Marketform
MANAGING AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2009

Company Number: 3584320

CONTENTS

Directors	
Chairman	S E H Barr
	R A Doubtfire
	A C Durkin
	S P Lotter
	J E Mumford
	S G Turner
	G R A White
Company Secretary	A C Durkin
Registered Office **& Business Address**	8 Lloyd's Avenue London EC3N 3EL
Bankers	Barclays Bank PLC One Churchill Place London E14 5HP
Auditors	Littlejohn LLP Statutory Auditor 1 Westferry Circus Canary Wharf London E14 4HD
Solicitors	Clyde & Co Beaufort House Chertsey Street Guildford Surrey GU1 4HA
Actuaries	EMB Consultancy LLP Saddlers Court 64-74 East Street Epsom Surrey KT17 1HB
Company Number	3584320

The directors have pleasure in presenting their Report together with the Financial Statements for the year ended 31 December 2009

Principal Activity

The company is the Managing Agent of Lloyd's syndicate 2468 It is authorised and regulated by the Financial Services Authority (registration number 204971) The principal activity of the company is to manage the insurance underwriting of Syndicate 2468 which is conducted through the Lloyd's market The syndicate is a leading supplier of specialist insurance products The main classes underwritten are medical malpractice, general liability, professional indemnity, personal accident, directors and officers, products guarantee and recall insurance and reinsurance, marine liability, specie, property, bloodstock, hull, cargo, war, political violence and political risk in accordance with the syndicate business plan

The company receives a fee for its services, calculated as a percentage of underwriting capacity managed, together with profit commission charged to underwriting members of the syndicate

Results and Dividends

The profit for the year before taxation amounted to £43,095 (2008 loss - £940,043) The taxation charge was £445 (2008 credit - £265,493), leaving a profit for the year of £42,650 (2008 loss - £674,550)

No interim dividend was paid (2008 - £nil) The directors do not recommend the payment of a final dividend (2008 - £nil)

Business Review

It was resolved at a board meeting on 4th February 2010, that after due consideration by the directors the 2007 underwriting year of Syndicate 2468 should be left open at that time The reason for this decision was the significant difference in values between the internal and external actuarial opinion as to the ultimate liabilities attaching to the portfolio of Italian Public Hospital Medical Malpractice policies underwritten by Syndicate 2468 between 1999 and 2008 The board were also cognisant of the change in participating underwriting members between the 2007 and 2008 years of account

As the Key Performance Indicators show, the company made a modest profit in 2009 On an annual accounting basis Syndicate 2468 produced a loss in 2009 of £90 5m (2008 – loss of £14 6m)

Key performance indicators

	2009	2008	Movement
Fee income	870,321	752,143	15 7%
Profit commission income	(1,150)	(1,016,147)	99 9%
Retained expenditure	888,461	722,522	22 9%
Profit after taxation	42,650	(674,550)	n/a
Dividends paid and proposed	Nil	Nil	n/a
Net current assets	3,387,669	3,332,804	1 6%
Net assets	3,314,383	3,271,733	1 3%

Other performance indicators

Staff Matters

All staff are employed by the group service company Marketform Management Services Limited The company considers staff to be a key resource and seeks to provide a good working environment for staff that is safe and complies with appropriate employee legislation During the year there have been no significant injuries to staff in the workplace or any actions taken by any regulatory bodies with regard to staff matters The provision of a good working environment is considered to be demonstrated by the retention of 94 % of the staff at 1 January 2009 at the end of the year (93% in 2008)

Environmental Matters

The company does not consider that a business such as a Managing Agent at Lloyd's has a large adverse impact upon the environment As a result the company does not manage its business by reference to any environmental key performance indicators Directors and employees of the company are not provided with company cars and travel requisitions and expenses are subject to review as to whether the journey is necessary for the business The company seeks to maintain a high proportion of its records electronically To help achieve this the company is a party to the current electronic data exchange programme in the London market, which is intended to reduce the amount of paper records circulating in the market

Future Developments

The Managing Agent reports the following outlook for the syndicate for 2010

The syndicate's stamp capacity for the 2010 year of account increased by £25m to £145m and premium income is expected to increase, notwithstanding generally static rates applying across the majority of the lines of business transacted by the syndicate This is due to the syndicate establishing business that is less susceptible to normal market rate pressure and actively expanding the lines of business underwritten into other classes, particularly those in which AFG have considerable experience in underwriting in the USA The syndicate added marine, property, specie, bloodstock and political risk during 2008 and 2009 This is likely to result in measured growth through diversification and expansion in the new classes underwritten and even greater cross-selling opportunities for core casualty classes

