

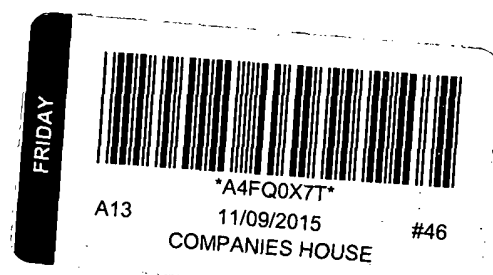
Registered Number (England and Wales): OC347607

WOODSFORD UNDERWRITING LLP

MEMBERS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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WOODSFORD UNDERWRITING LLP

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WOODSFORD UNDERWRITING LLP

GENERAL INFORMATION

Designated Members	Fidentia Nominees Ltd Fidentia Trustees Ltd
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ADDRESSES

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

WOODSFORD UNDERWRITING LLP

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The members present their strategic report for the year ended 31 December 2014.

Review of business

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

The result for the year is in respect of the 2014 annual accounting year, which consists of movements in the 2012, 2013 and 2014 years of account as well as any 2011 and prior run-off years. Gross premiums written decreased from £1,426,716 to £1,339,270 compared to the previous year and the overall balance in the technical account decreased from £151,069 to £131,534 as a result of the level of claims experienced.

The LLP has continued to underwrite on the 2015 underwriting account where the market conditions are considered favourable for a profitable outcome subject to the level of claims experienced.

The key business risks and uncertainties affecting the LLP are considered to relate to insurance risk, investment and currency risk and regulatory risk.

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 2014 year of account. The 2014 year of account will normally close at 31 December 2016.

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

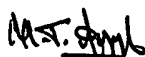
Key performance indicators

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

	2014	2013
Capacity	£ 1,717,471	£ 1,658,618
Gross premium written as a % of capacity	77.98%	86.02%
Combined ratio	90.24%	87.76%

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

Approved by the Members on 21st August 2015 and signed on its behalf by:



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

WOODSFORD UNDERWRITING LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The members have pleasure in presenting their report together with the financial statements for the year ended 31 December 2014.

Designated members

The Designated Members during the year under review were:

Fidentia Nominees Ltd

Fidentia Trustees Ltd

Members' interests

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

Any amounts contributed by the members to the LLP will be repaid by the LLP on departure of a member from the LLP. These amounts are shown as liabilities on the balance sheet.

Members can only withdraw profits to the extent that the LLP retains sufficient working capital to finance its ongoing operation.

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.

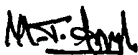
Auditors

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 21st August 2015 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 2014

We have audited the financial statements of Woodsford Underwriting LLP for the year ended 31 December 2014 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 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 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 Strategic Report and Members' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

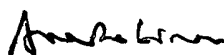
In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 December 2014 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.

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: 24th August

2015

WOODSFORD UNDERWRITING LLP

PROFIT AND LOSS ACCOUNT - TECHNICAL ACCOUNT (GENERAL BUSINESS) FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
Gross premiums written	2	1,339,270	1,426,716
Outward reinsurance premiums		(250,151)	(276,954)
Net premiums written		1,089,119	1,149,762
Change in the provision for unearned premiums			
Gross provision		(6,282)	(74,293)
Reinsurers' share		1,453	13,878
Net change in the provision for unearned premiums		(4,829)	(60,415)
Earned premiums net of reinsurance		1,084,290	1,089,347
Allocated investment income	4	29,122	22,570
Claims paid			
Gross amount		(613,842)	(694,526)
Reinsurers' share		127,682	131,956
Net claims paid		(486,160)	(562,570)
Change in provision for claims			
Gross amount		(18,936)	125,896
Reinsurers' share		(27,912)	(40,904)
Net change in provision for claims		(46,848)	84,992
Claims incurred net of reinsurance		(533,008)	(477,578)
Net operating expenses	5	(445,467)	(478,453)
Investment expenses and charges		(3,403)	(4,817)
Balance on technical account for general business		131,534	151,069

WOODSFORD UNDERWRITING LLP

PROFIT AND LOSS ACCOUNT - NON TECHNICAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
Balance on the general business technical account		131,534	151,069
Investment income	6	46	23
Other income	7	2,509	517
Other charges		(43,879)	(39,216)
Profit/(loss) for the financial year before members' remuneration and profit shares	8	90,210	112,393
Members' remuneration charged as an expense	14	(90,210)	(112,393)
Profit/(loss) for the financial year available for distribution among Members		-	-

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

All amounts above relate to continuing operations.

