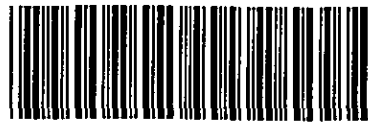


Company registration number: 06495582

## SD Underwriting Limited

### Report and Financial Statements 31 December 2012

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# **SD Underwriting Limited**

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# **SD Underwriting Limited**

## **Company Information**

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### **Directors**

S Dickinson  
M Dickinson  
Nomina Plc

### **Company Secretary**

Hampden Legal Plc

### **Registered Office**

Hampden House  
Great Hampden  
Great Missenden  
Buckinghamshire  
HP16 9RD

### **Auditors**

PKF Littlejohn LLP  
Statutory Auditor  
1 Westferry Circus  
Canary Wharf  
London E14 4HD

# **SD Underwriting Limited**

## **Report of the Directors**

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The Directors submit their Report together with the Financial Statements of the Company for the year ended 31 December 2012

### **Principal Activities, Business Review and Future Developments**

The principal activity of the Company is that of a holding company for a number of Lloyd's corporate capital members

The Financial Statements incorporate the annual accounting results of the syndicates on which the Group participates for the 2010, 2011 and 2012 years of account, as well as any 2009 and prior run-off years

### **Results and Dividends**

The results for the year are set out on pages 6 to 7 of the Financial Statements

### **Key Performance Indicators**

The directors monitor the performance of the Group by reference to the key performance indicators of the underlying Lloyd's corporate members

### **Other Performance Indicators**

As a result of the nature of this Company as the holding company of Lloyd's corporate members the majority of its activities are carried out by the syndicates in which it participates. The Company is not involved directly in the management of the syndicate's activities, including employment of syndicate staff, as these are the responsibility of the relevant Managing Agent. Each Managing Agent will also have responsibility for the environmental activities of each syndicate, although by their nature insurers do not produce significant environmental emissions. As a result, the Directors of the Company do not consider it appropriate to monitor and report any performance indicators in relation to staff or environmental matters

### **Risk Management**

The majority of the risks to this Group's future cash flows arise from its participation in the results of Lloyd's syndicates. As detailed below, these risks are mostly managed by the Managing Agent of the syndicate. This Group's role in managing this risk is limited to selection of syndicate participations and monitoring performance of the syndicates

### **Syndicate Risks**

The syndicate's activities expose it to a variety of financial and non-financial risks. The Managing Agent is responsible for managing the syndicate's exposure to these risks and, where possible, introducing controls and procedures that mitigate the effects of the exposure to risk. Each year, the Managing Agent prepares a Lloyd's Capital Return (LCR) for the syndicate, the purpose of this being to agree capital requirements with Lloyd's based on an agreed assessment of the risks impacting the syndicate's business, and the measures in place to manage and mitigate those risks from a quantitative and qualitative perspective. The risks described below are typically reflected in the LCR, and typically the majority of the total assessed value of the risks concerned is attributable to Insurance Risk

The insurance risks faced by a syndicate include the occurrence of catastrophic events, downward pressure on pricing of risks, reductions in business volumes and the risk of inadequate reserving. Reinsurance risks arise from the risk that a reinsurer fails to meet their share of a claim. The management of the syndicate's funds is exposed to risks of investment, liquidity, currency and interest rates leading to financial loss. The syndicate is also exposed to regulatory and operational risks including its ability to continue to trade. However, supervision by Lloyd's provides additional controls over the syndicate's management of risks

The Group manages the risks faced by the syndicates on which it participates by monitoring the performance of the syndicates it supports. This commences in advance of committing to support a syndicate for the following year, with a review of the business plan prepared for each syndicate by its Managing Agent. In addition quarterly reports and annual accounts together with any other information made available by the Managing Agent are monitored and if necessary enquired into. If the Group considers that the risks being run by the syndicate are excessive it will seek confirmation from the Managing Agent that adequate management of the risk is in place and if considered appropriate will withdraw support from the next underwriting year. The Group relies on advice provided by the Members' Agent which acts for it, who are specialists in assessing the performance and risk profiles of syndicates

# SD Underwriting Limited

## Report of the Directors (continued)

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### Investment and Currency Risks

The other significant risks faced by the Group are with regard to the investment of the available funds within its own custody. The elements of these risks are investment risk, liquidity risk, currency risk and interest rate risk. The main liquidity risk would arise if a syndicate had inadequate liquid resources for a large claim and sought funds from the Group to meet the claim. In order to minimise investment, credit and liquidity risk the Group's funds are invested in readily realisable short term cash deposits.

### Regulatory Risks

The Group is subject to continuing approval by Lloyd's to be a member of a Lloyd's syndicate. The risk of this approval being removed is mitigated by monitoring and fully complying with all requirements in relation to membership of Lloyd's. The capital requirements to support the proposed amount of syndicate capacity for future years are subject to the requirements of Lloyd's. A variety of factors are taken into account by Lloyd's in setting these requirements including market conditions and syndicate performance and although the process is intended to be fair and reasonable the requirements can fluctuate from one year to the next, which may constrain the volume of underwriting the Group is able to support.

### Operational Risks

As there are relatively few transactions actually undertaken by the Group there are only limited systems and staffing requirements of the Group and therefore operational risks are not considered to be significant. Close involvement of all directors in the Group's key decision making and the fact that the majority of the Group's operations are conducted by syndicates provides control over any remaining operational risks.

### Directors

The Directors who served at any time during the year were as follows

S Dickinson  
M Dickinson  
Nomina Plc

### 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 elected to prepare the Group and Parent Company 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 of the Group and Company and of the profit or loss of the Group 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 accounting estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements,
- 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 Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and any other irregularities.

# SD Underwriting Limited

## Report of the Directors (continued)

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### Auditors

On 1 July 2013 Littlejohn LLP changed its name to PKF Littlejohn LLP. PKF Littlejohn LLP has signified its willingness to continue in office as auditors.

