

Hampden Underwriting plc

**Interim Report and Accounts
For the six months ended 30 June 2013**

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Six months ended 30 June 2013

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Highlights and summary of results

Six months ended 30 June 2013

Hampden Underwriting plc, which provides investors with a limited liability direct investment into the Lloyd's insurance market, announces its unaudited results for the six months ended 30 June 2013.

Highlights

- Premium written during the period totalled £7.2m (an increase of 42% over the same period last year).
- Net profit of £462,000 (compared to a profit of £247,000 over the same period last year).
- Earnings per share of 5.42p (compared to 3.33p over the same period last year).
- Net assets increased to £9.6m from £9.1m at 31 December 2012.

Financial results

	6 months ended 30 June 2013 Unaudited £'000	6 months ended 30 June 2012 Unaudited £'000	12 months ended 31 December 2012 Audited £'000
Gross premium written	7,158	5,043	9,141
Profit before tax	602	334	854
Profit after tax	462	247	763
Earnings per share	5.42p	3.33p	9.92p

Chairman's Statement

Six months ended 30 June 2013

The six months ended 30 June 2013 shows some significantly improved figures. This has occurred both as a result of good overall results in the Lloyd's market and the benefit of our acquisitions of Lloyd's Limited Liability Vehicles (LLVs), made over the last few years, delivering a performance commensurate with the Directors' expectations at the time of purchase.

Over the comparable period last year, premium written is up 42% and net profit is up from £247,000 to £462,000. Earnings per share stand at 5.42p compared to 3.33p and net assets have increased to £9.6m from £9.1m at 31 December 2012.

Our investment portfolio is now invested in long term low volatility funds which have performed within expected parameters and more details of this will be set out in our next annual report.

In July we were able to announce the signing of a quota share arrangement, in effect a reinsurance of half our 2013 year of account portfolio in exchange for a fee and a ratcheted performance based profit commission. This has released £4.1m of capital to HUW which had previously been allocated as Funds at Lloyd's. The plan is to put this capital back to work with new underwriting capacity and we are currently negotiating on three possible acquisitions. We will be actively seeking more should suitable opportunities present themselves.

There are a number of potentially rewarding uses of our capital but the acquisition of further LLVs would seem the most attractive for the time being. As and when we are successful we will make the appropriate announcements.

Sir Michael Oliver
Non-executive Chairman

25 September 2013

Independent Review Report

Six months ended 30 June 2013

Independent Review Report to Hampden Underwriting plc for the six months ended 30 June 2013

Introduction

We have been engaged by the Company to review the condensed consolidated interim financial information in the half yearly financial report for the six months ended 30 June 2013 which comprises the condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of cash flows, condensed consolidated statement of changes in shareholder' equity and related notes. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated interim financial information.

Directors' Responsibilities

The half yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules for Companies. The annual Financial Statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed consolidated interim financial information included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed consolidated interim financial information in the half yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the AIM Rules for Companies and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose 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 review

We conducted our review in accordance with the International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial information in the half yearly financial report for the six months ended 30 June 2013 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the AIM Rules for Companies.

PKF Littlejohn LLP

Chartered Accountants
1 Westferry Circus
Canary Wharf
London E14 4HD

25 September 2013

Condensed Consolidated Statement of Comprehensive Income

Six months ended 30 June 2013

		6 months ended 30 June 2013 Unaudited	6 months ended 30 June 2012 Unaudited	12 months ended 31 December 2012 Audited
	Note	£'000	£'000	£'000
Gross premium written		7,158	5,043	9,141
Reinsurance premium ceded		(1,634)	(1,201)	(1,820)
Net premiums written		5,524	3,842	7,321
Change in unearned gross premium provision		(1,626)	(1,337)	(405)
Change in unearned reinsurance premium provision		689	565	52
		(937)	(772)	(353)
Net earned premium	2	4,587	3,070	6,968
Net investment income	4	24	204	429
Other underwriting income		26	-	-
Other income		110	-	568
		160	204	997
Revenue		4,747	3,274	7,965
Gross claims paid		(2,855)	(2,133)	(4,685)
Reinsurance share of gross claims paid		549	416	930
Claims paid, net of reinsurance		(2,306)	(1,717)	(3,755)
Change in provision for gross claims		4	193	229
Reinsurance share of change in provision for gross claims		(95)	(179)	24
Net change in provision for claims		(91)	14	253
Net insurance claims and loss adjustment expenses	2	(2,397)	(1,703)	(3,502)
Expenses incurred in insurance activities	2	(1,300)	(916)	(2,743)
Other operating expenses	2	(448)	(321)	(866)
Operating expenses		(1,748)	(1,237)	(3,609)
Operating profit before tax	2	602	334	854
Income tax expense	5	(140)	(87)	(91)
Profit attributable to equity shareholders	10	462	247	763
Earnings per share attributable to equity shareholders				
Basic and diluted	6	5.42p	3.33p	9.92p

The profit and earnings per share set out above are in respect of continuing operations.