WOODSFORD UNDERWRITING LLP

BALANCE SHEET

AS AT 31 DECEMBER 2014

Registered Number (England and Wales): OC347607

ASSETS	Note	Syndicate Participation £	Partnership £	2014 Total £	2013 Total £
Intangible assets					
Syndicate participation rights	9	-	12,323	12,323	33,874
Investments					
Financial investments	10	1,725,188	-	1,725,188	1,626,994
Deposits with ceding undertakings		467	-	467	735
Total investments		1,725,655	-	1,725,655	1,627,729
Reinsurers' share of technical provisions					
Provision for unearned premiums		92,061	-	92,061	89,360
Claims outstanding		232,890	-	232,890	257,273
Other technical provisions		193,909	-	193,909	180,516
Total reinsurers' share of technical provisions		518,860	-	518,860	527,149
Debtors					
Arising out of direct insurance operations	11				
Policyholders		577	-	577	944
Intermediaries		315,044	-	315,044	300,262
Arising out of reinsurance operations	11	28,738	-	28,738	38,095
Other debtors	12	244,346	-	244,346	244,032
Total debtors		588,705	-	588,705	583,333
Other assets					
Cash at bank and in hand	13	220,672	5,615	226,287	247,985
Other		-	-	-	-
Total other assets		220,672	5,615	226,287	247,985
Prepayments and accrued income					
Accrued interest		1,719	-	1,719	1,133
Deferred acquisition costs		150,496	-	150,496	146,749
Other prepayments and accrued income		11,962	-	11,962	8,131
Total prepayments and accrued income		164,177	-	164,177	156,013
Total assets		3,218,069	17,938	3,236,007	3,176,083

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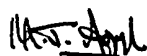
WOODSFORD UNDERWRITING LLP

BALANCE SHEET (continued) AS AT 31 DECEMBER 2014

Registered Number (England and Wales): OC347607

	Note	Syndicate Participation £	Partnership £	2014 Total £	2013 Total £
LIABILITIES AND MEMBERS' INTERESTS					
Members' interests due within one year					
Members' capital classified as a liability under FRS 25	14	166,585	4,841	171,426	189,216
Technical provisions					
Provision for unearned premiums		606,375	-	606,375	589,069
Claims outstanding - gross amount		2,101,349	-	2,101,349	2,037,383
Total technical provisions		2,707,724	-	2,707,724	2,626,452
Provisions for other risks and charges		-	-	-	-
Deposits received from reinsurers		424	-	424	772
Creditors					
Arising out of direct insurance operations		40,678	-	40,678	38,737
Arising out of reinsurance operations		170,915	-	170,915	154,453
Amounts due to credit institutions		3,122	-	3,122	1,394
Other creditors	15	104,794	13,097	117,891	141,526
Total creditors		319,509	13,097	332,606	336,110
Accruals and deferred income					
Other accruals and deferred income		23,827	-	23,827	23,533
Total liabilities		3,218,069	17,938	3,236,007	3,176,083
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members		166,585	4,841	171,426	189,216
Loans and other debts due from members		-	-	-	-
Total members' interests	14	166,585	4,841	171,426	189,216

Approved by the Members on 21st August 2015 and signed on its behalf by:



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 2014

	Note	2014 £	2013 £
Net cash inflow from operating activities	16	107,190	88,796
Returns on investments and servicing of finance			
Interest received		46	23
Interest paid		-	-
Dividends received		-	-
Net cash inflow from returns on investments and servicing of finance		46	23
Capital expenditure and financial investment			
Purchase of syndicate participation rights		-	-
Proceeds from sale of syndicate participation rights		2,509	517
Purchase of investments		-	-
Proceeds from sale of investments		-	-
Net cash inflow from capital expenditure and financial investment		2,509	517
Net cash inflow before financing		109,745	89,336
Transactions with Members and former Members			
(Payments to)/contributions by Members		(108,000)	(94,618)
Post retirement payments to former Members		-	-
Net cash inflow/(outflow) from Members		(108,000)	(94,618)
Increase/(Decrease) in cash		1,745	(5,282)
Net funds at 1 January		3,870	9,152
Increase/(Decrease) in cash in the year		1,745	(5,282)
Net funds at 31 December		5,615	3,870

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 2014

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 2010.