**In the case of each of the persons who are Directors at the time this report is approved, the following applies:**

- (a) So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (b) They have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board on 10 September 2013  
and signed on its behalf by



Hampden Legal Plc  
Secretary

# SD Underwriting Limited

## Report of the Auditors

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### Independent Auditor's report to the members of SD Underwriting Limited

We have audited the Financial Statements of SD Underwriting Limited for the year ended 31 December 2012 which comprise the Group Profit and Loss Account, the Group and Company Balance Sheets, the Group Cash Flow Statement, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

### Respective responsibilities of Directors and Auditors

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. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited Financial Statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on Financial Statements

In our opinion the Financial Statements

- give a true and fair view of the state of the Group and the Parent Company's affairs as at 31 December 2012 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.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

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

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.

We have nothing to report in respect of the above matters.



Carmine Papa (Senior statutory auditor)  
For and on behalf of PKF Littlejohn LLP  
Statutory auditor

13 September 2013

1 Westferry Circus  
Canary Wharf  
London E14 4HD

# SD Underwriting Limited

## Consolidated Profit and Loss Account Technical Account – General Business For the year ended 31 December 2012

	Note	2012 £	2011 £
<b>Premiums Written</b>			
Gross premiums written	1	4,801,705	4,176,803
Outward reinsurance premiums		(1,110,433)	(835,049)
<b>Net Premiums Written</b>		<u>3,691,272</u>	<u>3,341,754</u>
<b>Change in the provision for unearned premiums</b>			
Gross Provision		(276,775)	64,716
Reinsurers' share		36,629	(1,194)
<b>Earned Premiums, Net of Reinsurance</b>		<u>3,451,126</u>	<u>3,405,276</u>
<b>Allocated Investment Return Transferred from the Non-Technical Account</b>		150,572	101,021
Other technical income, net of reinsurance		-	-
<b>Claims Paid</b>			
Gross Amount		(2,302,739)	(2,333,315)
Reinsurers' share		467,166	410,975
<b>Net claims paid</b>		<u>(1,835,573)</u>	<u>(1,922,340)</u>
<b>Change in Provision for Claims</b>			
Gross amount		11,011	(677,287)
Reinsurers' share		164,207	314,005
<b>Change in net provision for claims</b>		<u>175,218</u>	<u>(363,282)</u>
<b>Claims Incurred, Net of Reinsurance</b>		<u>(1,660,355)</u>	<u>(2,285,622)</u>
Changes in other technical provisions, net of reinsurance			
Net operating expenses	3	(1,438,226)	(1,232,648)
Other technical charges, net of reinsurance		-	-
<b>Balance on the Technical Account for General Business</b>		<u>503,117</u>	<u>(11,973)</u>

The accounting policies and notes are an integral part of these Financial Statements



**SD Underwriting Limited**  
**Consolidated Profit and Loss Account**  
**Non - Technical Account**  
**For the year ended 31 December 2012**

	Note	2012 £	2011 £
<b>Balance on Technical Account for General Business</b>		503,117	(11,973)
Investment income	4	160,209	248,375
Unrealised gains on investments		90,690	80,947
Investment expenses and charges	5	(59,494)	(126,702)
Unrealised losses on investments		(37,787)	(105,657)
Allocated investment return transferred to the general business technical account		(150,572)	(101,021)
Other income		682	8,554
Other charges		(176,678)	(174,946)
<b>Profit/(loss) on ordinary activities before taxation</b>	6	330,167	(182,423)
Tax on profit/(loss) on ordinary activities	7	(60,787)	(46,580)
<b>Profit/(loss) for the financial year</b>	15	269,380	(229,003)

The Group had no recognised gains or losses other than the profit for the year

All amounts relate to continuing operations

The accounting policies and notes are an integral part of these Financial Statements

# SD Underwriting Limited

## Consolidated Balance Sheet

As at 31 December 2012

	Note	31 December 2012			31 December 2011		
		Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
<b>Assets</b>							
<b>Intangible assets</b>	9	-	126,710	126,710	-	169,787	169,787
<b>Investments</b>							
Financial investments	10	5,228,649	15,294	5,243,943	5,394,810	20,229	5,415,039
Deposits with ceding undertakings		1,469	-	1,469	1,454	-	1,454
		5,230,118	15,294	5,245,412	5,396,264	20,229	5,416,493
<b>Reinsurers' share of technical provisions</b>							
Provision for unearned premiums		263,913	-	263,913	234,830	-	234,830
Claims outstanding		1,700,990	-	1,700,990	1,611,209	-	1,611,209
Other technical provisions		-	-	-	-	-	-
		1,964,903	-	1,964,903	1,846,039	-	1,846,039
<b>Debtors</b>							
Arising out of direct insurance operations		1,006,352	-	1,006,352	950,046	-	950,046
Arising out of reinsurance operations		836,743	-	836,743	761,808	-	761,808
Other debtors	12	568,332	853,910	1,422,242	614,332	369,702	984,034
		2,411,427	853,910	3,265,337	2,326,186	369,702	2,695,888
<b>Other assets</b>							
Cash at bank and in hand		258,997	164,821	423,818	282,077	421,733	703,810
Other		540,985	-	540,985	614,711	-	614,711
		799,982	164,821	964,803	896,788	421,733	1,318,521
<b>Prepayments and accrued income</b>							
Accrued interest		9,684	-	9,684	13,650	67	13,717
Deferred acquisitions costs		474,519	-	474,519	409,728	-	409,728
Other prepayments and accrued income		11,393	-	11,393	21,250	-	21,250
		495,596	-	495,596	444,628	67	444,695
<b>Total assets</b>		10,902,026	1,160,735	12,062,761	10,909,905	981,518	11,891,423

The accounting policies and notes are an integral part of these Financial Statements

