



FUIT TWO LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2010



Registered No. 2861345

FUIT TWO LIMITED

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FUIT TWO LIMITED

Company Information

Directors

J C P Insley (Appointed 01 January 2011)
A E Usher (Appointed 01 January 2011)
Brit Corporate Services Limited (Appointed 01 January 2011)
D J Douetil (Resigned 31 December 2010)
P Goddard (Resigned 31 December 2010)
M Scales (Resigned 28 December 2010)

Secretary

Brit Corporate Secretaries Limited

Registered Office

55 Bishopsgate
London
EC2N 3AS

Auditor

Ernst & Young LLP
1 More London Place
London
SE1 2AF

FUIT TWO LIMITED

Report of the Directors

FUIT TWO LIMITED

Registered Number 2861345

The Directors present their annual report, together with the audited financial statements of the Company for the year ended 31 December 2010

Review of the business

The Company ceased underwriting at the end of the 1999 year of account which closed on 31 December 2001

In the opinion of the Directors, the state of affairs of the Company at the end of the year was satisfactory. The Directors do not envisage any changes to the current business model in 2011.

Result and dividend

The Company did not trade during the year.

The Directors do not recommend payment of any dividend for the year ended 31 December 2010 (2009 £nil).

Directors

The names of the Directors as at the date of this report are listed on page 2. D J Douetil and P J Goddard each resigned on 31 December 2010. M Scales resigned on 28 December 2010.

Statement of Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 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 judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

FUIT TWO LIMITED

Report of the Directors continued

Statement of Disclosure of Information to Auditors

The Company's Auditor is Ernst & Young LLP. Each person who is a Director at the date of approval of this report confirms that

- so far as the Director is 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 ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information

By Order of the Board



Paul Weaver
On behalf of Brit Corporate Secretaries Limited
Secretary
11 March 2011

FUIT TWO LIMITED

Independent Auditor's Report To the Member of FUIT Two Limited

We have audited the financial statements of FUIT Two Limited for the year ended 31 December 2010 which comprise the Balance Sheet and the related notes 1 to 13. 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 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 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 set out on page 3, 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 (APB'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 2010,
- 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.

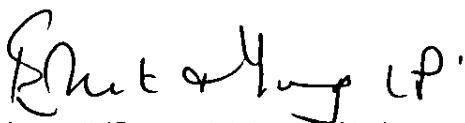
FUIT TWO LIMITED

Independent Auditor's Report continued

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- 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



T J Leggett (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
11 March 2011

FUIT TWO LIMITED

Balance Sheet As at 31 December 2010

		As at 31 December 2010	As at 31 December 2009
	Note	£'000	£'000
Debtors			
Other	4	3	3
Total Assets		<u>3</u>	<u>3</u>
Capital and Reserves			
Called up share capital	5	-	-
Profit and loss account	6	3	3
Equity Shareholder's Funds	7	<u>3</u>	<u>3</u>
Total Liabilities		<u>3</u>	<u>3</u>

The financial statements on pages 7 to 10 were approved by the Board of Directors on 11 March 2011 and were signed on its behalf by



Antony Usher
Director



Paul Weaver on behalf of Brit Corporate Services Limited
Director

FUIT TWO LIMITED

Notes to the Financial Statements For the year ended 31 December 2010

1 Basis of preparation of financial statements

(a) Basis of preparation

The financial statements have been prepared in accordance with section 6 of, and Schedule 3 to, the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 pursuant to section 396 of the Companies Act 2006

The Company has recorded no profit or loss nor any recognised gains and losses for the period and therefore no separate profit and loss account or statement of total recognised gains and losses has been presented

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards

2 Accounting policies

(a) Cash flow statement

The Company is exempt from preparing a cash flow statement under Financial Reporting Standard 1 Brit Insurance Holdings NV, the ultimate parent company during the year, has prepared a consolidated cash flow statement

3 Auditors' Remuneration

The Auditor's remuneration is borne by a fellow Group company and amounted to £1,000 (2009 £1,000)

4 Debtors

	31 December 2010 £'000	31 December 2009 £'000
Amounts due from Group undertakings	<u>3</u>	<u>3</u>

5 Share capital

	31 December 2010 £	31 December 2009 £
Allotted, issued and fully paid 2 ordinary shares of £1	<u>2</u>	<u>2</u>

FUIT TWO LIMITED

Notes to the Financial Statements continued

6 Profit and loss account

	31 December 2010 £'000	31 December 2009 £'000
Balance as at 1 January	3	3
Profit retained for the financial period	-	-
Balance as at 31 December	<u>3</u>	<u>3</u>

7. Movement in shareholder's funds

	31 December 2010 £'000	31 December 2009 £'000
Opening shareholder's funds	3	3
Total recognised gains for the financial period	-	-
Closing shareholder's funds	<u>3</u>	<u>3</u>

8 Directors' remuneration

The Directors did not receive any remuneration for their services to the Company during the year ended 31 December 2010 (2009 £nil)

9 Related party transactions

The Company has taken advantage of the exemption in Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with other members of the Group. This is by virtue of the entity being fully controlled within a group whose consolidated financial statements are publicly available.

10 Financial instruments

The Company has taken advantage of the exemption in Financial Reporting Standard 29 'Financial Instruments Disclosures' not to provide the disclosures required by this standard. This is by virtue of the entity being included in publicly available consolidated financial statements which include disclosures that comply with this standard.

FUIT TWO LIMITED

Notes to the Financial Statements continued

11 Guarantees

(i) Lloyd's

If any of the other corporate member subsidiaries of the Brit Insurance Holdings Limited Subgroup ("the Subgroup") fail to meet any of their obligations, then

- (a) Lloyd's will be entitled to require any of the Subgroup's corporate member subsidiaries to cease or reduce their underwriting, and/or
- (b) Having regard to the fact that the Central Fund may be applied to discharge the obligations of the defaulting corporate member subsidiary, Lloyd's will be entitled to require each of the other corporate member subsidiaries of the Subgroup to make contributions to the Central Fund up to the amount of their respective net profits held from time to time in Premiums Trust Funds, sufficient to reimburse the Central Fund in full for any payment made on behalf of the defaulting member

At the date of these financial statements the Company is not aware of any of the other corporate member subsidiaries of the Subgroup failing to meet any of their Lloyd's obligations

12 Ultimate holding company

The Company is a wholly owned subsidiary of Brit Run-Off Services Limited. As at 31 December 2010, the ultimate holding company was Brit Insurance Holdings N V, a company registered in the Netherlands. Copies of Brit Insurance Holdings N V accounts can be obtained by writing to PO Box 79083, 1070 NC, Amsterdam, The Netherlands.

13 Post balance sheet events

On 09 March 2011, following the acquisition of Brit Insurance Holdings N V by Achilles Netherlands Holdings B V, the ultimate holding company became Achilles Holdings 1 S ar l, a Luxembourg registered company. Copies of Achilles Holdings 1 S ar l accounts can be obtained by writing to 5, rue Guillaume Kroll, L – 1882, Luxembourg.