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 inception 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 2014

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 syndicates' 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 2014

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 2014

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

Loans and other debts due to Members rank *pari passu* with other unsecured creditors on the winding up of a partnership. There is no protection offered to unsecured creditors which is legally enforceable.

Members' Remuneration

Under the LLP agreement, net profits/losses are automatically divided between Members and accordingly Members' Remuneration is shown in the profit and loss account. Any unpaid Members' Remuneration at the year end is shown as a liability in the balance sheet.

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 2014

2 Class of business	Gross written premiums £	Gross premiums earned £	Gross claims incurred £	Operating expenses £	Reinsurance balance £
2014					
Direct					
Accident and health	66,144	72,514	(33,577)	(31,182)	(3,796)
Motor - third party liability	4,911	5,371	(2,691)	(1,919)	(297)
Motor - other classes	90,379	88,412	(61,639)	(29,992)	(1,159)
Marine, aviation and transport	164,379	166,347	(77,110)	(55,206)	(9,917)
Fire and other damage to property	357,034	342,419	(135,799)	(113,510)	(55,706)
Third party liability	350,308	336,441	(217,462)	(121,205)	(13,502)
Credit and suretyship	23,369	23,425	(17,039)	(5,517)	13
Other	12,857	12,397	(4,823)	(5,732)	(800)
Total direct	1,069,381	1,047,326	(550,140)	(364,263)	(85,164)
Reinsurance business					
Reinsurance balance	269,889	285,662	(82,638)	(81,204)	(63,764)
Total	1,339,270	1,332,988	(632,778)	(445,467)	(148,928)
2013					
Direct					
Accident and health	78,844	68,466	(32,542)	(30,970)	(2,949)
Motor - third party liability	5,553	5,390	(3,193)	(2,155)	364
Motor - other classes	84,466	65,330	(45,828)	(26,229)	10
Marine, aviation and transport	173,905	175,708	(64,763)	(62,323)	(17,074)
Fire and other damage to property	346,565	338,507	(124,675)	(126,240)	(57,526)
Third party liability	336,165	306,091	(185,298)	(121,457)	2,945
Credit and suretyship	27,283	25,048	(635)	(8,536)	(5,545)
Other	8,102	6,904	(3,053)	(3,907)	(231)
Total direct	1,060,883	991,444	(459,987)	(381,817)	(80,006)
Reinsurance business					
Reinsurance balance	365,833	360,979	(108,643)	(96,636)	(92,018)
Total	1,426,716	1,352,423	(568,630)	(478,453)	(172,024)

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 2014

3	Geographical analysis	2014	2013
		£	£
	Direct gross premiums written in:		
	United Kingdom	855,499	977,747
	Other EU member states	6,471	5,851
	The rest of the world	207,411	77,285
	Total	1,069,381	1,060,883
4	Allocated investment income	2014	2013
		£	£
	Investment income	23,980	30,295
	Realised gain/(loss) on investments	5,142	(7,725)
	Total	29,122	22,570
5	Net operating expenses	2014	2013
		£	£
	Acquisition costs	312,700	305,400
	Administrative expenses	145,599	150,508
	(Profit)/Loss on exchange	(12,832)	22,545
	Total	445,467	478,453

WOODSFORD UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

6	Investment income	2014 £	2013 £
	Income from other investments (including interest receivable)	46	23
	Total	46	23

7	Other income	2014 £	2013 £
	Profit on sale of syndicate participation rights	2,509	517
	Total	2,509	517

8	Profit/(loss) for the financial year before members' remuneration and profit shares	2014 £	2013 £
	This is stated after charging:		
	Auditor's remuneration - audit	534	690
	Amortisation of syndicate capacity	21,551	26,743

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 2014

9	Intangible assets	Syndicate Participation Rights £
	Cost	
	At 1 January 2014	389,743
	Additions	-
	Disposals	(10,036)
	At 31 December 2014	379,707
	Amortisation	
	At 1 January 2014	355,869
	Charge for the year	21,551
	Impairment losses	-
	Disposals	(10,036)
	At 31 December 2014	367,384
	Net book value	
	At 31 December 2014	12,323
	At 31 December 2013	33,874