# SD Underwriting Limited

## Consolidated Balance Sheet

As at 31 December 2012

	Note	31 December 2012			31 December 2011		
		Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
<b>Liabilities and shareholders' funds</b>							
<b>Capital and reserves</b>							
Called up share capital	13	-	100	100	-	100	100
Other reserves		-	38,275	38,275	-	38,275	38,275
Profit and loss account	14	171,106	232,063	403,169	433,533	(299,744)	133,789
<b>Shareholders' funds – attributable to equity interests</b>							
	15	171,106	270,438	441,544	433,533	(261,369)	172,164
<b>Technical provisions</b>							
Provision for unearned premiums		1,938,479	-	1,938,479	1,709,567	-	1,709,567
Claims outstanding – gross amount		7,231,474	-	7,231,474	7,558,389	-	7,558,389
Other technical provisions		-	-	-	-	-	-
<b>Provisions for other risks and charges</b>							
Deferred taxation	16	-	-	-	-	-	-
Other		-	-	-	-	-	-
<b>Deposit received from reinsurers</b>		787	-	787	970	-	970
<b>Creditors</b>							
Arising out of direct insurance operations		104,979	-	104,979	238,260	-	238,260
Arising out of reinsurance operations		818,450	-	818,450	506,309	-	506,309
Amounts owed to credit Institutions		-	-	-	125	-	125
Other creditors including taxation and social security	17	627,202	755,953	1,383,155	612,924	966,717	1,579,641
		10,721,371	755,953	11,477,324	10,626,544	966,717	11,593,261
<b>Accruals and deferred income</b>		9,549	134,344	143,893	(150,172)	276,170	125,998
<b>Total liabilities</b>		10,902,026	1,160,735	12,062,761	10,909,905	981,518	11,891,423

Approved and authorised for issue by the Board of Directors on 10 September 2013  
and signed on its behalf by

*Nomina Plc*

Nomina Plc  
Director

Company registration number 06495582

The accounting policies and notes are an integral part of these Financial Statements

# SD Underwriting Limited

## Company Balance Sheet

As at 31 December 2012

Company registration number 06495582

	Note	2012 £	2011 £
<b>Fixed assets</b>			
Investment in Group undertakings	11	206,096	206,096
Financial Investments		-	100
		<u>206,096</u>	<u>206,196</u>
<b>Current assets</b>			
Other debtors		72,777	53,015
Cash at bank		47,955	54,193
		<u>120,732</u>	<u>107,208</u>
<b>Creditors – amounts falling due within one year</b>			
Amounts owed to Group undertakings		(192,262)	(172,500)
Amounts owed to Shareholders		(188,293)	(178,393)
Other creditors and accruals		(13,680)	(9,240)
		<u>(394,235)</u>	<u>(360,133)</u>
Net current liabilities		(273,503)	(252,925)
<b>Total assets less current liabilities</b>		<u>(67,407)</u>	<u>(46,729)</u>
<b>Capital and reserves</b>			
Called up share capital	13	100	100
Profit and loss account	14	(67,507)	(46,829)
<b>Total shareholders' funds</b>	15	<u>(67,407)</u>	<u>(46,729)</u>

Approved and authorised for issue by the Board of Directors on September 2013  
and signed on its behalf by

Nomina Plc  
Director

The accounting policies and notes are an integral part of these Financial Statements

**SD Underwriting Limited**  
**Consolidated Cash Flow Statement**  
**For the year ended 31 December 2012**

	Note	2012 £	2011 £
<b>Operating activities</b>			
Net cash outflow from operating activities	18	(70,857)	(492,642)
<b>Returns on investments and servicing of finance</b>			
		1,324	500
<b>Capital expenditure</b>			
Purchase of syndicate capacity		(22,607)	(89,816)
Proceeds from sale of syndicate capacity		21,750	9,437
<b>Acquisition of subsidiary, net of cash acquired</b>			
		-	-
<b>Taxation</b>			
Corporation and overseas taxes paid		(194,714)	(108,374)
<b>Equity dividends paid</b>			
		-	-
<b>Financing</b>			
Issue of shares		-	-
Share issue expenses		-	-
Net cash outflow for the year	18	<u>(265,104)</u>	<u>(680,895)</u>
<b>Cash flows were invested as follows.</b>			
(Decrease)/increase in cash holdings	18	(256,912)	323,007
Purchase of financial investments		-	-
Sale of financial investments		(8,192)	(1,003,902)
Net investment of cash flows		<u>(265,104)</u>	<u>(680,895)</u>

The Group has no control over the disposition of assets and liabilities at Lloyd's. Consequently, the cash flow statement is prepared reflecting only the movement in corporate funds, which includes transfers to and from the syndicates at Lloyd's.

The accounting policies and notes are an integral part of these Financial Statements.

# **SD Underwriting Limited**

## **Accounting Policies**

**For the year ended 31 December 2012**

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### **Basis of Preparation**

The Financial Statements are prepared under the historical cost basis of accounting modified to include the revaluation of investments and comply with applicable Accounting Standards

The Company participates in insurance business as an underwriting member of various syndicates at Lloyd's

The Financial Statements have been prepared in accordance with Section 396(3) of the Companies Act 2006, Schedule 3 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 and the recommendations of the Statement of Recommended Practice on Accounting for Insurance Business issued by the Association of British Insurers in December 2005, as amended in December 2006, except that exchange differences arising on syndicate assets and liabilities are dealt with in the technical account as all of these differences arise from technical account transactions

Accounting information in respect of the syndicate participations has been provided by the Syndicate's managing agent and has been reported upon by the syndicate auditors

### **Going Concern**

The Group participates as an underwriting member of Lloyd's. Its underwriting is supported by Funds at Lloyd's either made available by the Company directly or by its shareholders. The Directors are of the opinion that the Group and the Company has adequate resources to meet its underwriting and other operational obligations for the foreseeable future. Accordingly, the going concern concept has been adopted in preparation of the Financial Statements

### **Basis of Accounting**

#### **i. Company**

Under the requirements of FRS 6, Acquisitions and Mergers, the consolidated accounts of the Company have been prepared using merger accounting where the conditions have been met, otherwise acquisition accounting has been used

