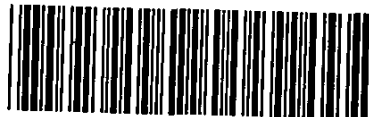

LIMITED LIABILITY PARTNERSHIP

Allan Cameron LLP

Financial Statements

◆ For the period ended 31 December 2011 ◆

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COMPANIES HOUSE

Registered Number: OC357716

Allan Cameron LLP

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Allan Cameron LLP

GENERAL INFORMATION

DESIGNATED MEMBERS

Argenta Continuity Limited
Argenta LLP Services Limited

MEMBERS' AGENT

(Regulated by the Financial Services Authority)
Argenta Private Capital Limited

AUDITORS

Mazars LLP
Tower Bridge House
St Katharine's Way
London
E1W 1DD

REGISTERED NUMBER

OC357716

REGISTERED OFFICE

Fountain House
130 Fenchurch Street
London, EC3M 5DJ

ACCOUNTANTS

Argenta Tax & Corporate Services Limited
Fountain House
130 Fenchurch Street
London
EC3M 5DJ

Allan Cameron LLP

MEMBERS' REPORT **For the period ended 31 December 2011**

The Members present their report together with the Financial Statements for the period ended 31 December 2011

STATEMENT OF MEMBERS' RESPONSIBILITIES

Legislation applicable to Limited Liability Partnerships requires the Members to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period

In preparing those Financial Statements, the Members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the Financial Statements, and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business

The Members are responsible for ensuring that proper and up to date books of account are maintained in accordance with generally accepted accounting principles and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the Financial Statements comply with the Limited Liability Partnership Regulations. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

ACTIVITIES

The Limited Liability Partnership was formed on 7th September 2010

The principal activity of the Limited Liability Partnership in the period under review was that of a limited liability underwriting member of Lloyd's. The Limited Liability Partnership commenced underwriting with effect from 1st January 2011

RESULTS

The Financial Statements incorporate the annual accounting results of the syndicates on which the Limited Liability Partnership participates for the 2011 year of account. The 2011 year of account will normally close at 31 December 2013

The result for the period is shown in the profit and loss account

FUTURE DEVELOPMENTS

The Limited Liability Partnership 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 Limited Liability Partnership 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 agents 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 Limited Liability Partnership 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 Limited Liability Partnership

Hedge accounting is not used by the Limited Liability Partnership

Allan Cameron LLP

MEMBERS' REPORT
For the period ended 31 December 2011

DESIGNATED MEMBERS

The Designated Members during the period were as follows

Argenta Continuity Limited
Argenta LLP Services Limited

MEMBERS' INTERESTS

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

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

AUDITORS

Mazars LLP have been appointed as auditors to the Limited Liability Partnership during the period

Approved by the Members on 9 May 2012 and signed on their behalf by



D C BOWLES
ARGENTA LLP SERVICES LIMITED
Designated Member

Allan Cameron LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Allan Cameron LLP For the period ended 31 December 2011

We have audited the Financial Statements of Allan Cameron LLP for the period ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These Financial Statements have been prepared under the accounting policies set out therein.

This report is made solely to the Limited Liability Partnership's Members, 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 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 Limited Liability Partnership and the Limited Liability Partnership's Members, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Members and auditors

As described in the Statement of Members' Responsibilities the Limited Liability Partnership's Members are responsible for the preparation of Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit and express an opinion on the Financial Statements in accordance with relevant legal and regulatory requirements and International Standards of Auditing (UK and Ireland).

We report to you our opinion as to whether the Financial Statements give a true and fair view, whether the Financial Statements are properly prepared in accordance with the Companies Act 2006 and whether the information given in the Members' Report is consistent with the Financial Statements. We also report to you if, in our opinion, the Limited Liability Partnership has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Members' remuneration and transactions with the Limited Liability Partnership is not disclosed.

We read the Members' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards of Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Members in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the Limited Liability Partnership's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.