Risk Management

To support the achievement of the Managing Agency's business strategy it has adopted an enterprise risk management framework which ensures that all risks associated with the syndicate's activities are identified, measured, prioritised and proactively managed in a consistent and effective manner across the organisation Most of the risk inherent in the business is in relation to the activities of Syndicate 2468 and therefore to date much emphasis has been placed on the Syndicate's operations

As a Managing Agent at Lloyd's the majority of the risks to this company's future cash flows arise from its income arising from the management of its Lloyd's syndicate As detailed below, these risks are mostly managed by this company in its role of managing the syndicate The risks to this company are to the level of fees and profit commissions receivable from the managed syndicate, which will be largely governed by the future size and profitability of the syndicate If the results of the syndicate are not considered adequate by the members of the syndicate then support may be reduced along with potential income to this agent Any losses suffered by the syndicate will potentially reduce the capital available to support the syndicate in future years In such circumstances to avoid a reduction in capacity managed the Managing Agent is dependant upon the existing members finding additional capital or attracting new members to the syndicate If significant losses are made by the syndicate this company may be at risk of litigation if capital providers to the syndicate or other third parties consider they have suffered a loss due to inadequate management of the syndicate

In December 2009 a new Head of Risk role was created in recognition of the increased emphasis being placed on the function by the Group From 1st January 2010 a newly constituted Risk & Compliance Committee (RCC) was established, which is responsible to the boards of Marketform Managing Agency Limited and Marketform Limited for the assessment of risk under a suitable risk framework The RCC comprises senior executives of the Marketform Group and Managing Agency The existing risk register is being reviewed, enhanced and updated and will be used to record an up to date assessment of the risk profile of the syndicate and managing agency across all categories of risk as detailed below The key objectives of the risk function are to proactively manage and mitigate operational risk across the organisation and to provide a comprehensive assessment against risk appetite for the board and for capital calculation purposes As such Marketform continues to develop its risk framework in line with Solvency II requirements and has a clearly defined workstream which is designed to ensure that risk management and mitigation sits at the heart of Marketform's Solvency II plans

Insurance Risk

The insurance risks faced by the syndicate include the occurrence of catastrophic events, downward pressure on pricing of risks, reductions in business volumes, disputes with reinsurers and the risk of inadequate reserving

The company manages the risks arising from its managed syndicate by exercising close management control, risk management and and monitoring of the syndicate's activities This is achieved by the company as Managing Agent ensuring, through the presence of their directors on the key management committees of the syndicates, that they are involved in setting the control and operational environment for the syndicate and monitoring its performance and adherence to procedures The supervision by Lloyd's and the Financial Services Authority also lay down requirements and monitor the management of the syndicate's risks

Investment and Currency Risks

The other significant risks faced by the syndicate and group companies are with regard to the investment of the available funds within their custody The elements of these risks are investment risk, liquidity risk, currency risk and interest rate risk To mitigate this the investment of surplus syndicate funds is managed by external investment managers The Managing Agent monitors the performance of the external investment managers on a regular basis and periodically agrees with them the investment strategy to be adopted to mitigate risks of interest rate fluctuation and credit risks and to provide appropriate liquidity In order to minimise investment, credit and liquidity risk the company's funds are invested in highly rated and readily realisable investments The investment managers are advised to monitor the economic situation and to anticipate future interest rate movements in order to manage investment values and returns and mitigate interest rate risks Corporate investments are held mainly in sterling as most expenses likely to be incurred by the group are also in sterling as is the group's financial reporting

Credit Risk

Credit risks represent the risk of loss if another party fails to perform its obligations or fails to perform them in a timely fashion The syndicate's main credit risk relates to the inability of the syndicate's reinsurers to pay due recoveries (e g due to reinsurer failure)

The board of the Managing Agent has established policies with regard to minimum reinsurance security ratings and exposure to individual reinsurer entities The Reinsurance Committee (RIC) monitors these policies on a regular basis and is required to approve all new reinsurers or change in participation before business is placed with them The Credit Control Working Group regularly monitors reinsurance aged bad debt

Certain transactions entered into by group companies give rise to credit risk To mitigate this risk, and where appropriate, counterparties are subject to credit checks and security rating checks