The carrying values of the assets and liabilities of the combining bodies have not been adjusted to fair value on consolidation. However appropriate adjustments have been made to achieve uniformity of accounting policies

The results and cash flows of all the combining bodies have been brought into the financial statements of SD Underwriting Limited from the beginning of the current financial year, adjusted to achieve uniformity of accounting policies

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the Parent Company is not presented as part of these Financial Statements. The profit or loss of the Parent Company for the year is shown in note 15

#### **ii Subsidiaries**

The Financial Statements are prepared using the annual basis of accounting. Under the annual basis of accounting a result is determined at the end of each accounting period reflecting the profit or loss from providing insurance coverage during that period and any adjustments to the profit or loss of providing insurance cover during earlier accounting periods

Amounts reported in the general business technical account relate to movements in the period in respect of all relevant years of account of the syndicates on which the Company participates

Assets and liabilities arising as a result of the underwriting activities are mainly controlled by the syndicates' managing agents. Accordingly, these assets and liabilities have been shown separately in the balance sheet as "Syndicate Participation". Other assets and liabilities are shown as "Corporate". The syndicate assets are held subject to trust deeds for the benefit of the syndicates' insurance creditors

The information included in these Financial Statements in respect of the syndicates has been supplied by Managing Agents based upon the various accounting policies they have adopted. The following describes the policies they have adopted

# **SD Underwriting Limited**

## **Accounting Policies**

### **For the year ended 31 December 2012**

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#### **Basis of Accounting (continued)**

#### **General Business**

##### **i Premiums**

Premiums written comprise the total premiums receivable in respect of business incepted during the year, together with any differences between booked premiums for prior years and those previously accrued, and include estimates of premiums due but not yet receivable or notified to the syndicates on which the Company participates, less an allowance for cancellations. All premiums are shown gross of commission payable to intermediaries and exclude taxes and duties levied on them.

##### **ii Unearned Premiums**

Written premium is earned according to the risk profile of the policy. Unearned premiums represent the proportion of premiums written in the year that relate to unexpired terms of policies in force at the Balance Sheet date, calculated on a time apportionment basis having regard where appropriate, to the incidence of risk. The specific basis adopted by each syndicate is determined by the relevant Managing Agent.

##### **iii Deferred Acquisition Costs**

Acquisition costs, which represent commission and other related expenses, are deferred over the period in which the related premiums are earned.

##### **iv Reinsurance Premiums**

Reinsurance premium costs are allocated by the Managing Agent of each syndicate to reflect the protection arranged in respect of the business written and earned.

##### **v Claims Incurred and Reinsurers' Share**

Claims incurred comprise claims and settlement expenses (both internal and external) occurring in the year and changes in the provisions for outstanding claims, including provisions for claims incurred but not reported and settlement expenses, together with any other adjustments to claims from previous years. Where applicable, deductions are made for salvage and other recoveries.

The provision for claims outstanding comprises amounts set aside for claims notified and claims incurred but not yet reported (IBNR). The amount included in respect of IBNR is based on statistical techniques of estimation applied by each syndicate's in-house reserving team and reviewed by external consulting actuaries. These techniques generally involve projecting from past experience the development of claims over time to form a view of the likely ultimate claims to be experienced for more recent underwriting, having regard to variations in the business accepted and the underlying terms and conditions. The provision for claims also includes amounts in respect of internal and external claims handling costs. For the most recent years, where a high degree of volatility arises from projections, estimates may be based in part on output from rating and other models of the business accepted and assessments of underwriting conditions.

The reinsurers' share of provisions for claims is based on calculated amounts of outstanding claims and projections for IBNR, net of estimated irrecoverable amounts, having regard to each syndicate's reinsurance programme in place for the class of business, the claims experience for the year and the current security rating of the reinsurance companies involved. Each syndicate uses a number of statistical techniques to assist in making these estimates.

Accordingly the two most critical assumptions made by each syndicate's Managing Agent as regards claims provisions are that the past is a reasonable predictor of the likely level of claims development and that the rating and other models used including pricing models for recent business are reasonable indicators of the likely level of ultimate claims to be incurred.

# SD Underwriting Limited

## Accounting Policies

For the year ended 31 December 2012

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### General Business (continued)

#### v Claims Incurred and Reinsurers' Share (continued)

The level of uncertainty with regard to the estimations within these provisions generally decreases with time since the underlying contracts were exposed to new risks. In addition the nature of short tail claims such as property where claims are typically notified and settled within a short period of time will normally have less uncertainty after a few years than long tail risks such as some liability business where it may be several years before claims are fully advised and settled. In addition to these factors if there are disputes regarding coverage under policies or changes in the relevant law regarding a claim this may increase the uncertainty in the estimation of the outcomes.

The assessment of these provisions is usually the most subjective aspect of an insurer's accounts and may result in greater uncertainty within an insurer's accounts than within those of many other businesses. The provisions for gross claims and related reinsurance recoveries have been assessed on the basis of the information currently available to the directors of each syndicate's managing agent. However, ultimate liability will vary as a result of subsequent information and events and this may result in significant adjustments to the amounts provided. Adjustments to the amounts of claims provisions established in prior years are reflected in the financial statements for the period in which the adjustments are made. The provisions are not discounted for the investment earnings that may be expected to arise in the future on the funds retained to meet the future liabilities. The methods used, and the estimates made, are reviewed regularly.

#### vi Unexpired Risks Provision

Provisions for unexpired risks are made where the costs of outstanding claims, related expenses and deferred acquisition costs are expected to exceed the unearned premium provision carried forward at the balance sheet date. The provision for unexpired risks is calculated separately by reference to classes of business which are managed together, after taking into account relevant investment return. The provision is made on a syndicate by syndicate basis by the relevant Managing Agent.

#### vii Closed Years of Account

At the end of the third year, the underwriting account is normally closed by reinsurance into the following year of account. The amount of the reinsurance to close premium payable is determined by the managing agent, generally by estimating the cost of claims notified but not settled at 31 December, together with the estimated cost of claims incurred but not reported at that date, and an estimate of future claims handling costs.