Allan Cameron LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Allan Cameron LLP For the period ended 31 December 2011

Opinion

In our opinion

- the Financial Statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Limited Liability Partnership's affairs as at 31 December 2011 and of its profit/loss for the period then ended,
- the Financial Statements have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Members' Report is consistent with the Financial Statements


Markham Grice (Senior statutory auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory auditor
Tower Bridge House
St Katharine's Way
London E1W 1DD

10 May 2012

Allan Cameron LLP

PROFIT & LOSS ACCOUNT – TECHNICAL ACCOUNT – GENERAL BUSINESS For the period ended 31 December 2011

	Notes	2011
		£
Earned premiums, net of reinsurance		
Gross premiums written		
Continuing operations	2	807,734
Outward reinsurance premiums	2	(159,425)
Net premiums written		<u>648,309</u>
Change in provision for unearned premiums		
Gross amount	2	(328,652)
Reinsurers' share	2	41,334
Earned premiums, net of reinsurance		<u>360,991</u>
Allocated investment return transferred from the non-technical account		1,376
Other technical income, net of reinsurance		-
Claims incurred net of reinsurance		
claims paid		
Gross amount	2	(73,819)
Reinsurers' share	2	13,224
Net claims paid		<u>(60,595)</u>
Change in provision for claims		
Gross amount	2	(278,434)
Reinsurers' share	2	56,468
Net change in provisions for claims		<u>(221,966)</u>
Claims incurred, net of reinsurance		<u>(282,561)</u>
Changes in other technical provisions, net of reinsurance		-
Net operating expenses	2, 3	(131,184)
Other technical charges, net of reinsurance		-
Balance on the technical account for general business		<u>(51,378)</u>

The accounting policies and notes on pages 12 to 20 form part of these Financial Statements

Allan Cameron LLP

PROFIT & LOSS ACCOUNT – NON TECHNICAL ACCOUNT For the period ended 31 December 2011

	Notes	2011 £
Balance on the general business technical account		(51,378)
Investment income	4	3,006
Unrealised gains on investments		3,719
Investment expenses and charges	5	(1,213)
Unrealised losses on investments		(4,135)
Allocated investment return transferred to the general business technical account		(1,376)
Other income		(10,701)
Other charges		(42,462)
 Profit/(loss) for the financial period before Members' remuneration and profit shares	 6	 (104,540)
Members' remuneration charged as an expense	7	-
 Profit/(loss) for the financial period available for division among Members	 10	 <u>(104,540)</u>

The Limited Liability Partnership has no recognised gains or losses other than the profit or loss for the period

All items derive from continuing activities

In accordance with the amendment to the Financial Reporting Standard 3 "Reporting Financial Performance", the inclusion of unrealised gains and losses in the profit and loss account to reflect the marking to market of investments in the balance sheet is deemed not to be a material departure from the historical cost basis of accounting. Accordingly, a separate note of historical cost profits and losses is not given.

The accounting policies and notes on pages 12 to 20 form part of these Financial Statements

Allan Cameron LLP

BALANCE SHEET As at 31 December 2011

31 December 2011				
	Note	Syndicate Participation £	Partnership £	Total £
Assets				
Intangible assets	8	-	179,395	179,395
Investments				
Financial investments	9	207,265	-	207,265
Deposits with ceding undertakings		288	-	288
		207,553	-	207,553
Reinsurers' share of technical provisions				
Provision for unearned premiums		42 025	-	42,025
Claims outstanding		57,894	-	57,894
Other technical provisions		-	-	-
		99,919	-	99,919
Debtors				
Arising out of direct insurance operations		140,514	-	140,514
Arising out of reinsurance operations		60,229	-	60,229
Other debtors		41,899	-	41,899
		242,642	-	242,642
Other assets				
Cash at bank and in hand		13,763	4,001	17,764
Other		12,897	-	12,897
		26,660	4,001	30,661
Prepayments and accrued income				
Accrued interest		85	-	85
Deferred acquisition costs		76,734	-	76,734
Other prepayments and accrued income		2,670	-	2,670
		79 489	-	79,489
Total assets		656,263	183,396	839,659

The accounting policies and notes on pages 12 to 20 form part of these Financial Statements