Regulatory Risk

Approval to be a Managing Agent of a Lloyd's syndicate is subject to continuing approval by Lloyd's and the Financial Services Authority The risk of this approval being removed is mitigated by monitoring and fully complying with all requirements in relation to a Lloyd's Managing Agent and also to the operations of its managed syndicate In addition as a Managing Agent, Lloyd's requires a minimum level of available funds to be maintained by the company The risk of failing to meet this requirement is mitigated by monitoring the level of assets held and ensuring a reasonable margin in excess of requirements is maintained If necessary there are surplus funds held elsewhere in the group that can be made available to assist the company's solvency position

The capital requirements to support the proposed amount of syndicate capacity for future years are subject to the requirements of Lloyd's and FSA A variety of factors are taken into account by Lloyd's in setting these requirements including market conditions and syndicate performance and although the process is intended to be fair and reasonable the requirements can fluctuate from one year to the next, which may constrain the volume of underwriting the syndicate is allowed to undertake in future years

Operational Risk

Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events Operational risk is inherent in all other risk headings above, and is mitigated and managed through the exercise of the management controls and the actions described above

The main additional exposures are in relation to business continuity, i e the risk that the ability of the group to continue in business will be affected by events not reflected under other headings, for example the impact of terrorist activity In this respect, the group maintains a Business Continuity Plan (BCP), which sets out the main anticipated risks, including those relating to the robustness and sustainability of IT infrastructure and business applications, and the arrangements to mitigate those risks The BCP is monitored and updated regularly

Other exposures are in relation to loss of key staff, lack of control of expenses, fraud and outsourcing risk A variety of methods are used to mitigate these exposures These include

- Structured process of testing of processes and systems by internal audit,
- Maintaining sufficient personnel with appropriate experience,
- Established authorisation policies in place and use of procedure manuals,
- Training,
- Monitoring of experience against expected by relevant committees,
- Disaster planning and testing,

Group Risk

Group risk represent risks arising from membership of a corporate group The main group risk relates to a withdrawal of capital from the parent company affecting the syndicate's ability to trade The company considers contingency plans for such an event

Liquidity Risk

Liquidity risks represent risks that sufficient financial resources are not maintained to meet liabilities as they fall due The syndicate's approach is to manage its liquidity position so that it can fund such obligations as they fall due Budgetary and cash flow planning is conducted by the Finance Department and reviewed by the board

The syndicate is exposed to periodic calls on its available cash resources, principally from market settlement practices in relation to the payment of premiums to insurers Liquidity risk arises where cash may not be available to pay obligations when due The syndicate's approach is to manage its liquidity position so that it can fund such obligations as they fall due, by retaining surplus funds within its insurance ledgers expressly for that purpose The funds held within the insurance ledgers are reviewed on a regular basis to ensure sufficient liquidity is maintained to cater for the contractual obligations concerned

OTHER DISCLOSURES

Directors

The directors of the company, who served during the year ended 31 December 2009, were as follows
S E H Barr – appointed 30/07/2009
R A Doubtfire
A C Durkin – appointed 26/11/2009
T G Hebden – ceased 29/10/2009
R A G Jackson – ceased 04/02/2010
S P Lotter
J E Mumford
H S Nagra – ceased 29/10/2009
K Sinden – ceased 30/03/2010
D A W Smith – ceased 08/10/2009
S G Turner
G R A White

Disclosure of Information to the Auditors

The directors who held office at the date of the approval of this Directors' Report confirm that, so far as they are individually aware, there is no relevant audit information of which the company's auditors are unaware and each director has taken all the steps that he/she ought to have taken as director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

Littlejohn LLP has signified its willingness to continue in office as auditors

Approved by Order of the Board

A C Durkin
Company Secretary

14 May 2010

The directors are responsible for preparing the Directors report and the financial statements in accordance with applicable law and regulation Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare 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 are a true and fair view of the state of affairs of the company and of the profit and 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 judgments and accounting estimates that are reasonable and prudent,
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures 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 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 to 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 The directors are responsible for ensuring that the Directors Report is prepared in accordance with company law in the United Kingdom

Independent Auditors' report to the shareholders of Marketform Managing Agency Limited

We have audited the Financial Statements of Marketform Managing Agency Limited for the year ended 31 December 2009 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)

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective Responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view Our responsibility is to audit the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the Financial Statements

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

Opinion on 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 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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

The Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the Financial Statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

We have nothing to report in respect of the above matters

Carmine Papa

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

14 May 2010

1 Westferry Circus
Canary Wharf
London E14 4HD

MARKETFORM MANAGING AGENCY LIMITED

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2009

	Note	2009	2008
Turnover	1	914,171	(219,004)
Administrative expenses		(888,461)	(722,522)
Operating Profit/(Loss)	1	25,710	(941,526)
Interest receivable		17,385	1,565
Interest payable and similar charges		-	(82)
Profit/(Loss) on Ordinary Activities before Taxation		43,095	(940,043)
Taxation on profit on ordinary activities	3	(445)	265,493
Profit/(Loss) for the Financial Year	9	£42,650	£(674,550)