Any subsequent variation in the ultimate liabilities of the closed year of account is borne by the underwriting year into which it is reinsured.

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 the other elements of Lloyd's chain of security were to fail, then the closed underwriting account would have to settle 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 the liabilities outstanding at the closure of an underwriting account. The Company has included its share of the reinsurance to close premiums payable as technical provisions at the end of the current period, and no further provision is made for any potential variation in the ultimate liability of that year of account.

#### viii Run-off Years of Account

Where an underwriting year of account is not closed at the end of the third year (a "run-off" year of account) a provision is made for the estimated cost of all known and unknown outstanding liabilities of that year. The provision is determined initially by the managing agent on a similar basis to the reinsurance to close. However, any subsequent variation in the ultimate liabilities for that year remains with the corporate member participating therein. As a result any run-off year will continue to report movements in its results after the third year until such time as it secures a reinsurance to close.



**SD Underwriting Limited**  
**Accounting Policies**  
**For the year ended 31 December 2012**

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**General Business (continued)**

**ix Net Operating Expenses (including Acquisition Costs)**

Net operating costs include acquisition costs, profit and loss on exchange and other amounts incurred by the syndicates on which the Company participates

Acquisition costs, comprising commission and other costs related to the acquisition of new insurance contracts, are deferred to the extent that they are attributable to premiums unearned at the Balance Sheet date

**x Distribution of Profits and Collection of Losses**

Lloyd's operates a detailed set of regulations regarding solvency and the distribution of profits and payment of losses between syndicates and their members. Lloyd's continues to require membership of syndicates to be on an underwriting year of account basis and profits and losses belong to members according to their membership of a year of account. Normally profits and losses are transferred between the syndicate and members after results for a year of account are finalised after 36 months. This period may be extended if a year of account goes into run-off. The syndicate may make earlier on account distributions or cash calls according to the cash flow of a particular year of account and subject to Lloyd's requirements

**xi Investments**

Investments are stated at current value, including accrued interest at the Balance Sheet date

**xii Investment Return**

Investment return comprises all investment income, realised investment gains and losses and movements in unrealised gains and losses, net of investment expenses and charges

Realised and unrealised gains and losses are measured by reference to the original cost of the investment if purchased in the year, or if held at the beginning of the year by reference to the current value at that date

Investment return is initially recorded in the non-technical account. A transfer is made from the non-technical account to the general business technical account to reflect the investment return on funds supporting the underwriting business

**xiii Basis of Currency Translation**

Syndicates maintain separate funds in Sterling, United States dollars, Canadian dollars and Euros

Income and expenditure in US dollars, Canadian dollars and Euros is translated at the average rate of exchange for the year. Underwriting transactions denominated in other foreign currencies are included at the rate of exchange ruling at the date the transaction is processed

Assets and liabilities are translated into Sterling at the rates of exchange at the Balance Sheet date

Differences arising on translation of foreign currency amounts in syndicates are included in the technical account

**xiv Debtors/Creditors arising from Insurance/Reinsurance Operations**

The amounts shown in the Balance Sheet include the totals of all the Syndicates outstanding debit and credit transactions as processed by the Lloyd's central facility, no account has been taken of any offsets which may be applicable in calculating the net amounts due between the Syndicates and each of their counterparty insureds, reinsurers or intermediaries as appropriate

# **SD Underwriting Limited**

## **Accounting Policies**

**For the year ended 31 December 2012**

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### **Taxation**

The Company is taxed on its results including its share of underwriting results declared by the syndicates and these are deemed to accrue evenly over the calendar year in which they are declared. The syndicate results included in these Financial Statements are only declared for tax purposes in the calendar year following the normal closure of the year of account. No provision is made for corporation tax in relation to open years of account. However, full provision is made for deferred tax on underwriting results not subject to current corporation tax.

HM Revenue & Customs agrees the taxable results of the syndicates at a syndicate level on the basis of computations submitted by the managing agent. At the date of the approval of these Financial Statements the syndicate taxable results of years of account closed at this and at previous year ends may not have been fully agreed with HM Revenue & Customs. Any adjustments that may be necessary to the tax provisions established by the Company, as a result of HM Revenue & Customs agreement of syndicate results, will be reflected in the Financial Statements of subsequent periods.

### **Deferred Taxation**

Deferred tax is provided in full on timing differences which result in an obligation at the Balance Sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax assets and liabilities have not been discounted.

### **Intangible Assets**

Costs incurred by the Company in the Corporation of Lloyd's auctions in order to acquire rights to participate on syndicates' underwriting years are included within intangible fixed assets and amortised over a 5 year period beginning in the year following the purchase of the syndicate participation.

### **Cash Flow Statement**

The Company has no control over the disposition of assets and liabilities at Lloyd's. Consequently, the Cash Flow Statement is prepared reflecting only the movement in corporate funds, which includes transfers to and from syndicates at Lloyd's.

### **Goodwill**

On consolidation, goodwill arising on the acquisition of subsidiary undertakings is capitalised on the consolidated balance sheet and amortised over a period of 5 years. Goodwill will be written down in value if, in the directors opinion, the value has been permanently impaired.

