

TINY TOTS UNDERWRITING LLP

MEMBERS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

THURSDAY



TINY TOTS UNDERWRITING LLP

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TINY TOTS UNDERWRITING LLP

MEMBERS INFORMATION

Designated Members	Fidentia Trustees Ltd Fidentia Nominees Ltd
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ADDRESSES

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

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

The members have pleasure in presenting their report together with the financial statements for the year ended 31 December 2010

Principal activity

The principal activity of the LLP in the year under review was that of a Limited Liability Underwriting member of Lloyd's. The LLP commenced underwriting with effect from 1 January 2010.

Designated members

The Designated Members during the year under review were

Fidentia Trustees Ltd
Fidentia Nominees Ltd

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 2010 year of account. The 2010 year of account will normally close at 31 December 2012.

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

Members' interests

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

Future developments

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

Financial risk management objectives and policies

The LLP is principally exposed to financial risk through its participation on Lloyd's Syndicates. It has delegated sole management and control of its underwriting through each Syndicate to the Managing Agent of that Syndicate and it looks to the Managing Agent to implement appropriate policies, procedures and internal controls to manage each Syndicates' 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:

	2010	2009
Capacity (youngest underwriting year) (£)	9,263,274	-
Gross premium written as a % of capacity	81.84%	n/a
Combined ratio	103.54%	n/a

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

TINY TOTS UNDERWRITING LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

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.

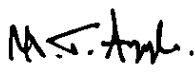
Auditors

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 19 July 2011 and signed on its behalf by



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

TINY TOTS UNDERWRITING LLP
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010

We have audited the financial statements of Tiny Tots Underwriting LLP for the year ended 31 December 2010 on pages 5 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the LLP's (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the members and auditors

As explained more fully in the Members' Report set out on page 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

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 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



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

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

Date 1st August 2011

TINY TOTS UNDERWRITING LLP

PROFIT AND LOSS ACCOUNT - TECHNICAL ACCOUNT (GENERAL BUSINESS) FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
Gross premiums written	2	7,580,981	-
Outward reinsurance premiums		(1,499,228)	-
Net premiums written		6,081,753	-
Change in the provision for unearned premiums			
Gross provision		(3,030,150)	-
Reinsurers' share		436,014	-
Net change in the provision for unearned premiums		(2,594,136)	-
Earned premiums net of reinsurance		3,487,617	-
Allocated investment income	4	24,338	-
Claims paid			
Gross amount		(308,084)	-
Reinsurers' share		39,329	-
Net claims paid		(268,755)	-
Change in provision for claims			
Gross amount		(2,636,033)	-
Reinsurers' share		496,678	-
Net change in provision for claims		(2,139,355)	-
Claims incurred net of reinsurance		(2,408,110)	-
Net operating expenses	5	(1,203,121)	-
Investment expenses and charges		(2,974)	-
Balance on technical account for general business		(102,250)	-

TINY TOTS UNDERWRITING LLP

PROFIT AND LOSS ACCOUNT - NON TECHNICAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
Balance on the general business technical account		(102,250)	-
Investment income	6	-	-
Other income	7	-	-
Other charges		(1,256,952)	-
Profit/(loss) for the financial year before members' remuneration and profit shares	8	(1,359,202)	-
Members' remuneration charged as an expense	14	1,359,202	-
Profit/(loss) for the financial year available for distribution among Members		-	-

