

Delian Alpha Limited

Annual Report & Financial Statements

31 December 2007

Registered Number: 2852027

Registered Office.
St. Helen's
1 Undershaft
London
EC3A 8ND



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Directors, officers and advisers

Directors

R A Hextall
C E L Philipps

Secretary

J M Clarke

Registered office

St Helen's
1 Undershaft
London
EC3A 8ND

Auditors

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

Directors' report for the year ended 31 December 2007

The directors present their annual report and the audited financial statements for the year ended 31 December 2007

Business review and principal activities

The Company's business has been to act as a Corporate Member of Lloyd's, underwriting insurance. The Company has not underwritten since the 1996 year of account and does not expect to trade in the future.

The Company is a wholly owned subsidiary of AUT Holdings Limited, itself a wholly owned subsidiary of Amlin plc.

Principal risks and uncertainties

The Company remains potentially exposed to claims from underwriting insurance business written in past syndicates' years on which it participated. However, the likelihood of such claims is remote.

Results and dividends

The Company did not make a profit or loss for the year ended 31 December 2007 (2006: loss of £53).

No dividend (2006: interim dividend of £51,620) was paid during the year. The directors do not propose that a final dividend be paid in the year (2006: £nil).

Directors

The directors of the Company, who served throughout the year ended 31 December 2007, are shown on page 2.

Directors' indemnity

The ultimate parent company has made third party indemnity provisions for the benefit of the directors of the Company. These were made during the year and remain in force at the date of this report.

Auditors

Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 234ZA of the Companies Act 1985.

An elective resolution has been passed dispensing with the requirement to appoint auditors annually. Deloitte & Touche LLP therefore continue in office until the Company or the auditors determine otherwise.

By Order of the Board



J M Clarke
Secretary
19 February 2008

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the 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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 proper accounting records which 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 1985. 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.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Independent auditors' report to the member of Delian Alpha Limited

We have audited the financial statements of Delian Alpha Limited for the year ended 31 December 2007, which comprise the profit and loss account, balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's member, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditors' 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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

Basis of audit opinion

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

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

Audit opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its result for the year ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the financial information given in the Directors' report is consistent with the financial statements.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London
19 February 2008

Profit and loss account for the year ended 31 December 2007

	Notes	2007 £	2006 £
Other operating expenses		-	(53)
Loss on ordinary activities before taxation	3	-	(53)
Tax credit on loss on ordinary activities	4	-	53
Result on ordinary activities after taxation	8, 9	-	-

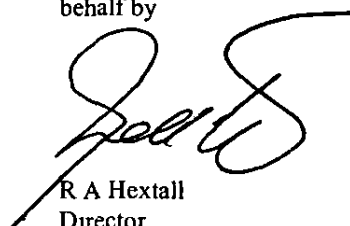
The profit and loss account relates entirely to the movements on discontinued underwriting activities. The Company has not underwritten since the 1996 year of account.

There are no recognised gains or losses in either the current or preceding year other than those included in the profit and loss account and therefore no statement of total recognised gains and losses is presented.

Balance sheet **at 31 December 2007**

	Notes	2007 £	2006 £
ASSETS			
Current assets			
Debtors	6	<u>400,000</u>	<u>634,537</u>
Total assets		<u>400,000</u>	<u>634,537</u>
LIABILITIES			
Capital and reserves			
Called up share capital	7	<u>400,000</u>	<u>400,000</u>
Profit and loss account	8	<u>-</u>	<u>-</u>
Equity shareholders' funds	9	<u>400,000</u>	<u>400,000</u>
Creditors	10	<u>-</u>	<u>234,537</u>
Total liabilities		<u>400,000</u>	<u>634,537</u>

The financial statements were approved and authorised for issue by the Board of Directors. They were signed on its behalf by


R A Hextall
Director
19 February 2008

Notes to the accounts for the year ended 31 December 2007

1 Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards and under the historical cost accounting convention and in accordance with Section 255 of, and Schedule 9A to, the Companies Act 1985. The Company has also adopted the recommendations of the Statement of Recommended Practice on Accounting for Insurance Business, issued by the Association of British Insurers in 2006 ("ABI SORP").

Under Financial Reporting Standard No 1 (revised) the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated cash flow statement.

As the Company is a wholly-owned subsidiary within the group headed by Amlin plc, the Company has taken advantage of the exemption contained in Financial Reporting Standard No 8 and it has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

2 Accounting policies

The following accounting policy has been applied consistently in dealing with items which are considered material in relation to the Company's financial statements:

Taxation

The charge for taxation is based on the profit for the year and takes into account the effect of timing differences between the accounting and tax treatment of certain items of revenue and expense to the extent that it is probable that a liability will arise or that an asset will be realised in the foreseeable future. Deferred tax assets and liabilities are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are recognised to the extent that, on the basis of all available evidence, it is regarded as more likely than not that there will be sufficient profits from which future reversal of the underlying timing difference can be deducted.

Dividends

Dividends payable are recognised in the period in which they are declared and become a present obligation for the Company. Dividends receivable are recognised in the period in which they are declared and become a present obligation of the company paying the dividend.

3 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging the following amounts:

	2007	2006
	£	£
Foreign exchange losses	-	53

In both the current and preceding year the Company had no employees and no directors' fees have been paid. Auditors' remuneration is borne by Amlin plc, the Company's ultimate parent company, in both the current (£700) and preceding year (£650).

Notes to the accounts for the year ended 31 December 2007

4 Tax on loss on ordinary activities

(a) Analysis of the tax credit in the year

	2007 £	2006 £
Current tax		
Irrecoverable overseas tax	-	(53)
Tax credit on loss on ordinary activities (see note 4(b))	-	(53)

(b) Factors affecting the tax credit for the year

The tax assessed for the year varies from the standard rate of corporation tax in the UK of 28% (30% for 2006)
The differences are explained below

	2007 £	2006 £
Loss on ordinary activities before taxation	-	(53)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2006 30%)	-	(16)
Effects of:		
Group relief	-	16
Irrecoverable overseas tax	-	(53)
Current tax credit for the year (see note 4(a))	-	(53)

5 Dividends

	2007 £	2006 £
Interim dividend for the year ended 31 December 2006 of 12 90 pence per ordinary share	-	51,620

6 Debtors

	2007 £	2006 £
Amounts falling due within one year		
Amounts owed by parent and group undertakings	400,000	634,537

Notes to the Accounts for the year ended 31 December 2007

7 Called up share capital

	2007		2006	
	Number of shares	£	Number of shares	£
Authorised, called up, allotted and fully paid ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>

8 Profit and loss account

	2007 £	2006 £
Dividends (note 5)	-	(51,620)
At 1 January	-	51,620
At 31 December	<u>-</u>	<u>-</u>

9 Reconciliation of movements in equity shareholders' funds

	2007 £	2006 £
Dividends (note 5)	-	(51,620)
Opening equity shareholders' funds	<u>400,000</u>	<u>451,620</u>
Closing equity shareholders' funds	<u>400,000</u>	<u>400,000</u>

10 Creditors

	2007 £	2006 £
Amounts falling due within one year	-	234,537
Amounts owed to group undertakings	<u>-</u>	<u>234,537</u>

11 Parent Company

The Company's immediate parent company is AUT Holdings Limited which is incorporated in Great Britain and registered in England and Wales. The ultimate parent company and controlling party is Amlin plc, a company incorporated in Great Britain and registered in England and Wales, which is the smallest and largest group in which the results of the Company are consolidated. The consolidated accounts of Amlin plc are available to the public and may be obtained from St Helen's, 1 Undershaft, London EC3A 8ND.