# SD Underwriting Limited

## Notes to the Financial Statements

For the year ended 31 December 2012

### 1 Class of Business

2012	Gross Written Premiums £	Gross Premiums Earned £	Gross Claims Incurred £	Net Operating Expenses £	Reinsurance Balance £	Total £
<b>Direct Insurance</b>						
Accident and health	183,390	185,673	(87,039)	(79,384)	(5,541)	13,709
Motor – third party liability	7,986	10,349	(404)	(3,849)	(216)	5,880
Motor – other classes	223,648	220,499	(167,275)	(79,578)	12,129	(14,225)
Marine, aviation and transport	566,701	544,275	(213,730)	(180,434)	(31,440)	118,671
Fire and other damage to property	1,204,110	1,167,755	(588,494)	(406,496)	(155,011)	17,754
Third party liability	817,019	799,550	(400,922)	(269,948)	(42,709)	85,971
Credit and suretyship	87,165	83,210	(22,141)	(29,782)	(12,945)	18,342
Legal expenses	11,669	11,236	(5,347)	(5,866)	23	46
Assistance	-	-	-	-	-	-
Miscellaneous	9,497	9,046	(3,107)	(5,374)	(16)	549
<b>Total direct</b>	<b>3,111,185</b>	<b>3,031,593</b>	<b>(1,488,459)</b>	<b>(1,060,711)</b>	<b>(235,726)</b>	<b>246,697</b>
Reinsurance	1,690,520	1,493,337	(803,269)	(377,515)	(206,705)	105,848
<b>Total</b>	<b>4,801,705</b>	<b>4,524,930</b>	<b>(2,291,728)</b>	<b>(1,438,226)</b>	<b>(442,431)</b>	<b>352,545</b>

### 2011

<b>Direct Insurance</b>						
Accident and health	180,755	178,294	(98,698)	(68,372)	(8,059)	3,165
Motor – third party liability	13,579	14,536	(8,068)	(4,823)	(588)	1,057
Motor – other classes	223,515	256,630	(205,284)	(83,035)	23,403	(8,286)
Marine, aviation and transport	525,833	507,375	(215,054)	(151,566)	(21,371)	119,384
Fire and other damage to property	1,120,432	1,127,113	(648,319)	(362,891)	(122,070)	(6,167)
Third party liability	752,149	741,814	(403,775)	(252,958)	(43,451)	41,630
Credit and suretyship	90,897	83,795	(49,445)	(23,597)	(2,999)	7,754
Legal expenses	10,892	8,219	(2,224)	(4,763)	(368)	864
Assistance	-	-	-	-	-	-
Miscellaneous	8,244	9,460	(4,417)	(5,887)	(140)	(984)
<b>Total direct</b>	<b>2,926,296</b>	<b>2,927,236</b>	<b>(1,635,284)</b>	<b>(957,892)</b>	<b>(175,643)</b>	<b>158,417</b>
Reinsurance	1,250,507	1,314,283	(1,375,318)	(274,756)	64,380	(271,411)
<b>Total</b>	<b>4,176,803</b>	<b>4,241,519</b>	<b>(3,010,602)</b>	<b>(1,232,648)</b>	<b>(111,263)</b>	<b>(112,994)</b>

# SD Underwriting Limited

## Notes to the Financial Statements For the year ended 31 December 2012

2. Geographical Analysis	2012 £	2011 £
<b>Direct Gross Premium Written in</b>		
United Kingdom	2,507,346	2,325,022
Other EU Member States	43,658	43,641
Rest of the World	560,181	557,633
	3,111,185	2,926,296
<hr/>		
3. Net Operating Expenses	2012 £	2011 £
Acquisition costs	1,066,868	930,976
Change in deferred acquisition costs	(73,324)	13,540
Administrative expenses	401,980	301,734
Loss/(profit) on exchange	42,702	(13,602)
	1,438,226	1,232,648
<hr/>		
4 Investment Income	2012 £	2011 £
Income from investments	124,424	194,243
Gains on the realisation of investments	34,461	53,632
Bank deposit interest	1,324	500
	160,209	248,375
<hr/>		
5. Investment Expenses and Charges	2012 £	2011 £
Investment management expenses, including interest	16,390	9,989
Losses on the realisation of investments	43,104	116,713
	59,494	126,702
<hr/>		
6 Profit/(Loss) on Ordinary Activities before Taxation	2012 £	2011 £
This is stated after charging		
Amortisation of syndicate capacity	29,637	17,958
Amortisation of goodwill	15,152	15,152
Auditors remuneration	5,520	5,163
The Company has no employees		

**SD Underwriting Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2012**

7. Taxation	2012	2011
	£	£
<b>Analysis of Charge in year</b>		
Current tax		
UK corporation tax on profit of the year	(3,879)	204,051
Adjustment in respect of previous year	(14,248)	(1,009)
	(18,127)	203,042
Foreign tax	18,141	22,491
Total current tax	14	225,533
Deferred tax		
Origination and reversal of timing differences	60,773	(170,560)
Change in tax rate	-	(8,393)
	60,787	46,580

**Factors affecting tax charge for year**

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 24.5% (2011 – 26.5%) The differences are explained below

Profit on ordinary activities before tax	330,167	(182,423)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 – 26.5%)	80,891	(48,342)
Effects of		
Underwriting results subject to timing differences for taxation	49,728	227,183
Utilisation of tax losses	(70,719)	20,686
Foreign tax	18,141	22,491
Other corporation computation adjustments	(56,384)	6,377
Marginal rates of taxation and prior period adjustment	(21,643)	(2,862)
Current tax charge for the year	14	225,533

The results of the Group's participation on the 2010, 2011 and 2012 years of account and the calendar year movement on 2009 and prior run-offs, will not be assessed to tax until the year ended 31 December 2013, 2014 and 2015 respectively being the year after the calendar year result of each run-off year or the normal date of closure of each year of account

8. Dividends	2012	2011
	£	£
Equity dividends declared and paid	-	-

# SD Underwriting Limited

## Notes to the Financial Statements For the year ended 31 December 2012

### 9. Intangible Assets

	2012		2011			
	Purchased Syndicate Capacity £	Goodwill £	Total £	Purchased Syndicate Capacity £	Goodwill £	Total £
<b>Cost</b>						
At 1 January 2012	185,782	75,758	261,540	97,696	75,758	173,454
Additions	22,607	-	22,607	89,816	-	89,816
Disposals	(34,323)	-	(34,323)	(1,730)	-	(1,730)
At 31 December 2012	<u>174,066</u>	<u>75,758</u>	<u>249,824</u>	<u>185,782</u>	<u>75,758</u>	<u>261,540</u>
<b>Amortisation</b>						
At 1 January 2012	43,773	47,980	91,753	26,161	32,828	58,989
Provided during the year	29,637	15,152	44,789	17,958	15,152	33,110
Disposals	(13,428)	-	(13,428)	(346)	-	(346)
At 31 December 2012	<u>59,982</u>	<u>63,132</u>	<u>123,114</u>	<u>43,773</u>	<u>47,980</u>	<u>91,753</u>
<b>Net Book Value</b>						
At 31 December 2012	<u>114,084</u>	<u>12,626</u>	<u>126,710</u>	<u>142,009</u>	<u>27,778</u>	<u>169,787</u>