Allan Cameron LLP

BALANCE SHEET As at 31 December 2011

31 December 2011				
Note	Syndicate Participation £	Partnership £	Total £	
Liabilities and Members' interests				
Members' interests due within one year				
Members' capital classified as a liability under FRS 25	10	(50,480)	183,396	132,916
Technical provisions				
Provision for unearned premiums		333,289	-	333,289
Claims outstanding – gross amount		283,948	-	283,948
Other technical provisions		-	-	-
Provisions for other risks and charges		-	-	-
Deposit received from reinsurers		-	-	-
Creditors				
Arising out of direct insurance operations		12,023	-	12,023
Arising out of reinsurance operations		47,574	-	47,574
Amounts owed to credit institutions		-	-	-
Other creditors including taxation and social security		26,597	-	26,597
		703,431	-	703,431
Accruals and deferred income		3,312	-	3,312
Total liabilities		656,263	183,396	839,659

The Financial Statements were approved by the Members of the Partnership and signed on its behalf by



D C BOWLES
ARGENTA LLP SERVICES LIMITED
9 May 2012

Registered Number OC357716

The accounting policies and notes on pages 12 to 20 form part of these Financial Statements

Allan Cameron LLP

CASH FLOW STATEMENT For the period ended 31 December 2011

	Note	2011 £
Operating activities		
Net cash inflow/(outflow) from operating activities	11(a)	(6,699)
Returns on investments and servicing of finance		
Interest received		-
Interest paid		-
Capital expenditure		
Purchase of syndicate capacity		(287,124)
Proceeds from sale of syndicate capacity		60,368
Transactions with Members and former Members		
Payments to Members		-
Contributions by Members		237,456
Post retirement payments to former Members		-
Net cash inflow/(outflow) for the period	11(b)	<u>4,001</u>
 Cash flows were invested as follows		
Increase/(decrease) in cash holdings		4,001
Purchase of financial investments		-
Sale of financial investments		-
Net investment of cash flows	11(b)	<u>4,001</u>

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

The accounting policies and notes on pages 12 to 20 form part of these Financial Statements

Allan Cameron LLP

STATEMENT OF ACCOUNTING POLICIES

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

The Financial Statements have been prepared in accordance with Sections 1164 and 1165 of the Companies Act 2006, and Schedule 3 of SI 2008/410, 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. 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 Limited Liability Partnership participates.

For each such Syndicate, the Partnership's proportion of the underwriting transactions, investment return and operating expenses has been reflected within the Partnership's profit and loss account. Similarly, its proportion of the Syndicate's assets and liabilities has been reflected in its balance sheet (under the column heading "Syndicate"). The Syndicate's assets are held subject to trust deeds for the benefit of the Partnership's insurance creditors.

The proportion referred to above is calculated by reference to the Partnership's participation as a percentage of the Syndicate's total capacity.

The Partnership has delegated sole management and control of its underwriting through each Syndicate to the managing agent of the Syndicate ("the Managing Agent") and it has further undertaken not to interfere with the exercise of such management and control. The Managing Agents of the Syndicates are therefore responsible for determining the insurance transactions to be recognised by the Partnership. The only exception to this rule is the level of provision for outstanding claims.

Sources of data

The information used to compile the technical account and the "Syndicate" balance sheet is based on returns prepared for this purpose by the Managing Agents of the Syndicates ("the Returns"). These returns have been subjected to audit by the Syndicate auditors and are based on the audited Syndicate returns to Lloyd's and the audited annual reports to Syndicate members.

The format of the Returns has been established by Lloyd's and Lloyd's has also been responsible for collating the data at a Syndicate level and analysing it into corporate member level results.