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

All amounts above relate to continuing operations

TINY TOTS UNDERWRITING LLP

BALANCE SHEET

AS AT 31 DECEMBER 2010

Registered Number (England and Wales) OC340022

ASSETS	Note	Syndicate Participation £	Partnership £	2010 Total £	2009 Total £
Intangible assets					
Syndicate participation rights	9	-	2,594,659	2,594,659	-
Investments					
Financial investments	10	1,834,192	-	1,834,192	-
Deposits with ceding undertakings		3,216	-	3,216	-
Total investments		1,837,408	-	1,837,408	-
Reinsurers' share of technical provisions					
Provision for unearned premiums		433,268	-	433,268	-
Claims outstanding		130,446	-	130,446	-
Other technical provisions		362,730	-	362,730	-
Total reinsurers' share of technical provisions		926,444	-	926,444	-
Debtors					
Arising out of direct insurance operations	11				
Policyholders		6,406	-	6,406	-
Intermediaries		1,567,902	-	1,567,902	-
Arising out of reinsurance operations	11	21,700	-	21,700	-
Other debtors	12	1,050,868	-	1,050,868	-
Total debtors		2,646,876	-	2,646,876	-
Other assets					
Cash at bank and in hand	13	308,431	-	308,431	-
Other		13	-	13	-
Total other assets		308,444	-	308,444	-
Prepayments and accrued income					
Accrued interest		3,222	-	3,222	-
Deferred acquisition costs		692,106	-	692,106	-
Other prepayments and accrued income		11,624	-	11,624	-
Total prepayments and accrued income		706,952	-	706,952	-
Total assets		6,426,124	2,594,659	9,020,783	-

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TINY TOTS UNDERWRITING LLP

BALANCE SHEET (continued) AS AT 31 DECEMBER 2010

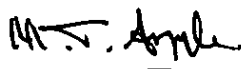
Registered Number (England and Wales) OC340022

	Note	Syndicate Participation £	Partnership £	2010 Total £	2009 Total £
LIABILITIES AND MEMBERS' INTERESTS					
Members' interests due within one year					
Members' capital classified as a liability under FRS 25	14	(102,250)	2,594,659	2,492,409	-
Technical provisions					
Provision for unearned premiums		3,017,040	-	3,017,040	-
Claims outstanding - gross amount		2,638,761	-	2,638,761	-
Total technical provisions		5,655,801	-	5,655,801	-
Provisions for other risks and charges		-	-	-	-
Deposits received from reinsurers		-	-	-	-
Creditors					
Arising out of direct insurance operations		152,249	-	152,249	-
Arising out of reinsurance operations		507,822	-	507,822	-
Amounts due to credit institutions		-	-	-	-
Other creditors	15	164,649	-	164,649	-
Total creditors		824,720	-	824,720	-
Accruals and deferred income					
Other accruals and deferred income		47,853	-	47,853	-
Total liabilities		6,426,124	2,594,659	9,020,783	-

TOTAL MEMBERS' INTERESTS

Loans and other debts due to members		(102,250)	2,594,659	2,492,409	-
Loans and other debts due from members		-	-	-	-
Total members' interests	14	(102,250)	2,594,659	2,492,409	-

Approved by the Members on 19 July 2011 and signed on its behalf by



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

TINY TOTS UNDERWRITING LLP

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
Net cash (outflow)/inflow from operating activities	16	(4,726)	-
Returns on investments and servicing of finance			
Interest received		-	-
Interest paid		-	-
Dividends received		-	-
Net cash inflow from returns on investments and servicing of finance		-	-
Capital expenditure and financial investment			
Purchase of syndicate participation rights		(3,933,887)	-
Proceeds from sale of syndicate participation rights		87,002	-
Purchase of investments		-	-
Proceeds from sale of investments		-	-
Net cash (outflow)/inflow from capital expenditure and financial investment		(3,846,885)	-
Net cash (outflow)/inflow before financing		(3,851,611)	-
Transactions with Members and former Members			
(Payments to)/contributions by Members		3,851,611	-
Post retirement payments to former Members		-	-
Net cash inflow/(outflow) from Members		3,851,611	-
Increase in cash		-	-
Net funds at 1 January		-	-
Increase in cash in the year		-	-
Net funds at 31 December		-	-

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.

TINY TOTS UNDERWRITING LLP

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting policies

1.1 Basis of preparation

The Financial Statements are prepared under the historical cost basis of accounting modified to include the revaluation of investments and comply with applicable Accounting Standards

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

The Financial Statements have been prepared in accordance with the Companies Act 2006 and the recommendations of the Statement of Recommended Practice on Accounting for Insurance Business issued by the Association of British Insurers in December 2005, as amended in December 2006. The Financial Statements have also been prepared in accordance with the Statement of Recommended Practice on Accounting by Limited Liability Partnerships dated March 2006

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

Basis of accounting

The Financial Statements are prepared using the annual basis of accounting. Under the annual basis of accounting a result is determined at the end of each accounting period reflecting the profit or loss from providing insurance coverage during that period and any adjustments to the profit or loss of providing insurance cover during earlier accounting periods