10	Investments: Financial investments	Syndicate £	Partnership £	2014 Total £	2013 Total £
	<i>At market value</i>				
	Shares and other variable yield securities	201,094	-	201,094	191,247
	Debt securities and other fixed income securities	1,434,227	-	1,434,227	1,343,171
	Participation in investment pools	42,934	-	42,934	74,081
	Loans guaranteed by mortgage	2,775	-	2,775	5,929
	Other loans	20,543	-	20,543	1,696
	Deposits with credit institutions	3,136	-	3,136	2,107
	Other	20,479	-	20,479	8,763
	Total	1,725,188	-	1,725,188	1,626,994

The partnership investments held include £Nil (2013: £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 2014

10 Investments: Financial investments (continued)

	Syndicate	Partnership	2014 Total	2013 Total
	£	£	£	£
<i>At cost</i>				
Shares and other variable yield securities	193,608	-	193,608	185,709
Debt securities and other fixed income securities	1,438,035	-	1,438,035	1,353,084
Participation in investment pools	35,667	-	35,667	68,892
Loans guaranteed by mortgage	2,766	-	2,766	5,867
Other loans	20,542	-	20,542	1,696
Deposits with credit institutions	3,136	-	3,136	2,107
Other	18,034	-	18,034	11,384
Total	1,711,788	-	1,711,788	1,628,739

11 Debtors arising out of direct insurance and reinsurance operations

	Syndicate	Partnership	2014 Total	2013 Total
	£	£	£	£
The following amounts are due after one year:				
Direct insurance operations	1,261	-	1,261	1,906
Reinsurance operations	1,416	-	1,416	6,123
Total	2,677	-	2,677	8,029

12 Other debtors

	Syndicate	Partnership	2014 Total	2013 Total
	£	£	£	£
Other	244,346	-	244,346	244,032
Total	244,346	-	244,346	244,032

Partnership other debtors includes £Nil (2013: £Nil) due to the LLP after more than one year.

Syndicate other debtors includes £27,071 (2013: £9,476) due to the LLP after more than one year.

Partnership other debtors includes £Nil (2013: £Nil) due to the LLP from the members.

13 Cash at bank

	Syndicate	Partnership	2014 Total	2013 Total
	£	£	£	£
Lloyd's deposit	98,940	-	98,940	94,513
Cash at bank and in hand	121,732	5,615	127,347	153,472
Total	220,672	5,615	226,287	247,985

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 2014

14 Members' interests

	Syndicate	Partnership Members' Capital Classified as a Liability		2014 Total	2013 Total
	Members' Capital Classified as a Liability £	Syndicate Capacity £	Other Profits £	£	£
Members' interests brought forward	152,709	33,874	2,633	189,216	171,441
Amounts introduced / (withdrawn) by Members	-	-	(108,000)	(108,000)	(94,618)
Members' remuneration charged as an expense for the year	131,534	(21,551)	(19,773)	90,210	112,393
Reallocation	(117,658)	-	117,658	-	-
Repayment of debt (including Members' capital classified as a liability)	-	-	-	-	-
Other movements	-	-	-	-	-
Members' interests at 31 December	166,585	12,323	(7,482)	171,426	189,216

TOTAL MEMBERS' INTERESTS

Loans and other debts due to members	171,426	189,216
Loans and other debts due from members	-	-
Total members' interests	<u>171,426</u>	<u>189,216</u>

WOODSFORD UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

15 Other creditors	Syndicate	Partnership	2014	2013
	£	£	£	£
Other creditors	104,794	13,097	117,891	141,526
	104,794	13,097	117,891	141,526

16 Reconciliation of operating profit before interest to net cash inflow from operating activities

	2014 £	2013 £
Operating profit before interest	90,164	112,370
Prior year result distributable in year	117,658	100,032
Profit on sale of syndicate participation rights	(2,509)	(517)
Decrease in creditors	(119,674)	(149,832)
Amortisation and impairment of syndicate participation rights	21,551	26,743
Net cash inflow from operating activities	107,190	88,796

Note that the current year technical profit of £131,534, which has not been distributed in the year, is included within the decrease in creditors line above.

WOODSFORD UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

17 Related party transactions

There have been no related party transactions in the year other than making available assets to support the LLP's Lloyd's underwriting as detailed in note 19 below.

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 (2013: £1,000,000) from Coutts Private Bank. The assets supporting the bank guarantee have been provided by the members of the LLP.

In addition to these amounts, the members of the LLP have also made available to Lloyd's assets amounting to approximately £6 (2013: £6) which are also used by the LLP to support its Lloyd's underwriting. These assets have not been recognised in the financial statements as they are held in the individual members name.