All turnover relates to continuing activities

There is no material difference between the reported results stated above and the results for those years restated on a historical cost basis

The company had no recognised gains or losses other than the profit for the financial year as stated above

The Accounting Policies and Notes on pages 11 to 15 form part of these Financial Statements

MARKETFORM MANAGING AGENCY LIMITED
Company number 358430

BALANCE SHEET
At 31 December 2009

	Note	2009	2009	2008	2008
Current Assets					
Debtors	5	3,701,515		3,609,711	
Cash at bank and in hand		34,146		174,959	
		3,735,661		3,784,670	
Creditors: amounts falling due within one year	6	(347,992)		(451,866)	
Net Current Assets		3,387,669		3,332,804	
Total Assets less Current Liabilities			3,387,669		3,332,804
Creditors: amounts falling due after more than one year			(73,286)		(61,071)
Net Assets			£3,314,383		£3,271,733
Capital and Reserves					
Called up share capital - equity	8		500,000		500,000
Profit and Loss Account	9		2,814,383		2,771,733
Shareholders' funds	10		£3,314,383		£3,271,733

Approved by the Board on 14 May 2010

J E Mumford Director

J.E. Mumford

The Accounting Policies and Notes on pages 11 to 15 form part of these Financial Statements

Basis of Accounting

The Financial Statements are prepared under the historical cost basis of accounting and comply with applicable Accounting Standards

The company's business activities, together with the facts likely to affect its future development are set out in the Directors report on pages 3 to 6 The company has sufficient financial resource, together with support from its immediate parent undertaking to meet its day to day working capital requirements

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the considerable future, and continue to adopt the going concern basis for accounting in preparing the annual financial statements

The company is a wholly owned subsidiary of Marketform Group Limited and is included in the consolidated financial statements of Marketform Group Limited The company has therefore claimed the exemption under Financial Reporting Standard 1 "cashflow statements" from preparing a cashflow statement

Turnover

Turnover represents Agency fees and profit commission payable to the company from Lloyd's Syndicate 2468

In accordance with Financial Reporting Standard 5 Note G, agency fees payable to the company under agency agreements with members of Lloyd's are recognised when the contractual right to such fees is established, and to the extent that the company's obligations under those agency agreements have been performed Revenue that has been credited in the company's books, but not yet recognised as income in accordance with the policies described above, is credited to the deferred income account in the company's balance sheet

Profit commission arising from agency agreements with members of Lloyd's is recognised when the contractual right to such profit commission is established, but only to the extent that a reliable estimate of the amount due can be made Such estimates are made on a prudent basis that reflects the level of uncertainty involved

Depreciation

The company does not own any tangible fixed assets Depreciation is recharged for the usage by the company of any group tangible fixed assets

Deferred Taxation

Deferred Taxation is provided at anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the Financial Statements Provision is made to the extent that it is likely that the liability or asset will crystallise in the foreseeable future

Leasing Agreements

Rentals paid under operating leases are charged to income as incurred

Pension Contributions

The group makes payments into certain employees' personal pension plans The pension charge represents contributions payable by the company for the year The group's liability is limited to the amount of the contributions

Group Undertakings

All intra group debtors and creditors are repayable on demand and no interest is charged

Dividend Recognition

Dividends are recognised when declared

1. Operating Profit

This is stated after charging

		2009	2008
Depreciation recharged from group service company		£9,510	£7,437
Auditors' remuneration	- audit	£6,600	£6,000
Rental of premises	- operating lease	£14,722	£10,549

The company's turnover all arises in the UK from its principal activity as a Lloyd's Managing Agent

The subsidiary is included in the consolidated accounts of its ultimate UK parent undertaking The disclosure of remuneration for non audit services are disclosed in those consolidated accounts

2. Employees

All employees costs are incurred by a fellow subsidiary undertaking Marketform Management Services Limited These salary costs are allocated to various group undertakings to reflect the time employees spend on that company's affairs The total amounts allocated to this company are as follows

	2009	2008
Staff Costs (including directors)		
Wages and salaries	584,576	441,102
Social security costs	46,997	46,904
Other pension costs	33,685	34,560
	£665,258	£522,566

The company had no employees during the year Average number of employees of the group are disclosed in the consolidated accounts of the ultimate UK parent undertaking