The accounting policies and notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Financial Position

At 30 June 2013

		30 June 2013	30 June 2012	31 December 2012
		Unaudited	Unaudited	Audited
	Note	£'000	£'000	£'000
Assets				
Intangible assets		1,571	909	1,797
Deferred income tax assets		-	-	-
Reinsurance share of insurance liabilities				
- Reinsurers' share of outstanding claims	3	3,658	2,702	4,323
- Reinsurers' share of unearned premiums	3	1,379	992	590
Other receivables, including insurance receivables		9,285	6,598	9,343
Prepayments and accrued income		1,577	1,045	1,216
Financial assets at fair value	8	19,817	14,091	20,978
Cash and cash equivalents		2,270	3,526	1,444
Total assets		39,557	29,863	39,691
Liabilities				
Insurance liabilities				
- Claims outstanding	3	17,487	12,853	19,814
- Unearned premiums	3	6,694	4,603	4,624
Deferred income tax liabilities		978	417	938
Other payables, including insurance payables		4,108	3,814	4,589
Accruals and deferred income		733	444	631
Total liabilities		30,000	22,131	30,596
Shareholders' equity				
Share capital	9	853	741	853
Share premium	9	6,996	6,261	6,996
Retained earnings	10	1,708	730	1,246
Total shareholders' equity		9,557	7,732	9,095
Total liabilities and shareholders' equity		39,557	29,863	39,691

The accounting policies and notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Approved by the Board of Directors on 25 September 2013.

Jeremy Evans
Non-executive Director

Condensed Consolidated Statement of Cash Flows

Six months ended 30 June 2013

	6 months ended 30 June 2013 Unaudited	6 months ended 30 June 2012 Unaudited	12 months ended 31 December 2012 Audited
	£'000	£'000	£'000
Cash flow from operating activities			
Results of operating activities	602	334	854
Interest received	-	(15)	(27)
Investment income	(49)	(177)	(320)
Goodwill on bargain purchase	-	-	(568)
Impairment of goodwill	-	-	81
Profit on sale of intangible assets	-	-	1
Amortisation of intangible assets	226	143	314
Change in fair value of investments	93	2	(128)
Changes in working capital:			
(Increase)/decrease in other receivables	(303)	(173)	2,225
(Decrease)/increase in other payables	(479)	772	(1,046)
Net increase in technical provisions	(381)	(156)	(2,991)
Income tax paid	(93)	-	(179)
Net cash (outflow)/inflow from operating activities	(384)	730	(1,784)
Cash flows from investing activities			
Interest received	-	15	27
Investment income	49	177	321
Purchase of intangible assets	-	-	(217)
Sale/(purchase) of financial assets at fair value	1,161	(416)	854
Acquisition of subsidiary, net of cash acquired	-	-	(828)
Proceeds from disposal of intangible assets	-	-	51
Net cash used in investing activities	1,210	(224)	208
Cash flows from financing activities			
Net proceeds from issue of ordinary share capital	-	-	-
Net cash used in financing activities	-	-	-
Net increase/(decrease) in cash and cash equivalents	826	506	(1,576)
Cash and cash equivalents at beginning of period	1,444	3,020	3,020
Cash, cash equivalents and bank overdrafts at end of period	2,270	3,526	1,444

The accounting policies and notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Statement of Changes in Shareholders' Equity

Six months ended 30 June 2013

For the six months ended 30 June 2013

	Ordinary share capital £'000	Share Premium £'000	Retained Earnings £'000	Total £'000
At 1 January 2013	853	6,996	1,246	9,095
Profit for the period attributable to equity shareholders	-	-	462	462
At 30 June 2013	853	6,996	1,708	9,557

For the six months ended 30 June 2012

	Ordinary share capital £'000	Share Premium £'000	Retained Earnings £'000	Total £'000
At 1 January 2012	741	6,261	483	7,485
Profit for the period attributable to equity shareholders	-	-	247	247
At 30 June 2012	741	6,261	730	7,732