Allan Cameron LLP

STATEMENT OF ACCOUNTING POLICIES (continued)

i Accounting convention

The financial statements are prepared in accordance with applicable accounting standards and under the historical cost convention as modified by the revaluation of financial investments

ii Going concern

These financial statements have been prepared on a going concern basis

iii Premiums

Premiums written comprise the total premiums receivable for the whole period of cover provided by the contracts incepting during the financial year, together with any adjustments arising in the year to such premiums receivable in respect of business written in prior years. Premiums are shown gross of commission payable to intermediaries and exclude insurance premium tax. Gross premiums written may include "reinsurance to close" premiums receivable (see vii below). Outward reinsurance premiums may include "reinsurance to close" premiums payable (see vii below). Premiums written by a Syndicate may also include the reinsurance of other syndicates on which the Partnership participates. No adjustments have been made to gross premiums written or outward reinsurance premiums (or to gross and reinsurers' claims) to remove this intersyndicate reinsurance. Unearned premiums represent the proportion of premiums written in the year that relate to the unexpired terms of policies in force at the balance sheet date, calculated on the basis of established earnings patterns or time apportionment as appropriate.

iv Claims incurred

Claims incurred include the costs of claims handling expenses. Recoverable amounts arising out of subrogation or salvage are deducted from the cost of claims. Claims incurred comprise amounts paid or provided in respect of claims occurring during the year to 31 December, together with the amount by which settlement or reassessment of claims from prior years differ from the provision at the beginning of the year.

v Provision for claims outstanding

Claims outstanding comprise amounts set aside for claims notified and claims incurred but not yet reported (IBNR). Provision is made for claims incurred but not paid in respect of events up to 31 December. The provision is based on the Returns and reports from the Managing Agents and the Partnership's licensed adviser or Members' Agent. When appropriate, statistical methods have been applied to past experience of claims frequency and severity.

The two most critical assumptions as regard 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 for current business are fair reflections of the likely level of ultimate claims to be incurred. The members consider the provision for gross claims and related reinsurance recoveries, as based on the Returns to be fairly stated. 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 amounts of claims provisions established in prior years are reflected in the financial statements for the period in which the adjustments are made.

vi Unexpired risk provision

A provision for unexpired risk is made by the underlying Syndicates where claims, related expenses and deferred acquisition costs, likely to arise after the end of the financial period in respect of contracts concluded before that date, are expected to exceed the unearned premiums and premiums receivable under these contracts, after the deduction of any acquisition costs deferred.

Allan Cameron LLP

STATEMENT OF ACCOUNTING POLICIES (continued)

vii Reinsurance to close

A reinsurance to close is a particular type of reinsurance contract entered into by Lloyd's Syndicates. Under it, underwriting members (the reinsured members) who are members of a Syndicate for a year of account (the closed year), agree with underwriting members who comprise that or another syndicate for a later year of account (the reinsuring members) that the reinsuring members will indemnify, discharge or procure the discharge, of the reinsured members against all known and unknown liabilities of the reinsured members arising out of insurance business undertaken through that Syndicate and allocated to the closed year in consideration of (1) a premium, and (2) either

- (a) the assignment, or agreement to assign, to the reinsuring members of all the rights of the reinsured members arising out of, or in connection with, that insurance business (including without limitation the right to receive all future premiums, reinsurances and other monies receivable in connection with that insurance business), or
- (b) an agreement by the reinsured members that the reinsuring members shall collect on behalf of the reinsured members the proceeds of all such rights and retain them for their own benefit so far as they are not applied in discharges of the liabilities of the reinsured members

Where the reinsurance to close is between members on successive years of account of the same Syndicate, the Managing Agent has a duty to ensure both sets of members are treated equitably and to set the reinsurance to close with the intention that neither a profit nor a loss accrues to either group of members. To the extent that the Partnership participates on successive years of account of the same syndicate and there is a reinsurance to close between those years, the Partnership has offset its share of the reinsurance to close received against its share of the reinsurance to close paid.

