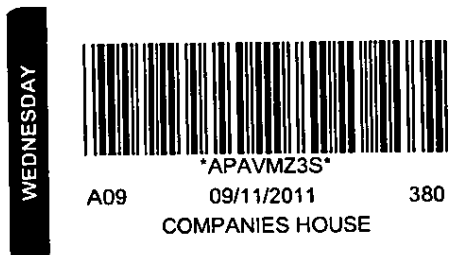


AT DOCHERTY GENERAL UNDERWRITING AGENCY LIMITED

Annual Report and Financial Statements
for the year ended 31 March 2011



Company Registration No 3005373

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Officers and advisers

Directors

The directors at the date of this report were as follows

P J Hubbard
H M Posner
K A Smith
M I Warren
Mr O W Laird

Secretary

The company secretary is Mr Stephen Blott

Principal Bankers

HSBC Bank Plc
33 Park Row
Leeds
LS1 1LD

Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Benson House
33 Wellington Street
Leeds
LS1 4JP

Tax Advisors

Rawlinson & Hunter
6 New Street Square
New Fetter Lane
London EC4A 3AQ

Principal Lawyers

Norton Rose
3 More London Riverside
London SE1 2AQ

Registered Office

Cast House
Old Mill Business Park
Gibraltar Island Road
Leeds, West Yorkshire
LS10 1RJ

Company Registration Number

3005373

Parent Company

The immediate parent is Primary General Insurance Limited and the ultimate parent company is Primary Group Limited

Directors' Report for the year ended 31 March 2011

The directors present their report together with the audited financial statements of the company for the year ended 31 March 2011

Principal activities

The company's principal activity was to act as insurance underwriting agent for Lloyds underwriters and other companies but it is now in run off

Results and Performance

The results for the period, as set out on pages 7, show a profit on ordinary activities before tax of £nil (2010 £142,552) The shareholders funds of the company show a surplus of £122,642 (2010 surplus £122,642) Turnover during the year was £nil (2010 £nil)

The directors recommended a payment of a dividend for the year to 31 March 2011 of £nil (2010 £4,669,580)

Principal risks and uncertainties

The company is now in run off and therefore the directors do not consider that there are any material risks and uncertainties affecting the company

Future outlook

The company ceased trading in the financial year ended 31st March 2008 and is in run off

Directors

The directors who currently hold or held office during the period were as follows

P J Hubbard

K A Smith

H M Posner

M I Warren

O Laird

(Appointed 1 April 2010)

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements,

Statement of directors' responsibilities (continued)

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The company has elected to dispense with the requirement to hold an Annual General Meeting and reappoint auditors annually. Accordingly, PricewaterhouseCoopers, having indicated their willingness to do so, will continue as the company's auditors.

Approved by the Board on and signed on its behalf by



Mr O W Laird
Director

Date 7/11/11

Independent auditors' report to the members of A T Docherty General Underwriting Agency Limited

We have audited the financial statements of A T Docherty General Underwriting Agency for the year ended 31 March 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 and 4 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit an express 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2011
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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 our audit have not been received from branches not visited by us, or

Matters on which we are required to report by exception (continued)

- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Gary Shaw (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
Date 7 November 2011.

Profit and Loss Account
for the Year ended 31 March 2011

	Note	Year ended 31 March 2011 £	Year ended 31 March 2010 £
Turnover	2	-	-
Management and other operating charges		-	51,009
Operating profit	3	-	51,009
Interest receivable		-	91,543
Interest payable		-	-
Profit on ordinary activities before taxation		-	142,552
Tax on profit on ordinary activities	4	-	(39,915)
Retained profit for the financial period	10	-	102,637

All activities derive from operations in runoff and there were no gains or losses other than those reflected in the profit for the period. Accordingly no statement of total recognised gains and losses is given.

The notes to the accounts on pages 9 to 14 form an integral part of these financial statements.

There are no material differences between the profit on ordinary activities before tax and the profit for the period stated above and their historical cost equivalents.

Balance Sheet
as at 31 March 2011

	Note	Year ended 31 March 2011 £	Year ended 31 March 2010 £
Current assets			
Debtors	6	122,642	162,557
Cash at bank and in hand	7	-	-
		<u>122,642</u>	<u>162,557</u>
Creditors (amounts falling due within one year)	8	-	(39,915)
Net current assets		<u>122,642</u>	<u>122,642</u>
Total assets less current liabilities		<u>122,642</u>	<u>122,642</u>
Net assets		<u>122,642</u>	<u>122,642</u>
Capital and reserves			
Called up share capital	9	20,000	20,000
Profit and loss account	10	<u>102,642</u>	<u>102,642</u>
Shareholders' funds	11	<u>122,642</u>	<u>122,642</u>

The notes to the accounts on pages 9 to 14 form an integral part of these financial statements

Approved by the Board on 7/11/11 and signed on its behalf by



Mr O W Laird
Director

AT Docherty General Underwriting Agency Limited
Company registration number 3005373

Notes to the financial statements for the Year ended 31 March 2011

1 Accounting policies

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies are set out below.

