

Registered Number (England and Wales) OC347607

WOODSFORD UNDERWRITING LLP

MEMBERS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011



WOODSFORD UNDERWRITING LLP

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WOODSFORD UNDERWRITING LLP

MEMBERS INFORMATION

Designated Members	Fidentia Nominees Ltd Fidentia Trustees Ltd Y J M Bonavero A G M L Bonavero
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ADDRESSES

Registered office	3 Castlegate Grantham Lincolnshire NG31 6SF
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Member's agent	Alpha Insurance Analysts Limited 107 Fenchurch Street London EC3M 5JF
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Auditors	Humphrey & Co 7 - 9 The Avenue Eastbourne East Sussex BN21 3YA
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Administrators	Fidentia Services LLP 3 Castlegate Grantham, Lincolnshire NG31 6SF
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WOODSFORD UNDERWRITING LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

The members have pleasure in presenting their report together with the financial statements for the year ended 31 December 2011

Principal activity

The principal activity of the LLP in the year under review was that of a Limited Liability Underwriting member of Lloyd's

Designated members

The Designated Members during the year under review were

Fidentia Nominees Ltd

Fidentia Trustees Ltd

Y J M Bonavero

A G M L Bonavero

Results for the year and allocation to members

The financial statements incorporate the annual accounting results of the syndicates on which the LLP participates for the 2011 year of account. The 2011 year of account will normally close at 31 December 2013.

The result for the year is shown in the profit and loss account.

Members' interests

The net loss of the LLP for the financial year is allocated to each member in accordance with their respective profit shares for the relevant year(s) of account.

Future developments

The LLP continues to write insurance business in the Lloyd's insurance market as a limited liability underwriting member of Lloyd's.

Financial risk management objectives and policies

The LLP is principally exposed to financial risk through its participation on Lloyd's Syndicates. It has delegated sole management and control of its underwriting through each Syndicate to the Managing Agent of that Syndicate and it looks to the Managing Agent to implement appropriate policies, procedures and internal controls to manage each Syndicate's exposures to insurance risk, credit risk, market risk, liquidity risk and operational risk. The LLP is also directly exposed to these risks, but they are not considered material for the assessment of the assets, liabilities, financial position and profit or loss of the LLP.

Hedge accounting is not used by the LLP.

Key performance indicators

The members monitor the performance of the LLP by reference to the following key performance indicators:

	2011	2010
Capacity	£1,592,172	£1,547,718
Gross premium written as a % of capacity	85.24%	76.80%
Combined ratio	110.22%	101.47%

The combined ratio is the ratio of net claims incurred, commissions and expenses to net premiums earned.

WOODSFORD UNDERWRITING LLP
MEMBERS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011

Statement of members' responsibilities

The members are responsible for preparing the financial statements in accordance with applicable law and regulations

Legislation applicable to Limited Liability Partnerships requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that year.

In preparing those financial statements, the members are required to

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

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

The members are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The auditors, Humphrey & Co, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Statement of disclosure to auditors

So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LLP's auditors are unaware, and each member has taken all the steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

Approved by the Members on 24 September 2012 and signed on its behalf by



M J Argyle for and on behalf of Fidentia Trustees Limited
Designated Member

WOODSFORD UNDERWRITING LLP
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011

We have audited the financial statements of Woodsford Underwriting LLP for the year ended 31 December 2011 on pages 5 to 21. 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 LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the LLP's (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the members and auditors

As explained more fully in the Members' Report set out on page 3, the members 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 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 LLP's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the members, and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Members' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

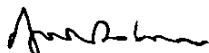
In our opinion the financial statements

- give a true and fair view of the state of the LLP's affairs as at 31 December 2011 and of its loss 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 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 members' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Andrew Robinson (Senior Statutory Auditor)
for and on behalf of Humphrey & Co
Chartered Accountants
Statutory Auditor