If the Partnership has increased its participation from one year of account to the next, the reinsurance to close paid is eliminated, as a result of this offset, leaving an element of the reinsurance to close received. This reflects the fact that the Partnership has assumed a greater proportion of the business of the Syndicate. If the Partnership has reduced its participation from one year of account to the next, the reinsurance to close received is eliminated, leaving an element of the reinsurance to close paid. This reflects the reduction in the Partnership's exposure to risks previously written by the Syndicate. The reinsurance to close is technically a reinsurance contract and, as such, the payment of a reinsurance to close does not remove from members of that year of account ultimate responsibility for claims payable on risks they have written. If the reinsuring members under the reinsurance to close become insolvent and the other elements of the Lloyd's chain of security also fail, the reinsured members remain theoretically liable for the settlement of any outstanding claims. However, payment of a reinsurance to close is conventionally accepted as terminating a reinsured member's participation on a Syndicate year of account and it is treated for accounts purposes as settling all the Partnership's outstanding gross liabilities in respect of the business so reinsured.

viii Investments

Syndicate Where investments represent the Partnership's share of syndicate investments, they are stated at current value at the balance sheet date. For this purpose, listed investments are stated at market value and deposits with credit institutions and overseas deposits are stated at cost. Unlisted investments for which a market exists are stated at the average price at which they are traded on the balance sheet date or the last trading day before that date.

Allan Cameron LLP

STATEMENT OF ACCOUNTING POLICIES (continued)

ix Investment return

Investment income comprises interest receivable and dividends received plus realised and unrealised gains on the disposal of investments. Realised gains and losses arise from the difference between proceeds and valuation at the previous year end, or cost if there has been no previous revaluation. Unrealised investment gains and losses are calculated as the difference between the valuation at the balance sheet date and the valuation at the last balance sheet date or purchase price, if acquired during the year. Investment income is initially recorded in the non-technical account. All investment income arising on Syndicate participations is allocated to the technical account.

x Net operating expenses

Operating expenses are recognised when incurred. They include the Partnership's share of Syndicate operating expenses, the remuneration payable to Managing Agents (and the Partnership's Members' Agent/licensed adviser) and the direct costs of membership of Lloyd's.

xi Foreign currencies

Transactions in United States dollars, Canadian dollars and Euros are translated at the rates of exchange ruling at the date the transaction is processed or at an appropriate average rate. Unless otherwise stated, transactions in currencies other than United States dollars, Canadian dollars and Euros are translated at the rate of exchange ruling at the date the transaction is processed. Monetary assets and liabilities are retranslated into Sterling at the rate of exchange at the balance sheet date. Non-monetary assets and liabilities at the balance sheet date are maintained at the rate of exchange ruling when the contract was entered into (or an appropriate average rate). Exchange differences arising on translation are dealt with in the profit and loss account.

xii Syndicate participation rights

Where the Partnership has purchased the right to participate on Syndicates, the cost is capitalised and amortised in equal annual instalments over five years.

xiii Members' Interests

The net profit of the Limited Liability 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 Limited Liability 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.

xiv Taxation

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

Allan Cameron LLP

NOTES TO THE FINANCIAL STATEMENTS For the period ended 31 December 2011

1. Date of commencement of trading

The Limited Liability Partnership commenced trading on 1st January 2011

2. Class of Business

2011	Gross Premiums Written £	Gross Premiums Earned £	Gross Claims Incurred £	Net Operating Expenses £	Reinsurance Balance £	Total £
Direct Insurance						
Accident and health	26,273	13,019	(9,710)	(5,623)	150	(2,164)
Motor – third party liability	1,964	642	(387)	(244)	(32)	(21)
Motor – other classes	99,770	49,418	(40,392)	(18,374)	(412)	(9,760)
Marine, aviation and transport	118,830	65,722	(43,642)	(18,664)	(3,676)	(260)
Fire and other damage to property	208,652	104,116	(63,513)	(34,813)	(16,025)	(10,235)
Third party liability	72,324	34,386	(25,337)	(12,402)	(2,062)	(5,415)
Credit and suretyship	17,495	8,975	(5,474)	(2,580)	(1,024)	(103)
Legal expenses	1,391	650	(291)	(325)	(25)	9
Assistance	-	-	-	-	-	-
Miscellaneous	4,344	2,152	(992)	(1,393)	-	(233)
	551,043	279,080	(189,738)	(94,418)	(23,106)	(28,182)
Reinsurance	256,691	200,002	(162,515)	(36,766)	(25,293)	(24,572)
Total	807,734	479,082	(352,253)	(131,184)	(48,399)	(52,754)