### 10. Investments

#### Other Financial Investments - Syndicate

	2012		2011	
	Market Value £	Cost £	Market Value £	Cost £
Shares and other variable yield securities and units in unit trusts	545,798	539,495	563,797	558,455
Debt securities and other fixed income securities	4,216,220	4,136,544	4,479,729	4,494,502
Participation in investment pools	291,164	365,022	270,813	267,078
Loans secured by mortgages	24,882	24,604	25,819	25,979
Other loans	34,474	34,465	40,265	40,014
Deposits with credit institutions	6,328	6,331	14,254	14,249
Other	109,783	105,471	133	1,328
	<u>5,228,649</u>	<u>5,211,932</u>	<u>5,394,810</u>	<u>5,401,605</u>
Listed investments included within the above	<u>5,053,182</u>	<u>5,041,061</u>	<u>5,314,339</u>	<u>5,320,035</u>

#### Other Financial Investments - Corporate

Shares and other variable yield securities	15,294	15,028	20,229	26,063
Debt securities and other fixed income securities	-	-	-	-
	<u>15,294</u>	<u>15,028</u>	<u>20,229</u>	<u>26,063</u>
Listed investments included within the above	<u>15,294</u>	<u>15,028</u>	<u>20,129</u>	<u>26,063</u>

# SD Underwriting Limited

## Notes to the Financial Statements For the year ended 31 December 2012

### 11 Investment in Group undertakings

The Company's fixed asset investments represent investments in subsidiary undertakings stated at cost

	2012 £	2011 £
Balance at 1 January 2012	206,096	206,096
Movement in year	-	-
Balance at 31 December 2012	<u>206,096</u>	<u>206,096</u>

The Company's principal Subsidiary Undertakings, all of which are included in the consolidation, are as follows

Name	Shares held by Group %	Nature of business
Caroe Underwriting Limited	100	Lloyd's Corporate Member
Dunbar Underwriting Limited	100	Lloyd's Corporate Member
Nameco (No 35) Limited	100	Lloyd's Corporate Member
Nameco (No 104) Limited	100	Lloyd's Corporate Member
Nameco (No 244) Limited	100	Lloyd's Corporate Member
Nameco (No 338) Limited	100	Lloyd's Corporate Member
Nameco (No 363) Limited	100	Lloyd's Corporate Member
Evedon Enterprises Limited	100	Lloyd's Corporate Member
J F C Palmer Limited	100	Lloyd's Corporate Member
Nameco (No 96) Limited	100	Lloyd's Corporate Member
Nameco (No 126) Limited	100	Lloyd's Corporate Member
Nameco (No 207) Limited	100	Lloyd's Corporate Member
Nameco (No 210) Limited	100	Lloyd's Corporate Member
Nameco (No 203) Limited	100	Lloyd's Corporate Member
Nameco (No 204) Limited	100	Lloyd's Corporate Member
Nameco (No 230) Limited	100	Lloyd's Corporate Member

### 12 Other Debtors

	2012			2011		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Funds at Lloyd's	-	573,180	573,180	-	28,286	28,286
Deferred tax	-	176,248	176,248	-	234,006	234,006
Other	568,332	104,482	672,814	614,332	107,410	721,742
	<u>568,332</u>	<u>853,910</u>	<u>1,422,242</u>	<u>614,332</u>	<u>369,702</u>	<u>984,034</u>

Funds at Lloyd's represents assets deposited with the Corporation of Lloyd's (Lloyd's) to support the Group's underwriting activities as described in the Accounting Policies. The Group has entered into a Lloyd's Deposit Trust Deed which gives the Corporation the right to apply these monies in settlement of any claims arising from the participation on the syndicates. These monies can only be released from the provision of this Deed with Lloyd's express permission and only in circumstances where the amounts are either replaced by an equivalent asset, or after the expiration of the Group's liabilities in respect of its underwriting

# SD Underwriting Limited

## Notes to the Financial Statements For the year ended 31 December 2012

<b>13 Called-up Share Capital</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Allotted, called up and unpaid		
Ordinary £1 shares	<u>100</u>	<u>100</u>

### 14. Profit and Loss Account

<b>Company</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Retained loss brought forward	(46,829)	(8,274)
Loss for the financial year	<u>(20,678)</u>	<u>(38,555)</u>
Retained loss carried forward	<u>(67,507)</u>	<u>(46,829)</u>

	<b>2012</b>			<b>2011</b>		
<b>Group</b>	<b>Syndicate</b>	<b>Corporate</b>	<b>Total</b>	<b>Syndicate</b>	<b>Corporate</b>	<b>Total</b>
	<b>Participation</b>	<b>£</b>	<b>£</b>	<b>Participation</b>	<b>£</b>	<b>£</b>
Retained profit/(loss) brought forward	433,533	(299,744)	133,789	931,480	(568,688)	362,792
Reallocate distribution	(826,114)	826,114	-	(481,643)	481,643	-
Profit/(loss) for the financial year	563,687	(294,307)	269,380	(16,304)	(212,699)	(229,003)
Retained profit/(loss) carried forward	<u>171,106</u>	<u>232,063</u>	<u>403,169</u>	<u>433,533</u>	<u>(299,744)</u>	<u>133,789</u>