Humphrey & Co
7 - 9 The Avenue
Eastbourne
East Sussex
BN21 3YA

Date 25 September 2012

WOODSFORD UNDERWRITING LLP**PROFIT AND LOSS ACCOUNT - TECHNICAL ACCOUNT (GENERAL BUSINESS)
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
Gross premiums written	2	1,357,213	1,188,637
Outward reinsurance premiums		(290,448)	(258,829)
Net premiums written		1,066,765	929,808
Change in the provision for unearned premiums			
Gross provision		(74,906)	(472,223)
Reinsurers' share		6,811	76,175
Net change in the provision for unearned premiums		(68,095)	(396,048)
Earned premiums net of reinsurance		998,670	533,760
Allocated investment income	4	9,681	3,961
Claims paid			
Gross amount		(353,820)	(41,589)
Reinsurers' share		68,786	4,881
Net claims paid		(285,034)	(36,708)
Change in provision for claims			
Gross amount		(654,567)	(390,608)
Reinsurers' share		188,209	82,495
Net change in provision for claims		(466,358)	(308,113)
Claims incurred net of reinsurance		(751,392)	(344,821)
Net operating expenses	5	(349,335)	(196,774)
Investment expenses and charges		(1,141)	(782)
Balance on technical account for general business		(93,517)	(4,656)

WOODSFORD UNDERWRITING LLP

PROFIT AND LOSS ACCOUNT - NON TECHNICAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 £	2010 £
Balance on the general business technical account		(93,517)	(4,656)
Investment income	6	3	124
Other income	7	318	-
Other charges		(134,878)	(149,616)
Profit/(loss) for the financial year before members' remuneration and profit shares	8	(228,074)	(154,148)
Members' remuneration charged as an expense	14	228,074	154,148
Profit/(loss) for the financial year available for distribution among Members		-	-

The LLP has no recognised gains or losses other than the loss for the financial years stated above

All amounts above relate to continuing operations

WOODSFORD UNDERWRITING LLP

BALANCE SHEET

AS AT 31 DECEMBER 2011

Registered Number (England and Wales) OC347607

ASSETS	Note	Syndicate Participation £	Partnership £	2011 Total £	2010 Total £
Intangible assets					
Syndicate participation rights	9	-	154,063	154,063	269,291
Investments					
Financial investments	10	607,950	-	607,950	262,700
Deposits with ceding undertakings		834	-	834	607
Total investments		608,784	-	608,784	263,307
Reinsurers' share of technical provisions					
Provision for unearned premiums		82,633	-	82,633	75,171
Claims outstanding		118,689	-	118,689	24,209
Other technical provisions		155,418	-	155,418	57,701
Total reinsurers' share of technical provisions		356,740	-	356,740	157,081
Debtors					
Arising out of direct insurance operations	11				
Policyholders		-	-	-	-
Intermediaries		278,401	-	278,401	278,960
Arising out of reinsurance operations	11	24,563	-	24,563	3,695
Other debtors	12	215,174	-	215,174	162,923
Total debtors		518,138	-	518,138	445,578
Other assets					
Cash at bank and in hand	13	114,015	91	114,106	17,088
Other		(3)	-	(3)	11,606
Total other assets		114,012	91	114,103	28,694
Prepayments and accrued income					
Accrued interest		515	-	515	183
Deferred acquisition costs		130,247	-	130,247	110,439
Other prepayments and accrued income		4,045	-	4,045	1,370
Total prepayments and accrued income		134,807	-	134,807	111,992
Total assets		1,732,481	154,154	1,886,635	1,275,943

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WOODSFORD UNDERWRITING LLP

BALANCE SHEET (continued) AS AT 31 DECEMBER 2011

Registered Number (England and Wales) OC347607

	Note	Syndicate Participation £	Partnership £	2011 Total £	2010 Total £
LIABILITIES AND MEMBERS' INTERESTS					
Members' interests due within one year					
Members' capital classified as a liability under FRS 25	14	(98,173)	154,154	55,981	267,305
Technical provisions					
Provision for unearned premiums		544,661	-	544,661	470,139
Claims outstanding - gross amount		1,069,184	-	1,069,184	395,507
Total technical provisions		1,613,845	-	1,613,845	865,646
Provisions for other risks and charges		-	-	-	-
Deposits received from reinsurers		-	-	-	-
Creditors					
Arising out of direct insurance operations		23,451	-	23,451	3,645
Arising out of reinsurance operations		130,066	-	130,066	95,916
Amounts due to credit institutions		-	-	-	-
Other creditors	15	52,794	-	52,794	36,058
Total creditors		206,311	-	206,311	135,619
Accruals and deferred income					
Other accruals and deferred income		10,498	-	10,498	7,373
Total liabilities		1,732,481	154,154	1,886,635	1,275,943
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members		(98,173)	154,154	55,981	267,305
Loans and other debts due from members		-	-	-	-
Total members' interests	14	(98,173)	154,154	55,981	267,305