For the twelve months ended 31 December 2012

	Ordinary share capital £'000	Share Premium £'000	Retained Earnings £'000	Total £'000
At 1 January 2012	741	6,261	483	7,485
Share issue	112	735	-	847
Profit for the year attributable to equity shareholders	-	-	763	763
At 31 December 2012	853	6,996	1,246	9,095

The accounting policies and notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Notes to the Interim Financial Statements

Six months ended 30 June 2013

1. Accounting policies

Basis of preparation

The Condensed Consolidated Interim Financial Statements have been prepared using accounting policies consistent with International Financial Reporting Standards (IFRSs) and in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

The Condensed Consolidated Interim Financial Statements are prepared for the six months ended 30 June 2013.

The Condensed Consolidated Interim Financial Statements incorporate the results of Hampden Underwriting plc, Hampden Corporate Member Limited, Nameco (No. 365) Limited, Nameco (No. 605) Limited, Nameco (No. 321) Limited, Nameco (No. 917) Limited, Nameco (No. 229) Limited and Nameco (No. 518) Limited.

The Condensed Consolidated Interim Financial Statements are unaudited, but have been subject to review by the Group's auditors. The Interim Financial Statements have been prepared in accordance with the accounting policies adopted for the year ended 31 December 2012.

The comparative figures are based upon the Group Financial Statements for the year ended 31 December 2012, and have been reported on by the Group's auditors and were delivered to the Registrar of Companies on 27 June 2013.

The underwriting data on which these Condensed Consolidated Interim Financial Statements are based upon has been supplied by the managing agents of those syndicates which the Group supports. The data supplied is the 100% figures for each syndicate. The Group has applied its share of the syndicate participations to the gross figures to derive its share of the syndicates transactions, assets and liabilities.

Significant accounting policies

The Condensed Consolidated Interim Financial Statements have been prepared under the historical cost convention. The same accounting policies, presentation and methods of computation are followed in these Condensed Consolidated Interim Financial Statements as were applied in the preparation of the Group Financial Statements for the year ended 31 December 2012. The new standards and amendments to standards and interpretations effective after 1 January 2013, as disclosed in the Annual Report for the year ended 31 December 2012, have not had a significant impact on the Condensed Consolidated Interim Financial Statements at 30 June 2013.

Notes to the Interim Financial Statements (continued)

Six months ended 30 June 2013

2. Segmental information

The Group has three primary segments which represent the primary way in which the Group is managed:

- Syndicate participation;
- Investment management;
- Other corporate activities.

6 months ended 30 June 2013 Unaudited

	Syndicate participation £'000	Investment management £'000	Other corporate activities £'000	Total £'000
Net earned premium	4,587	-	-	4,587
Net investment income	21	3	-	24
Other income	-	-	136	136
Goodwill on bargain purchase	-	-	-	-
Net insurance claims and loss adjustment expenses	(2,397)	-	-	(2,397)
Expenses incurred in insurance activities	(1,300)	-	-	(1,300)
Amortisation of syndicate capacity	-	-	(119)	(119)
Other operating expenses	(139)	-	(190)	(329)
Results of operating activities	772	3	(173)	602

6 months ended 30 June 2012 Unaudited

	Syndicate participation £'000	Investment management £'000	Other corporate activities £'000	Total £'000
Net earned premium	3,070	-	-	3,070
Net investment income	141	63	-	204
Other income	-	-	-	-
Goodwill on bargain purchase	-	-	-	-
Net insurance claims and loss adjustment expenses	(1,703)	-	-	(1,703)
Expenses incurred in insurance activities	(916)	-	-	(916)
Amortisation of syndicate capacity	-	-	(87)	(87)
Other operating expenses	(114)	-	(120)	(234)
Results of operating activities	478	63	(207)	334

12 months ended 31 December 2012 Audited

	Syndicate participation £'000	Investment management £'000	Other corporate activities £'000	Total £'000
Net earned premium	6,968	-	-	6,968
Net investment income	405	24	-	429
Other income	-	-	-	-
Goodwill on bargain purchase	-	-	568	568
Net insurance claims and loss adjustment expenses	(3,502)	-	-	(3,502)
Expenses incurred in insurance activities	(2,743)	-	-	(2,743)
Amortisation of syndicate capacity	-	-	(192)	(192)
Other operating expenses	(303)	-	(371)	(674)
Results of operating activities	825	24	5	854

The Group does not have any geographical segments as it considers all of its activities to arise from trading within the UK.