Amounts reported in the general business technical account relate to movements in the period in respect of all relevant years of account of the syndicates on which the Partnership participates

Assets and liabilities arising as a result of the underwriting activities are mainly controlled by the syndicates' managing agents. Accordingly, these assets and liabilities have been shown separately on the Balance Sheet as "Syndicate Participation". Other assets and liabilities are shown as "Partnership". The syndicate assets are held subject to trust deeds for the benefit of the syndicates' insurance creditors

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

General business

i Premiums

Premiums written comprise the total premiums receivable in respect of business incepted during the year, together with any differences between booked premiums for prior years and those previously accrued, and include estimates of premiums due but not yet receivable or notified to the syndicates on which the Partnership participates, less an allowance for cancellations. All premiums are shown gross of commission payable to intermediaries and exclude taxes and duties levied on them

ii Unearned premiums

Written premium is earned according to the risk profile of the policy. Unearned premiums represent the proportion of premiums written in the year that relate to unexpired terms of policies in force at the balance sheet date, calculated on a time apportionment basis having regard where appropriate, to the incidence of risk. The specific basis adopted by each Syndicate is determined by the relevant managing agent

iii Deferred acquisition costs

Acquisition costs, which represent commission and other related expenses, are deferred over the period in which the related premiums are earned

iv Reinsurance premiums

Reinsurance premium costs are allocated by the Managing Agent of each Syndicate to reflect the protection arranged in respect of the business written and earned

TINY TOTS UNDERWRITING LLP

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2010

v Claims incurred and reinsurers' share

Claims incurred comprise claims and settlement expenses (both internal and external) occurring in the year and changes in the provisions for outstanding claims, including provisions for claims incurred but not reported and settlement expenses, together with any other adjustments to claims from previous years. Where applicable, deductions are made for salvage and other recoveries.

The provision for claims outstanding comprises amounts set aside for claims notified and claims incurred but not yet reported (IBNR). The amount included in respect of IBNR is based on statistical techniques of estimation applied by each syndicate's in-house reserving team and reviewed by external consulting actuaries. These techniques generally involve projecting from past experience the development of claims over time to form a view of the likely ultimate claims to be experienced for more recent underwriting, having regard to variations in the business accepted and the underlying terms and conditions. The provision for claims also includes amounts in respect of internal and external claims handling costs. For the most recent years, where a high degree of volatility arises from projections, estimates may be based in part on output from rating and other models of the business accepted and assessments of underwriting conditions.

The reinsurers' share of provisions for claims is based on calculated amounts of outstanding claims and projections for IBNR, net of estimated irrecoverable amounts, having regard to each syndicate's reinsurance programme in place for the class of business, the claims experience for the year and the current security rating of the reinsurance companies involved. Each syndicate uses a number of statistical techniques to assist in making these estimates.

Accordingly the two most critical assumptions made by each syndicate's managing agent as regards claims provisions are that the past is a reasonable predictor of the likely level of claims development and that the rating and other models used including pricing models for recent business are reasonable indicators of the likely level of ultimate claims to be incurred.

The level of uncertainty with regard to the estimations within these provisions generally decreases with time since the underlying contracts were 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.

TINY TOTS UNDERWRITING LLP

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2010

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.

TINY TOTS UNDERWRITING LLP

NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2010

xii Distribution of profits and collection of losses

Lloyd's operates a detailed set of regulations regarding solvency and the distribution of profits and payment of losses between syndicates and their members. Lloyd's continues to require membership of syndicates to be on an underwriting year of account basis and profits and losses belong to members according to their membership of a year of account. Normally profits and losses are transferred between the syndicate and members after results for a year of account are finalised after 36 months. This period may be extended if a year of account goes into run-off. The syndicate may make earlier on account distributions or cash calls according to the cash flow of a particular year of account and subject to Lloyd's requirements.

xiii Investments

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

xiv Investment Return

Investment return comprises all investment income, realised investment gains and losses and movements in unrealised gains and losses, net of investment expenses and charges.

Realised and unrealised gains and losses are measured by reference to the original cost of the investment if purchased in the year, or if held at the beginning of the year by reference to the current value at that date.

Members' Interests

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

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

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

Intangible assets

Costs incurred by the Company in the Corporation of Lloyd's auctions in order to acquire rights to participate on Syndicates' underwriting years are included within intangible assets and amortised over a 3 year period beginning with the respective year of Syndicate participation.