Approved by the Members on 24 September 2012 and signed on its behalf by

M J Argyle

M J Argyle for and on behalf of Fidentia Trustees Limited
Designated Member

WOODSFORD UNDERWRITING LLP
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 £	2010 £
Net cash outflow from operating activities	16	(13,691)	(22,758)
Returns on investments and servicing of finance			
Interest received		3	124
Interest paid		-	-
Dividends received		-	-
Net cash inflow from returns on investments and servicing of finance		3	124
Capital expenditure and financial investment			
Purchase of syndicate participation rights		(27,684)	(396,149)
Proceeds from sale of syndicate participation rights		22,043	-
Purchase of investments		-	-
Proceeds from sale of investments		-	-
Net cash outflow from capital expenditure and financial investment		(5,641)	(396,149)
Net cash outflow before financing		(19,329)	(418,783)
Transactions with Members and former Members			
(Payments to)/contributions by Members		16,750	421,453
Post retirement payments to former Members		-	-
Net cash inflow/(outflow) from Members		16,750	421,453
(Decrease)/Increase in cash		(2,579)	2,670
Net funds at 1 January		2,670	-
(Decrease)/Increase in cash in the year		(2,579)	2,670
Net funds at 31 December		91	2,670

The Partnership 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 Partnership funds, which includes transfers to and from the syndicates at Lloyd's.

WOODSFORD UNDERWRITING LLP

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 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 Partnership participates in insurance business as an underwriting member of various syndicates at Lloyd's

The Financial Statements have been prepared in accordance with the Companies Act 2006 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. The Financial Statements have also been prepared in accordance with the Statement of Recommended Practice on Accounting by Limited Liability Partnerships dated March 2006.

Accounting information in respect of the syndicate participations has been provided by the syndicate managing agents and has been reported upon by the syndicate auditors.

Basis of accounting

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 Partnership 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 on the Balance Sheet as "Syndicate Participation". Other assets and liabilities are shown as "Partnership". The syndicate assets are held subject to trust deeds for the benefit of the syndicates' insurance creditors.

In continuing to apply the going concern basis to this LLP's Financial Statements the following factors have been taken into account: the likely timing of any underwriting and non-underwriting cash flows, any Funds at Lloyd's supporting the LLP's underwriting and not reflected in the LLP's Balance Sheet and the continued support of the Members including the potential deferral of balances due to them.

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 Partnership 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.

WOODSFORD UNDERWRITING LLP

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2011

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.

The level of uncertainty with regard to the estimations within these provisions generally decreases with time from when the underlying contracts were originally 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 provisions

Provisions for unexpired risks are made where 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.

WOODSFORD UNDERWRITING LLP

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2011

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 members 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 Partnership 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 a 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 underwriting 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.

xi 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 Partnership 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 Basis of currency translation

Syndicates maintain separate funds in Sterling, United States and Canadian dollars, and may also do so in certain other currencies.

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 non-technical account.

xi 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. 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.

WOODSFORD UNDERWRITING LLP

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2011

xii 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.

xiii Investments

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

xiv 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.

Members' Interests

The net profit of the Partnership for the financial year is allocated to each Member in accordance with their respective profit shares for the relevant year(s) of account.

The net loss of the Partnership for the financial year is allocated to each Member in accordance with their respective yearly shares for the relevant year(s) of account.

Loans and other debts due to Members rank *pari passu* with other unsecured creditors on the winding up of a partnership.

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 assets and amortised over a 3 year period beginning with the respective year of Syndicate participation.

Taxation

Income tax payable on the Partnership's profits is solely the personal liability of the Members and consequently is not dealt within these Financial Statements.

Cash flow statement

The Partnership 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.