No major customers exceed 10% of revenue.

Notes to the Interim Financial Statements (continued)

Six months ended 30 June 2013

3. Insurance liabilities and reinsurance balances

Movement in claims outstanding

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2013	19,814	4,323	15,491
Movement of reserves	(4)	(95)	91
Other movements	(2,323)	(570)	(1,753)
At 30 June 2013	17,487	3,658	13,829

Included within other movements are the 2010 and prior years' claims reserves reinsured into the 2011 year of account and currency exchange differences.

Movement in unearned premium

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2013	4,624	590	4,034
Movement of reserves	1,626	689	937
Other movements	444	100	344
At 30 June 2013	6,694	1,379	5,315

4. Net investment income

	6 months ended 30 June 2013 Unaudited £'000	6 months ended 30 June 2012 Unaudited £'000	12 months ended 31 December 2012 Audited £'000
Investment income	49	177	320
Realised gains on financial investments at fair value through income statement	129	-	3
Unrealised (losses)/gains on financial investments at fair value through income statement	(144)	20	128
Investment management expenses	(10)	(8)	(49)
Bank interest	-	15	27
Net investment income	24	204	429

5. Income tax expense

	6 months ended 30 June 2013 Unaudited £'000	6 months ended 30 June 2012 Unaudited £'000	12 months ended 31 December 2012 Audited £'000
Income tax expense	(140)	(87)	(91)

The income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used is 23.25% (2012: 24.50%). Material disallowed items have been adjusted for in the income tax calculation.

Notes to the Interim Financial Statements (continued)

Six months ended 30 June 2013

6. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

The Group has no dilutive potential ordinary shares.

Earnings per share have been calculated in accordance with IAS 33.

Reconciliation of the earnings and weighted average number of shares used in the calculation is set out below.

	6 months ended 30 June 2013 Unaudited £'000	6 months ended 30 June 2012 Unaudited £'000	12 months ended 31 December 2012 Audited £'000
Profit for the period	462,000	247,000	763,000
Weighted average number of shares in issue	8,526,948	7,413,376	7,691,769
Basic and diluted earnings per share (p)	5.42p	3.33p	9.92p

7. Dividends

No equity dividends were proposed, declared or paid in the period (2012 - £Nil).

8. Financial assets at fair value

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at 30 June 2013, the Group held £17,709,000 (31 December 2012: £19,275,000) Level 1 Financial Assets and £2,108,000 (31 December 2012: £1,703,000) Level 2 Financial Assets. The Group has no level 3 investments (31 December 2012 £Nil).

9. Share capital and share premium

	Ordinary Share Capital £'000	Share Premium £'000	Total £'000
Allotted, called up and fully paid			
7,413,376 ordinary shares of 10p each and share premium at 30 June 2012	741	6,261	7,002
8,526,948 ordinary shares of 10p each and share premium at 31 December 2012	853	6,996	7,849
8,526,948 ordinary shares of 10p each and share premium at 30 June 2013	853	6,996	7,849

10. Retained earnings

	30 June 2013 Unaudited £'000	30 June 2012 Unaudited £'000	31 December 2012 Audited £'000
Group			
At 1 January 2013	1,246	483	483
Profit attributable to equity shareholders	462	247	763
At 30 June 2013	1,708	730	1,246

Notes to the Interim Financial Statements (continued)

Six months ended 30 June 2013

11. Related party transactions

Hampden Underwriting plc has provided inter-company loans to Hampden Corporate Member Limited, Nameco (No. 365) Limited, Nameco (No. 605) Limited, Nameco (No. 321) Limited, Nameco (No. 917) Limited and Nameco (No. 229) Limited ("Corporate Members"), all 100% subsidiaries of the Company. Nameco (No. 518) Limited, a 100% subsidiary of the Company, has provided inter-company loans to the Company. Interest is charged on the loans at base rate plus 0.125%. The loans are repayable on three months' notice provided it does not jeopardise the ability of the Corporate Members to meet their liabilities as they fall due. The amounts outstanding as at 30 June 2013 are set out below:

Company	30 June 2013 Unaudited £'000	30 June 2012 Unaudited £'000	31 December 2012 Audited £'000
Balances due from/(to) Group companies at the period end:			
Hampden Corporate Member Limited	3,109	3,111	3,537
Nameco (No. 365) Limited	330	346	350
Nameco (No. 605) Limited	1,092	1,100	1,306
Nameco (No. 321) Limited	321	319	350
Nameco (No. 917) Limited	1,449	-	1,431
Nameco (No. 229) Limited	355	-	358
Nameco (No. 518) Limited	(163)	-	-
Total	6,493	4,876	7,332

The Corporate Members are 100% subsidiaries of the Company and have entered into a management agreement with Nomina plc. Jeremy Evans, a Director of Hampden Underwriting plc and the Corporate Members is also a Director of Nomina plc. Under the agreement, Nomina plc provides management and administration, financial tax and accounting services to the Group for an annual fee of £2,750 (2012: £2,750) per Corporate Member.

The Corporate Members are 100% subsidiaries of the Company and have entered into a member's agent agreement with Hampden Agencies Limited. Jeremy Evans, a Director of Hampden Underwriting plc and the Corporate Members, is also Director of Hampden Capital plc which controls Hampden Agencies Limited. Under the agreement the Corporate Members will pay Hampden Agencies Limited a fee based on a fixed amount, which will vary depending upon the number of syndicates the Corporate Members underwrite on a bespoke basis, and a variable amount depending on the level of underwriting through the members' agent pooling arrangements. In addition, the Corporate Members will pay profit commission on a sliding scale from 1% of the net profit up to a maximum of 10%. The total fees payable for 2013 are set out below:

Company	30 June 2013 Unaudited £'000	30 June 2012 Unaudited £'000	31 December 2012 Audited £'000
Hampden Corporate Member Limited	20	51	51
Nameco (No. 365) Limited	5	9	9
Nameco (No. 605) Limited	15	50	50
Nameco (No. 321) Limited	6	16	16
Nameco (No. 917) Limited	10	-	3
Nameco (No. 229) Limited	6	-	6
Nameco (No. 518) Limited	7	-	23
Total	69	126	158

Hampden Underwriting plc has entered into a company secretarial agreement with Hampden Legal plc. Under the agreement, Hampden Legal plc provides company secretarial services to the Group for an annual fee of £38,000. During the period, company secretarial fees of £17,500 (2012: £17,500) were charged to Hampden Underwriting plc. Hampden Holdings Limited has a controlling interest in both Hampden Legal plc and Hampden Capital plc.

The Corporate Members have entered into a quota share reinsurance arrangement with Hampden Insurance PCC (Guernsey) Limited – Cell 6. Under this the agreement, the Corporate members have 50% quota share reinsurance. The Corporate Members in return charge Hampden Insurance PCC (Guernsey) Limited – Cell 6 a profit commission fee based on the group's aggregate underwriting profits. A Fund fee of 1.5% of the security provided by the reinsurer (less expenses) is also charged by the Corporate Members to Hampden Insurance PCC (Guernsey) Limited – Cell 6.

Notes to the Interim Financial Statements (continued)

Six months ended 30 June 2013

12. Syndicate participations

The syndicates and members' agent pooling arrangements ("MAPA") in which the Company's subsidiaries participate as corporate members of Lloyd's as are follows:

Syndicate or MAPA Number	Managing or Members' Agent	Allocated capacity Year of account		
		2011	2012	2013
33	Hiscox Syndicates Limited	464,465	385,769	385,769
218	Equity Syndicates Management Limited	363,431	229,285	329,285
386	QBE Underwriting Limited	76,108	86,117	86,117
510	RJ Kiln & Co. Limited	528,155	457,911	457,911
557	RJ Kiln & Co. Limited	327,725	523,590	102,868
570	Atrium Underwriters Limited	181,671	-	-
609	Atrium Underwriters Limited	215,723	397,394	397,394
623	Beazley Furlonge Limited	452,631	324,688	340,269
727	S.A. Meacock & Company Limited	69,592	69,592	69,592
807	R.J. Kiln & Co Limited	120,587	-	-
958	Canopus Managing Agency Limited	260,508	335,508	263,615
1176	Chaucer Syndicates Limited	-	101,818	201,818
1200	Argo Managing Agency Limited	217,465	197,466	28,551
2010	Cathedral Underwriting Limited	162,690	162,690	162,690
2121	Argenta Syndicate Management Limited	156,969	156,969	11,691
2791	Managing Agency Partners Limited	828,338	653,338	653,338
6103	Managing Agency Partners Limited	110,000	310,000	363,956
6104	Hiscox Syndicates Limited	115,000	315,000	345,000
6105	Ark Syndicate Management Limited	99,847	99,847	55,439
6106	Amlin Underwriting Limited	140,000	190,000	175,000
6107	Beazley Furlonge Limited	25,000	75,000	10,000
6110	Pembroke Managing Agency Limited	-	314,379	724,541
6111	Catlin Underwriting Agencies Limited	-	292,654	424,537
7200	Members' Agents Pooling Arrangement	295,221	303,635	303,613
7201	Members' Agents Pooling Arrangement	1,532,011	1,556,771	1,556,744
7202	Members' Agents Pooling Arrangement	542,140	552,653	552,629
7203	Members' Agents Pooling Arrangement	59,711	60,610	60,582
7211	Members' Agents Pooling Arrangement	4,627,855	4,751,602	4,751,588
7217	Members' Agents Pooling Arrangement	67,621	67,621	67,620
Total		12,040,464	12,971,907	12,882,157