All insurance business is underwritten in the UK in the Lloyd's insurance market, which has been treated as one geographical segment for the purpose of SSAP25 Segmental Reporting

Allan Cameron LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) For the period ended 31 December 2011

3. Net Operating Expenses	2011
	£
Acquisition costs	180,760
Change in deferred acquisition costs	(79,225)
Administrative expenses	24,137
Reinsurance commissions and profit participations	(7,376)
Personal expenses	12,888
	<u>131,184</u>
4. Investment Income	2011
	£
Income from investments	2,163
Gains on the realisation of investments	842
Bank deposit interest	1
	<u>3,006</u>
5. Investment Expenses and Charges	2011
	£
Investment management expenses, including interest	422
Losses on the realisation of investments	791
	<u>1,213</u>
6. Profit/(Loss) for the Financial Period Before Members' Remuneration and Profit Shares	2011
	£
The profit/(loss) on ordinary activities is stated after charging/(crediting)	
Amortisation of syndicate capacity	36,660
(Profit)/loss on disposal of syndicate capacity	10,701
(Profit)/loss on exchange	(898)
Interest on bank loans and overdrafts	-
Other interest	-
The Limited Liability Partnership has no employees	
The fees payable to the Limited Liability Partnership's auditor for audit services are included in the fees payable to the Members' Agent	

Allan Cameron LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) For the period ended 31 December 2011

7. Members' Remuneration

The average number of Members during the period was 3

The Members did not receive any remuneration during the period

8. Intangible Assets

2011

£

Purchased syndicate capacity

Cost

At 7 September 2010

-

Additions

287,124

Disposals

(71,069)

At 31 December 2011

216,055

Amortisation

At 7 September 2010

-

Provided during the period

36,660

Disposals

-

At 31 December 2011

36,660

Net Book Value

At 31 December 2011

179,395

9. Financial Investments

Other financial investments - Syndicate

2011

Market
Value
£

Cost
£

Shares and other variable yield securities and units in unit trusts

31,522

31,547

Debt securities and other fixed income securities

165,632

166,487

Participation in investment pools

8,803

8,711

Loans secured by mortgages

592

616

Other loans

434

432

Deposits with credit institutions

280

280

Other

2

98

207,265

208,171

Listed investments included within the above

205,957

206,745

Allan Cameron LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) For the period ended 31 December 2011

10. Members' Interests

	Syndicate	Limited Liability Partnership Members' Capital Classified as a Liability		Total
	Members' Capital Classified as a Liability £	Syndicate Capacity £	Other Profits £	£
Members' interests at 7 September 2010	-	-	-	-
Introduced by Members	-	230,983	6,473	237,456
Allocated profits/(losses)	(50,480)	(47,361)	(6,699)	(104,540)
Reallocation	-	-	-	-
Repayment of debt (including Members' capital classified as a liability)	-	-	-	-
Other movements	-	-	-	-
Members' interests at 31 December 2011	(50,480)	183,622	(226)	132,916

11. (a) Reconciliation of Operating Profit/(Loss) to Net Cash Inflow/(Outflow) from Operating Activities

	2011 £
Profit/(loss) on ordinary activities before tax	(104,540)
(Profit)/loss attributable to syndicate transactions	50,480
Profit/(loss) – excluding syndicate transactions	(54,060)
(Increase)/decrease in debtors	-
Increase/(decrease) in creditors	-
(Profit)/loss on disposal of syndicate capacity	10,701
Amortisation of syndicate capacity	36,660
Impairment of syndicate capacity	-
Realised/unrealised (gains)/losses on investments	-
Net cash inflow/(outflow) from operating activities	(6,699)

(b) Movement in Cash, Portfolio Investments and Financing

	At 7 September 2010 £	Cash Flow £	Changes to Market Value £	At 31 December 2011 £
Cash	-	4,001	-	4,001
Other financial investments	-	-	-	-
	-	4,001	-	4,001

Allan Cameron LLP

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period ended 31 December 2011

12. Related Party Disclosure

There are no related party transactions to be disclosed

13. Ultimate Controlling Party

The ultimate controlling party of the Partnership is Mr A Cameron