WOODSFORD UNDERWRITING LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

2 Class of business	Gross written premiums	Gross premiums earned	Gross claims incurred	Operating expenses	Reinsurance balance
	£	£	£	£	£
2011					
Direct					
Accident and health	58,107	51,933	(31,914)	(19,104)	406
Motor - third party liability	9,067	7,811	(4,179)	(2,559)	(361)
Motor - other classes	16,104	14,787	(11,638)	(4,983)	(346)
Marine, aviation and transport	247,929	236,491	(138,868)	(61,369)	(7,793)
Fire and other damage to property	361,428	341,630	(235,076)	(105,247)	(29,437)
Third party liability	266,763	225,621	(144,019)	(77,580)	(14,222)
Credit and suretyship	26,989	22,634	(9,686)	(4,114)	(5,164)
Other	3,689	3,145	(915)	(1,984)	(72)
Total direct	990,076	904,052	(576,295)	(276,940)	(56,989)
Reinsurance business					
Reinsurance balance	367,137	378,255	(432,092)	(72,395)	30,347
Total	1,357,213	1,282,307	(1,008,387)	(349,335)	(26,642)
2010	£	£	£	£	£
Direct					
Accident and health	41,758	20,723	(13,079)	(9,085)	(713)
Motor - third party liability	5,634	1,835	(1,075)	(769)	(26)
Motor - other classes	11,965	4,572	(2,595)	(1,849)	(66)
Marine, aviation and transport	208,826	118,984	(67,196)	(31,717)	(13,132)
Fire and other damage to property	312,805	154,827	(89,616)	(52,645)	(21,624)
Third party liability	199,015	110,474	(81,673)	(34,309)	(6,953)
Credit and suretyship	25,103	12,144	(5,549)	(3,210)	(2,400)
Other	2,648	1,142	(671)	(440)	(15)
Total direct	807,754	424,701	(261,454)	(134,024)	(44,929)
Reinsurance business					
Reinsurance balance	380,883	291,713	(170,743)	(62,750)	(50,349)
Total	1,188,637	716,414	(432,197)	(196,774)	(95,278)

Any open year loss provisions, stop loss premiums and stop loss recoveries have been allocated across the classes of business by reference to the gross premiums written

WOODSFORD UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

3	Geographical analysis	2011	2010
		£	£
	Direct gross premiums written in		
	United Kingdom	954,321	807,754
	Other EU member states	2,573	-
	The rest of the world	33,182	-
	Total	990,076	807,754
4	Allocated investment income	2011	2010
		£	£
	Investment income	11,556	3,476
	Realised (loss)/gain on investments	(1,875)	485
	Total	9,681	3,961
5	Net operating expenses	2011	2010
		£	£
	Acquisition costs	260,718	128,882
	Administrative expenses	93,987	65,964
	(Profit)/Loss on exchange	(5,370)	1,928
	Total	349,335	196,774

WOODSFORD UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

6	Investment income	2011 £	2010 £
	Income from other investments (including interest receivable)	3	124
	Realised gain from other investments	-	-
	Unrealised gain from other investments	-	-
	Total	3	124
7	Other income	2011 £	2010 £
	Profit on sale of syndicate participation rights	318	-
	Other	-	-
	Total	318	-
8	Profit/(loss) for the financial year before members' remuneration and profit shares	2011 £	2010 £
	This is stated after charging		
	Auditor's remuneration - audit	690	881
	Employer's National Insurance contributions	-	-
	Employer's pension contributions	-	-
	Wages and salaries	-	-
	Amortisation of syndicate capacity	121,187	126,858
	Impairment of syndicate capacity	-	-

The partnership has no employees

The average number of members during the period was 4

WOODSFORD UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

9	Intangible assets	Syndicate Participation Rights £
	Cost	
	At 1 January 2011	396,149
	Additions	27,684
	Disposals	(32,588)
	At 31 December 2011	391,245
	Amortisation	
	At 1 January 2011	126,858
	Charge for the year	121,187
	Impairment losses	-
	Disposals	(10,863)
	At 31 December 2011	237,182
	Net book value	
	At 31 December 2011	154,063
	At 31 December 2010	269,291

10	Investments	Financial investments	Syndicate £	Partnership £	2011 Total £	2010 Total £
	<i>At market value</i>					
	Shares and other variable yield securities		106,236	-	106,236	48,570
	Debt securities and other fixed income securities		469,607	-	469,607	206,050
	Participation in investment pools		19,295	-	19,295	4,547
	Loans guaranteed by mortgage		6,284	-	6,284	1,448
	Other loans		5,565	-	5,565	1,685
	Deposits with credit institutions		759	-	759	359
	Other		204	-	204	41
	Total		607,950	-	607,950	262,700