Taxation

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

Cash flow statement

The Partnership has no control over the disposition of assets and liabilities at Lloyd's. Consequently, the Cash Flow Statement is prepared reflecting only the movement in corporate funds, which includes transfers to and from syndicates at Lloyd's.

TINY TOTS UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

2 Class of business	Gross written premiums £	Gross premiums earned £	Gross claims incurred £	Operating expenses £	Reinsurance balance £
2010					
Direct					
Accident and health	271,308	146,192	(95,233)	(63,788)	(8,008)
Motor - third party liability	15,477	5,563	(3,022)	(2,247)	(27)
Motor - other classes	290,168	151,097	(141,660)	(49,856)	(8,732)
Marine, aviation and transport	987,013	563,686	(331,743)	(147,287)	(68,748)
Fire and other damage to property	1,489,240	729,875	(436,745)	(246,784)	(116,487)
Third party liability	1,761,761	891,476	(616,264)	(258,974)	(43,835)
Credit and suretyship	186,699	97,888	(57,560)	(29,647)	(12,336)
Other	26,534	12,591	(6,638)	(5,776)	(395)
Total direct	5,028,200	2,598,368	(1,688,865)	(804,359)	(258,568)
Reinsurance business					
Reinsurance balance	2,552,781	1,952,463	(1,255,252)	(398,762)	(268,639)
Total	7,580,981	4,550,831	(2,944,117)	(1,203,121)	(527,207)

2009	£	£	£	£	£
Direct					
Accident and health	-	-	-	-	-
Motor - third party liability	-	-	-	-	-
Motor - other classes	-	-	-	-	-
Marine, aviation and transport	-	-	-	-	-
Fire and other damage to property	-	-	-	-	-
Third party liability	-	-	-	-	-
Credit and suretyship	-	-	-	-	-
Other	-	-	-	-	-
Total direct	-	-	-	-	-
Reinsurance business					
Reinsurance balance	-	-	-	-	-
Total	-	-	-	-	-

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

TINY TOTS UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

3	Geographical analysis	2010 £	2009 £
	Direct gross premiums written in		
	United Kingdom	4,862,663	-
	Other EU member states	26,628	-
	The rest of the world	138,909	-
	Total	5,028,200	-

4	Allocated investment income	2010 £	2009 £
	Investment income	20,756	-
	Realised gain on investments	3,582	-
	Total	24,338	-

5	Net operating expenses	2010 £	2009 £
	Acquisition costs	840,441	-
	Administrative expenses	365,899	-
	(Profit)/Loss on exchange	(3,219)	-
	Total	1,203,121	-

TINY TOTS UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

6	Investment income	2010 £	2009 £
	Income from other investments (including interest receivable)	-	-
	Realised gain from other investments	-	-
	Unrealised gain from other investments	-	-
	Total	-	-

7	Other income	2010 £	2009 £
	Profit on sale of syndicate participation rights	-	-
	Other	-	-
	Total	-	-

8	Profit/(loss) for the financial year before members' remuneration and profit shares	2010 £	2009 £
	This is stated after charging		
	Auditor's remuneration - audit	900	-
	Employer's National Insurance contributions	-	-
	Employer's pension contributions	-	-
	Wages and salaries	-	-
	Amortisation of syndicate capacity	1,209,024	-
	Impairment of syndicate capacity	-	-

The partnership has no employees

The average number of members during the period was 4

TINY TOTS UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

9	Intangible assets	Syndicate Participation Rights
		£
	Cost	
	At 1 January 2010	-
	Additions	3,933,887
	Disposals	(130,204)
	At 31 December 2010	3,803,683
	Amortisation	
	At 1 January 2010	-
	Charge for the year	1,209,024
	Impairment losses	-
	Disposals	-
	At 31 December 2010	1,209,024
	Net book value	
	At 31 December 2010	2,594,659
	At 31 December 2009	-

10	Investments	Financial investments	2010	2009
		Syndicate	Partnership	Total
		£	£	£
	<i>At market value</i>			
	Shares and other variable yield securities	190,349	-	190,349
	Debt securities and other fixed income securities	1,595,253	-	1,595,253
	Participation in investment pools	32,775	-	32,775
	Loans guaranteed by mortgage	8,876	-	8,876
	Other loans	4,677	-	4,677
	Deposits with credit institutions	1,108	-	1,108
	Other	1,154	-	1,154
	Total	1,834,192	-	1,834,192

