(133,499)	366,501
Profit for the year	-	-	130,268	130,268
As at 31 December 2022	<u>50,001</u>	<u>449,999</u>	<u>(3,231)</u>	<u>496,769</u>

	Called up Capital £	Share Premium £	Profit & Loss Account £	Total Equity £
As at 1 January 2021	50,001	449,999	564,112	1,064,112
Loss for the year	-	-	(697,611)	(697,611)
As at 31 December 2021	<u>50,001</u>	<u>449,999</u>	<u>(133,499)</u>	<u>366,501</u>

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements

1. Accounting policies

(a) Basis of Preparation

R&Q Syndicate Management Limited is a limited liability company incorporated in England. The Registered Office is 71 Fenchurch Street, London EC3M 4BS. The financial statements cover those of the individual entity and are prepared as at 31 December 2022 and for the year ended 31 December 2022.

The financial statements have been prepared in compliance with FRS 102, being the applicable UK GAAP accounting standard, and in accordance with the provisions of Schedule 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared under the historical cost convention.

The Company has taken advantage of the reduced disclosures available for qualifying entities under paragraph 1.12 of FRS 102, including the exemption from preparing a cash flow statement. The Company is a qualifying entity under this exemption as its ultimate parent company is R&Q Insurance Holdings Ltd, a company registered in Bermuda which fully consolidates the Company's results into its Financial Statements including a Group Consolidated Cash Flow Statement.

The Company has also taken advantage of the exemption permitted by FRS 102 section 33, Related Party Disclosures, not to disclose transactions between members of a group where a party to the transaction is a wholly-owned subsidiary. However, the Company is required to disclose year end balances as per Note 13.

Having assessed the principal risks on liquidity, credit risk and operational risk for the company, the directors have concluded that there are no material uncertainties that may cast significant doubt about the company's financial ability to continue as a going concern and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least the next 12 months from the date of this report and that therefore it is appropriate to adopt a going concern basis for the preparation of the financial statements, and accordingly these financial statements have been prepared on a going concern basis.

The financial statements are prepared in sterling which is the presentational and functional currency of the company. The financial statements are prepared using the going concern basis of accounting.

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

1. Accounting policies (continued)

(b) Turnover

Turnover consists of underwriting agency fees from Syndicate 1110 (2021: from Syndicate 5678). Managing agency fees have remained constant at a flat fee of £100k.

(c) Expenses

All expenses are accounted for on an accruals basis.

(d) Taxation

Current tax

Current tax liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Amounts expected to be paid to fellow group companies in respect of group relief are shown as intercompany balances. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Income Statement.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which timing difference reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date.

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

(e) Exchange rates

Assets and liabilities held in foreign currency are translated into sterling at the rates of exchange ruling at the balance sheet date and the exchange differences taken to the profit and loss account in the period. Foreign currency transactions during the period are also translated into sterling using the rate of exchange prevailing at the date of the transactions.

(f) Interest income

Interest return comprises interest income accrued on cash at bank and in hand.

2. Turnover

	2022 £	2021 £
Managing agent's fees	100,000	100,000
	<u>100,000</u>	<u>100,000</u>

Turnover is attributable to the Company's principal activity as a Lloyd's Managing Agency. All turnover arises from continuing operations and is derived wholly from the UK.

3. Auditor's remuneration

	2022 £	2021 £
Fees payable for the audit of the Company's annual accounts	13,200	12,000
	<u>13,200</u>	<u>12,000</u>

4. Staff costs

There were no staff employed by the Company. Staff are employed by R&Q Central Services Limited, a fellow group company which makes a recharge to the company.

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

5. Remuneration of directors

No emoluments were payable to the directors in respect of their services to this company for the year ended 31 December 2022.

	2022	2021
	£	£
Remuneration	-	136,205
Company contributions to pension schemes	-	1,531

The amounts set out above include remuneration of the highest paid director as follows:

	2022	2021
	£	£
Remuneration	-	86,223
Company contributions to pension schemes	-	-

There are no share options and no long-term incentive plans.

6. Taxation

(i) Analysis of the tax charge for the year

	2022	2021
	£	£
Current Tax		
UK corporation tax on profits of the year	-	-
Prior tax year adjustment in respect of group relief	(132,861)	-
Total tax credit for the period	(132,861)	-

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

6. Taxation (continued)

(ii) Factors affecting the tax charge for the year	2022 £	2021 £
(Loss) on ordinary activities before tax	(2,593)	(697,611)
UK corporation tax at 19%	(493)	(132,546)
Effects of:		
Unrelieved tax losses carried forward	493	132,546
Prior tax year adjustment in respect of group relief	(132,861)	-
Total tax credit for the period	(132,861)	-

The Company's results are taxable in the UK under the standard rate of corporation tax being 19% for 2022 (2021: 19%).

The main rate of tax was 19% for the financial year. Legislation was introduced in the Finance Bill 2021 to increase the main rate of corporation tax to 25% from 1 April 2023. The Company has an unrecognised deferred tax asset of £2,929 which has been calculated at 19% (2021: 19%). This balance comprises of £2,929 in relation to a Non-trading loan relationship deficit carried forward. No asset has been recognised for these items due to uncertainty of future profits.

7. Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Amounts due from group companies	945,335	825,715
	945,335	825,715

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

8. Creditors

	2022	2021
	£	£
Amounts falling due within one year:		
Amounts due to parent companies	-	10,452
	<u>-</u>	<u>10,452</u>

9. Authorised and issued share capital

	2022	2021
	£	£
Authorised, allotted and called up:		
Ordinary shares of £1 each	<u>50,001</u>	<u>50,001</u>

10. Share premium account

	2022	2021
	£	£
Share Premium	<u>449,999</u>	<u>449,999</u>

11. Subordinated loan

The Company has the benefit of a subordinated loan of £450,000 from its intermediate parent undertaking, Randall & Quilter II Holdings Limited (R&Q II).

Interest is payable on the facility and it can only be withdrawn with the permission of Lloyd's. The facility is subordinated to all other creditors of the Company. The interest incurred on the loan in 2022 was £15,416 (2021: £10,452) with interest payable of £nil at 31 December 2022 (31 December 2021: £10,452).

R&Q Syndicate Management Limited

Annual Report and Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

12. Ultimate parent and controlling undertaking

The Company's immediate parent undertaking is Randall & Quilter II Holdings Limited, a company registered in the United Kingdom. The Company's ultimate parent undertaking is R&Q Insurance Holdings Ltd., a company registered in Bermuda.

Group financial statements are prepared by R&Q Insurance Holdings Ltd. and can be obtained from 71 Fenchurch Street, London, EC3M 4BS.

13. Related party transactions

At year end 2022, the Company had the following related party balances.

	2022 £	2021 £
Amounts owed by fellow group subsidiaries		
R&Q Capital No.6 Limited	38,826	-
Vibe Services Management Limited	812,474	825,715
	<u>851,300</u>	<u>825,715</u>
Amounts owed by parent company		
R&Q Insurance Holdings Ltd	94,035	-
	<u>94,035</u>	<u>-</u>
Amounts owed to parent company		
Randall & Quilter II Holdings Limited	-	10,452
	<u>-</u>	<u>10,452</u>
Subordinated Loan		
Randall & Quilter II Holdings Limited	450,000	450,000
	<u>450,000</u>	<u>450,000</u>

14. Subsequent Events

There have been no subsequent events from the balance sheet date until the date of approval of the financial statements by Management.