The partnership investments held include £Nil (2010 £Nil) at market value in respect of Lloyd's deposits that are held in accordance with the constraints detailed in note 19

WOODSFORD UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

10 Investments Financial investments (continued)

	Syndicate £	Partnership £	2011 Total £	2010 Total £
<i>At cost</i>				
Shares and other variable yield securities	105,365	-	105,365	47,525
Debt securities and other fixed income securities	475,679	-	475,679	207,101
Participation in investment pools	18,990	-	18,990	4,054
Loans guaranteed by mortgage	6,736	-	6,736	1,463
Other loans	5,530	-	5,530	1,685
Deposits with credit institutions	759	-	759	359
Other	188	-	188	41
Total	613,247	-	613,247	262,228

11 Debtors arising out of direct insurance and reinsurance operations

	Syndicate £	Partnership £	2011 Total £	2010 Total £
The following amounts are due after one year				
Direct insurance operations	265	-	265	304
Reinsurance operations	7,002	-	7,002	468
Total	7,267	-	7,267	772

12 Other debtors

	Syndicate £	Partnership £	2011 Total £	2010 Total £
Other	215,174	-	215,174	162,923
Total	215,174	-	215,174	162,923

Syndicate other debtors includes £20,280 (2010 £9,702) due to the LLP after more than one year
Partnership other debtors includes £Nil (2010 £Nil) due to the LLP from the members

13 Cash at bank

	Syndicate £	Partnership £	2011 Total £	2010 Total £
Lloyd's deposit	50,577	-	50,577	14,418
Cash at bank and in hand	63,438	91	63,529	2,670
Total	114,015	91	114,106	17,088

Any Lloyd's deposit is held in accordance with the constraints detailed in note 19

WOODSFORD UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

14 Members' interests

	Syndicate	Partnership Members' Capital Classified as a Liability		2011 Total	2010 Total
	Members' Capital Classified as a Liability £	Syndicate Capacity £	Other Profits £	£	£
Members' interests brought forward	(4,656)	271,961	-	267,305	-
Amounts introduced / (withdrawn) by Members	-	-	16,750	16,750	421,453
Members' remuneration charged as an expense for the year	(93,517)	(117,898)	(16,659)	(228,074)	(154,148)
Members' interests at 31 December	(98,173)	154,063	91	55,981	267,305

TOTAL MEMBERS' INTERESTS

Loans and other debts due to members	55,981	267,305
Total members' interests	<u>55,981</u>	<u>267,305</u>

WOODSFORD UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

15 Other creditors	Syndicate	Partnership	2011	2010
	£	£	£	£
Other creditors	52,794	-	52,794	36,058
	52,794	-	52,794	36,058

16 Reconciliation of operating loss before interest to net cash outflow from operating activities

	2011	2010
	£	£
Operating loss before interest	(228,077)	(154,272)
(Profit)/Loss on sale of syndicate participation rights	(318)	-
Increase in creditors	93,517	4,656
Amortisation and impairment of syndicate participation rights	121,187	126,858
Net cash outflow from operating activities	(13,691)	(22,758)

Note that the current year technical loss of £93,517, which has not been distributed in the year, is included within the increase in creditors line above

WOODSFORD UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

17 Related party transactions

There are no related party transactions

18 Ultimate controlling party

No individual person has overall control of the LLP

19 Funds at Lloyd's

Cash balances of £Nil detailed in note 13 and investments of £Nil detailed in note 10 are held within the LLP's Lloyd's deposit

The Lloyd's deposit represents funds deposited with the Corporation of Lloyd's (Lloyd's) to support the LLP's underwriting activities as described in the accounting policies. The LLP has entered into a legal agreement with Lloyd's which gives the Corporation the right to apply these funds in settlement of any claims arising from the LLP's participation on Lloyd's Syndicates. These funds 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 LLP's liabilities in respect of its underwriting.

The LLP's Lloyd's underwriting is supported by a guarantee of £1,000,000 from Coutts & Co. The assets supporting the bank guarantee have been provided by the members of the LLP.