Notes to the Interim Financial Statements (continued)

Six months ended 30 June 2013

13. Group owned net assets

The Group balance sheet includes the following assets and liabilities held by the syndicates on which the Group participates. These assets are subject to trust deeds for the benefit of the relevant syndicates' insurance creditors. The table below shows the split of the Group balance sheet between Group and syndicate assets and liabilities.

	30 June 2013			30 June 2012			31 December 2012		
	Group	Syndicate	Total	Group	Syndicate	Total	Group	Syndicate	Total
	Unaudited			Unaudited			Audited		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assets									
Intangible assets	1,571	-	1,571	909	-	909	1,797	-	1,797
Deferred income tax assets	-	-	-	-	-	-	-	-	-
Reinsurance share of insurance liabilities									
- Reinsurers' share of outstanding claims	-	3,658	3,658	-	2,702	2,702	-	4,323	4,323
- Reinsurers' share of unearned premiums	-	1,379	1,379	-	992	992	-	590	590
Other receivables, including insurance receivables	386	8,899	9,285	703	5,895	6,598	490	8,853	9,343
Prepayments and accrued income	34	1,543	1,577	27	1,018	1,045	62	1,154	1,216
Financial assets at fair value	7,881	11,936	19,817	5,562	8,529	14,091	7,354	13,624	20,978
Cash and cash equivalents	296	1,974	2,270	2,080	1,446	3,526	697	747	1,444
Total assets	10,168	29,389	39,557	9,281	20,582	29,863	10,400	29,291	39,691
Liabilities									
Insurance liabilities									
- Claims outstanding	-	17,487	17,487	-	12,853	12,853	-	19,814	19,814
- Unearned premiums	-	6,694	6,694	-	4,603	4,603	-	4,624	4,624
Deferred income tax liabilities	978	-	978	417	-	417	938	-	938
Other payables, including insurance payables	233	3,875	4,108	737	3,077	3,814	246	4,343	4,589
Accruals and deferred income	487	246	733	346	98	444	581	50	631
Current income tax liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	1,698	28,302	30,000	1,500	20,631	22,131	1,765	28,831	30,596
Shareholders' equity									
Share capital	853	-	853	741	-	741	853	-	853
Share premium	6,996	-	6,996	6,261	-	6,261	6,996	-	6,996
Retained earnings	621	1,087	1,708	779	(49)	730	786	460	1,246
Total shareholders' equity	8,470	1,087	9,557	7,781	(49)	7,732	8,635	460	9,095
Total liabilities and shareholders' equity	10,168	29,389	39,557	9,281	20,582	29,863	10,400	29,291	39,691

Registered Officers and Advisors

Directors

Sir James Michael Yorrick Oliver (Non-executive Chairman)
Nigel John Hanbury (Chief Executive Director)
Jeremy Richard Holt Evans (Non-executive Director)
Harold Michael Clunie Cunningham (Non-executive Director)
Andrew Hildred Christie (Non-executive Director)

Company Secretary

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Hampden House
Great Hampden
Great Missenden
Buckinghamshire HP16 9RD

Company Number

05892671

Registered Office

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Great Hampden
Great Missenden
Buckinghamshire HP16 9RD

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Solicitors

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Nominated Adviser and Broker

Smith & Williamson Corporate Finance Limited
25 Moorgate
London EC2R 6AY

Lloyd's Agent

Hampden Agencies Limited
85 Gracechurch Street
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Registrars

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