### 15. Reconciliation of Movements in Shareholders' Funds

<b>Company</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Opening shareholders' funds	(46,729)	(8,174)
Loss for the financial year	(20,678)	(38,555)
Closing shareholders' funds	<u>(67,407)</u>	<u>(46,729)</u>

<b>Group</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Opening shareholders' funds	172,164	401,167
Profit/(loss) for the financial year	269,380	(229,003)
Closing shareholders' funds	<u>441,544</u>	<u>172,164</u>



# SD Underwriting Limited

## Notes to the Financial Statements For the year ended 31 December 2012

16. Deferred Taxation	2012	2011
	£	£
Opening balance	(234,006)	(58,068)
Profit and loss account charge	57,758	(175,938)
Closing balance	<u>(176,248)</u>	<u>(234,006)</u>

The above balance of £176,248 is a deferred tax asset on trading losses available to offset future profits, which is included in other debtors note 12

17. Other Creditors including Taxation and Social Security	2012			2011		
	Syndicate Participation £	Corporate £	Total £	Syndicate Participation £	Corporate £	Total £
Corporation tax	-	2,671	2,671	-	190,330	190,330
Proprietors' loan accounts	-	742,688	742,688	-	736,236	736,236
Other creditors	627,202	10,593	637,795	612,924	40,152	653,076
Amounts due to Group Undertakings	-	1	1	-	-	-
	<u>627,202</u>	<u>755,953</u>	<u>1,383,155</u>	<u>612,924</u>	<u>966,717</u>	<u>1,579,641</u>

18 (a) Reconciliation of Operating Profit to Net Cash Outflow from Operating Activities	2012	2011
	£	£
Profit/(loss) on ordinary activities before tax	330,167	(182,423)
Syndicate transactions	262,427	497,947
Balance	592,594	315,524
Interest received	(1,324)	(500)
(Increase)/decrease in debtors	(539,885)	17,048
(Decrease)/increase in creditors	(162,918)	(856,796)
Profit on disposal of intangible assets	(855)	(8,053)
Amortisation of syndicate capacity	29,635	17,958
Amortisation of goodwill	15,152	15,152
Realised/unrealised (gains)/losses on investments	(3,256)	7,025
Net outflow from operating activities	<u>(70,857)</u>	<u>(492,642)</u>

### (b) Movement in cash, portfolio investments and financing

	At 1 January 2012	Cashflow	Changes to Market Value	At 31 December 2012
	£	£	£	£
Cash	421,733	(256,912)	-	(164,821)
Other financial investments	20,229	(8,192)	3,257	15,294
	<u>441,962</u>	<u>(265,104)</u>	<u>3,257</u>	<u>180,115</u>

## 19. Related Party Disclosure

The Company has taken advantage of the exemption under paragraph 3 of Financial Reporting Standard 8, "Related Party Disclosures", not to disclose transactions or balances during the period with group undertakings

Nomina Plc, a director of the Company, administers the conversion scheme in which the Group participates. Nomina Plc charged a management fee of £57,000 (2011 £46,750) to cover all the costs of basic administration of the Group

# SD Underwriting Limited

## Notes to the Financial Statements For the year ended 31 December 2012

### 20. Ultimate Controlling Party

The Company is controlled by S Dickinson

### 21 Syndicate Participation

The principal syndicates or members' agent pooling arrangements ('MAPA') in which the Group participates as an underwriting member are as follows

Syndicate or MAPA Number	Managing Agent	2012 Allocated Capacity £	2011 Allocated Capacity £	2010 Allocated capacity £	2009 Allocated Capacity £
33	Hiscox Syndicates Limited	166,939	158,152	175,723	131,793
218	Equity Syndicate Management Limited	66,102	73,447	125,315	116,573
318	Beaufort Underwriting Agency Limited	-	-	112,720	101,096
386	QBE Underwriting Limited	55,206	48,790	48,790	45,435
510	R J Kiln & Co Limited	269,599	214,461	169,461	116,043
557	R J Kiln & Co Limited	23,912	23,912	47,653	47,653
570	Atrium Underwriters Limited	-	97,440	97,440	84,278
609	Atrium Underwriters Limited	97,440	-	-	-
623	Beazley Furlonge Limited	242,228	242,228	242,228	161,085
727	S A Meacock & Company Limited	115,027	115,027	115,027	106,143
807	R J Kiln & Co Limited	-	92,068	123,447	67,495
958	Omega Underwriting Agents Limited	165,861	165,861	165,861	216,207
1176	Chaucer Syndicates Limited	12,525	12,525	12,525	12,525
1200	Argo Managing Agency Limited	177,348	309,886	329,978	265,031
2010	Cathedral Underwriting Limited	172,765	172,765	172,765	148,081
2121	Argenta Syndicate Management Limited	51,426	51,426	45,000	-
2791	Managing Agency Partners Limited	372,135	372,135	314,049	253,736
4040	HCC Underwriting Agency Limited	-	-	-	15,000
6103	Managing Agency Partners Limited	-	-	-	106,237
6104	Hiscox Syndicates Limited	-	-	-	15,000
6105	Ark Syndicate Management Limited	54,816	54,816	-	-
6106	Amlin Underwriting Limited	32,500	32,500	32,500	93,816
6110	Pembroke Managing Agency Limited	124,457	-	-	-
6111	Catlin Underwriting Agencies Limited	90,223	-	-	-
7200	Members' Agents Pooling Arrangement	225,918	219,669	227,110	179,953
7201	Members' Agents Pooling Arrangement	1,643,920	1,617,787	1,667,011	1,341,219
7202	Members' Agents Pooling Arrangement	413,150	405,302	426,633	347,331
7203	Members' Agents Pooling Arrangement	76,040	74,928	77,423	62,344
7211	Members' Agents Pooling Arrangement	46,086	44,937	-	-
7212	Members' Agents Pooling Arrangement	292,890	-	-	-
7217	Members' Agents Pooling Arrangement	99,144	99,144	85,208	71,966
		<b>5,087,657</b>	<b>4,699,206</b>	<b>4,813,867</b>	<b>4,106,040</b>