The partnership investments held include £Nil (2009 £Nil) at market value in respect of Lloyd's deposits that are held in accordance with the constraints detailed in note 19

TINY TOTS UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

10 Investments Financial investments (continued)

	Syndicate	Partnership	2010 Total	2009 Total
	£	£	£	£
<i>At cost</i>				
Shares and other variable yield securities	187,048	-	187,048	-
Debt securities and other fixed income securities	1,601,745	-	1,601,745	-
Participation in investment pools	31,387	-	31,387	-
Loans guaranteed by mortgage	9,018	-	9,018	-
Other loans	4,676	-	4,676	-
Deposits with credit institutions	1,108	-	1,108	-
Other	986	-	986	-
Total	1,835,968	-	1,835,968	-

11 Debtors arising out of direct insurance and reinsurance operations

	Syndicate	Partnership	2010 Total	2009 Total
	£	£	£	£
The following amounts are due after one year				
Direct insurance operations	46,801	-	46,801	-
Reinsurance operations	1,274	-	1,274	-
Total	48,075	-	48,075	-

12 Other debtors

	Syndicate	Partnership	2010 Total	2009 Total
	£	£	£	£
Deferred tax	-	-	-	-
Other	1,050,868	-	1,050,868	-
Total	1,050,868	-	1,050,868	-

Partnership other debtors includes £Nil (2009 £Nil) due to the LLP after more than one year
 Syndicate other debtors includes £61,742 (2009 £Nil) due to the LLP after more than one year
 Partnership other debtors includes £Nil (2009 £Nil) due to the LLP from the members

13 Cash at bank

	Syndicate	Partnership	2010 Total	2009 Total
	£	£	£	£
Lloyd's deposit	162,313	-	162,313	-
Cash at bank and in hand	146,118	-	146,118	-
Total	308,431	-	308,431	-

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

TINY TOTS UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

14 Members' interests

	Syndicate	Partnership Members' Capital Classified as a Liability		2010 Total	2009 Total
	Members' Capital Classified as a Liability £	Syndicate Capacity £	Other Profits £	£	£
Members' interests brought forward	-	-	-	-	-
Introduced by Members	-	-	3,851,611	3,851,611	-
Members' remuneration charged as an expense for the year	(102,250)	2,594,659	(3,851,611)	(1,359,202)	-
Reallocation	-	-	-	-	-
Repayment of debt (including Members' capital classified as a liability)	-	-	-	-	-
Other movements	-	-	-	-	-
Members' interests at 31 December	(102,250)	2,594,659	-	2,492,409	-

TOTAL MEMBERS' INTERESTS

Loans and other debts due to members	2,492,409	-
Loans and other debts due from members	-	-
Total members' interests	2,492,409	-

TINY TOTS UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

15 Other creditors	Syndicate	Partnership	2010	2009
	£	£	£	£
Other creditors	164,649	-	164,649	-
Social security costs	-	-	-	-
Members' capital account	-	-	-	-
	164,649	-	164,649	-

16 Reconciliation of operating (loss)/profit before interest to net cash (outflow)/inflow from operating activities	2010	2009
	£	£
Operating (loss)/profit before interest	(1,359,202)	-
Prior year result distributable in year	-	-
Loss on sale of syndicate participation rights	43,202	-
Increase in creditors	102,250	-
Decrease in debtors	-	-
Amortisation and impairment of syndicate participation rights	1,209,024	-
Net cash (outflow)/inflow from operating activities	(4,726)	-

Note that the current year technical loss of £102,250, which has not been distributed in the year, is included within the increase in creditors line above

TINY TOTS UNDERWRITING LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

17 Related party transactions

There are no related party transactions

18 Ultimate controlling party

Mr W S C and Mrs S A Richards have 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.

In addition to these amounts, the members of the LLP have also made available to Lloyd's assets amounting to approximately £5,440,748 which are also used by the LLP to support its Lloyd's underwriting. These funds are also available to Lloyd's to meet the personal underwriting liabilities of the members for underwriting years prior to the commencement of trading by the LLP.