Turnover

Revenues from commissions and fees relating to fixed or minimum premiums on insurance and reinsurance contracts and programmes placed are recognised at the point at which placement services are substantially complete. Revenues from commissions and fees on adjustments to minimum premiums, binding authorities and treaties are recognised on a periodic basis when consideration due is confirmed by third parties.

Where contractual obligations exist for the performance of post placement activities, and a cost of these activities is not expected to be covered by future income, a relevant proportion of revenue received on placement is deferred and recognised over the period during which these activities are performed.

Commissions and fees for administrative, support and business development services are recognised when the relevant services are rendered.

Taxation

The charge/credit for taxation is based on the profits/loss for the period/year charged at the current rates of tax. Deferred tax is recognised without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed out by the balance sheet date except as otherwise required by Financial Reporting Standard No. 19 'Deferred Tax'. Deferred tax assets are recognised to the extent that the directors consider these amounts recoverable.

Cash flow statement and related party disclosures

The company is a subsidiary of UK General Insurance Group Limited (formerly UK General Insurance Limited) and is included in the consolidated financial statements of UK General Insurance Group Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996). The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the UK General Insurance Group Limited or investors of UK General Insurance Group Limited.

2 Turnover

There is no recorded turnover as the company is in run off. Activities ceased in the financial year ended 31 March 2008.

Notes to the financial statements
for the Year ended 31 March 2011

3 Operating profit

	Year ended 31 March 2011 £	Year ended 31 March 2010 £
The operating profit which originated in the United Kingdom for the period was arrived at after charging		
Auditors' remuneration	-	200

4 Taxation

(a) Analysis of charge in the period	Year ended 31 March 2011 £	Year ended 31 March 2010 £
Group relief	-	39,915
Tax charge for the period (note 4(b))	-	39,915

(b) Factors affecting tax charge for the period	Year ended 31 March 2011 £	Year ended 31 March 2010 £
The tax assessed for the period differs from the standard rate of corporation tax in the UK of 28% (2010 28%) The differences are explained below		
Profit on ordinary activities before tax	-	142,552
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2010 28%)	-	39,915
<i>Effects of</i>		
Expenses not deductible for tax purposes	-	-
Current tax charge for the period (note 4(a))	-	39,915

Notes to the financial statements
for the Year ended 31 March 2011

5 Dividends payable

	Year ended 31 March 2011 £	Year ended 31 March 2010 £
Amounts recognised as distributed to equity holders in the year	-	-
Interim dividend for the year ended 31 March 2011 of nil per share (2010 23,347 90p)	-	4,669,580
	<u>-</u>	<u>4,669,580</u>

6 Debtors

	Year ended 31 March 2011 £	Year ended 31 March 2010 £
Amounts due from group undertakings	122,642	162,557
	<u>122,642</u>	<u>162,557</u>

The amounts due from group undertakings relate to a balance held with Primary General Insurance Limited

7 Cash at bank and in hand

Included in cash at bank and in hand is £nil (2010 £nil) held in designated accounts under risk transfer agreements with the relevant insurers

8 Creditors amounts falling due within one year

	Year ended 31 March 2011 £	Year ended 31 March 2010 £
Insurance creditors	-	-
Accruals and deferred income	-	-
Amounts due to group undertakings	-	39,915
	<u>-</u>	<u>39,915</u>

Insurance creditors represent those amounts due to the policyholder or underwriter concerned together with any third party commissions or other sums due

Notes to the financial statements
for the Year ended 31 March 2011

9 Called up share capital

	Year ended 31 March 2011 £	Year ended 31 March 2010 £
Authorised		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted and issued		
20,000 Ordinary share of £1 each	<u>20,000</u>	<u>20,000</u>

10 Statement of movements on reserves

	Year ended 31 March 2011 £	Year ended 31 March 2010 £
At the start of the period	102,642	4,669,585
Dividend	-	(4,669,580)
Loss for the period	<u>-</u>	<u>102,637</u>
At the end of the period	<u>102,642</u>	<u>102,642</u>

11 Reconciliation of movements in shareholder's funds

	Year ended 31 March 2011 £	Year ended 31 March 2010 £
At the start of the period	122,642	4,689,585
Dividend	-	(4,669,580)
Retained loss for the period	<u>-</u>	<u>102,637</u>
At the end of the period	<u>122,642</u>	<u>122,642</u>

12 Related party disclosures

As permitted under Financial Reporting Standard No 8 'Related Party Disclosures', transactions between group companies which are wholly owned have not been disclosed

13 Ultimate holding company

Primary Group Limited, incorporated in Bermuda, is regarded by the directors of the Company as the Company's ultimate parent company. The immediate parent company as at 31 March 2011 is Primary General Insurance Limited a company incorporated in the United Kingdom. The largest group in which the results of the company are consolidated is that of which Primary Group Limited is the parent company. At the date on which the accounts were approved by the directors, the ultimate controlling party is R&H Trust Co Ltd as trustee for two trusts established in the Cayman Islands for the benefit of Mr P James and his family.