Directors' Emoluments

	2009	2008
Aggregate emoluments	290,669	285,725
Company pension contributions to personal pension plans	21,343	22,463
	312,012	308,188

The highest paid director received emoluments and benefits as Follows

Aggregate emoluments	92,500	97,500
Company pension contributions to personal pension plans	9,250	9,250
	101,750	106,750

Company pension contributions to personal pension plans have been made to 5 (2008 – 4) directors

3. Taxation

Analysis of (credit) Charge in Year

	2009	2008
Current tax		
Group relief	15,910	-
UK corporation tax on (losses)/profits of the year	-	(265,493)
Adjustments in respect of previous years	(14,270)	-
Current tax on profit/(loss) on ordinary activities	1,640	(265,493)
Deferred tax – current year	(1,195)	-
Tax on profit/(loss) on ordinary activities	£445	£(265,493)

Factors affecting tax charge for year

The tax assessed for the year is different than the standard rate of corporation tax in the UK of 28% (2008 – 28 5%) The differences are explained below

	2009	2008
Profit/(Loss) on ordinary activities before tax	43,095	(940,043)
Profit/(Loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 – 28 5%)	12,067	(267,912)
Effects of		
Expenses not deductible for tax purposes	2,648	2,419
Timing differences	1,195	-
Adjustments to tax charge in respect of previous years	(14,270)	-
Current tax charge for year	£1,640	£(265,493)

Deferred tax

	2009	2008
Balance 1 January	-	-
Movement in year	1,195	-
Balance 31 December	£1,195	-

4 Dividends

	2009	2008
Ordinary dividend - paid	-	-
	-	-

5 Debtors

	2009	2008
Amounts due from group undertakings	3,649,620	3,080,855
Corporation tax	-	214,857
Group relief receivable	-	265,493
Other debtors	-	-
Prepayments	35,164	35,596
Accrued Income	15,536	12,910
Deferred tax	1,195	-
	£3,701,515	£3,609,711

6 Creditors: amounts falling due within one year

	2009	2008
Amounts owed to group undertakings	-	9,608
Amounts due to Lloyd's Syndicate 2468	-	272,624
Corporation Tax	-	-
Deferred income	181,928	161,785
Accruals	166,064	7,849
	£347,992	£451,866

7 Creditors: amounts falling due after more than one year

	2009	2008
Deferred income	73,286	61,071
	£73,286	£61,071

8. Called-up Share Capital

	2009	2008	2009	2008
	Authorised		Allotted, called up and fully paid	
Ordinary shares of £1 each	£500,000	£500,000	£500,000	£500,000

9. Profit and Loss Account

	2009	2008
Balance as at 1 January	2,771,733	3,446,283
Profit/(Loss) for the year	42,650	(674,550)
Dividends declared	-	-
Balance as at 31 December	£2,814,383	£2,771,733

10. Reconciliation of Shareholders' Funds

	2009	2008
Opening shareholders' funds	3,271,733	3,946,283
Profit/(Loss) for the financial year	42,650	(674,550)
Dividends declared	-	-
Closing shareholders' funds	£3,314,383	£3,271,733

11. Ultimate Parent Undertaking

The immediate parent company is Marketform Holdings Limited, a company incorporated in England and Wales

The ultimate UK parent company is Marketform Group Limited, a company incorporated in England and Wales

The ultimate parent company is American Financial Group Inc, a company incorporated in Ohio, USA Copies of their financial statements may be obtained from 580 Walnut Street, 9th Floor East, Cincinnati, Ohio

12. Pension Scheme

The group makes contributions to employees' personal pension plans

The total contributions paid in the year and charged to this company amounted to £33,685 – (2008 - £34,560) No contributions were outstanding at 31 December 2009 (2008 - £Nil)

13. Related Party Transactions

The company has taken advantage of the exemption, permitted by Financial Reporting Standard No 8 ("FRS 8"), from the requirement to disclose related party transactions with other Group entities where all subsidiaries that are party to the transaction are wholly owned by a member of the Group

The company has included in turnover management fees during the year of £870,321 (2008 - £752,143) and profit commission repayable £(1,150) (2008 repayable - £1,016,147) to Lloyd's Syndicate 2468

S G Turner is a director and owns 50% of Ebury Underwriting Limited and Hermanus Underwriting Limited which are corporate members that have provided capacity to Syndicate 2468 under management The company received administrative fees of £30,000 (2008 - £30,000) from those corporate members

The directors are satisfied that there are no other material related party transactions requiring disclosure under FRS 8