

**FRIENDS PROVIDENT THE BLUE LINE LIMITED  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**DIRECTORS**

R.G. ELLIS, MA, APMI, Solicitor  
D. MONGER, B Soc Sc (Hons), FCIS

**SECRETARY**

R.G. ELLIS, MA, APMI, Solicitor

**PRINCIPAL ACTIVITY**

The principal activity of Friends Provident The Blue Line Limited (the Company) was previously the provision of management and administrative services to Friends Provident Life and Pensions Limited (FPLP) in respect of direct marketing and telephone sales service activities.

A fellow subsidiary undertaking, Friends Provident Management Services Limited (FPMS), provides the Company's services and administration and employs all staff. Accordingly, the Company has no employees.

**RESULTS AND BUSINESS REVIEW**

During the year and the preceding year, the Company did not trade and received no income and incurred no expenditure. Consequently, the Company made neither a profit nor a loss. It is envisaged that this situation will continue in the future.

**DIVIDEND**

The directors do not recommend the payment of a dividend for the year ended 31 December 2008 (2007: £nil).

**DIRECTORS**

The directors named above held office throughout the year.

Pixham End  
Dorking  
Surrey  
RH4 1QA

30 March 2009

Registered Number 3146254

ON BEHALF OF THE BOARD



R.G. ELLIS  
SECRETARY

WEDNESDAY



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COMPANIES HOUSE

**FRIENDS PROVIDENT THE BLUE LINE LIMITED**  
**BALANCE SHEET AS AT 31 DECEMBER 2008**

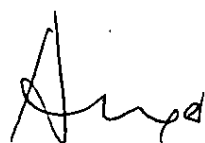
	Notes	2008 £	2007 £
<b>CURRENT ASSETS</b>			
<b>DEBTORS:</b> Amounts falling due within one year	4	1	1
<b>CREDITORS:</b> Amounts falling due within one year			
Amounts owed to Group undertakings		(6,036,413)	(6,036,413)
<b>NET CURRENT LIABILITIES</b>		<b>(6,036,412)</b>	<b>(6,036,412)</b>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	5	1	1
Profit and loss account	6	(6,036,413)	(6,036,413)
<b>TOTAL SHAREHOLDER'S FUNDS - EQUITY</b>	<b>6</b>	<b>(6,036,412)</b>	<b>(6,036,412)</b>

For the year to 31 December 2008, the Company was entitled to exemption from audit under section 249AA(1) of the Companies Act 1985 (the 'Act') and the sole member has not required the Company to obtain an audit in accordance with section 249B(2) of the Act in relation to these accounts.

The directors acknowledge their responsibility for:

- (i) ensuring the Company keeps accounting records which comply with section 221 of the Act; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226 of the Act, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the Company.

Approved by the Board on 30 March 2009 and signed on its behalf by



**D. MONGER**  
**DIRECTOR**

The notes on pages 3 and 4 form an integral part of these financial statements.

**FRIENDS PROVIDENT THE BLUE LINE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in with applicable accounting standards.

The Company is a wholly owned subsidiary of Friends Provident Investment Holdings plc (FPIH) and is included in the consolidated financial statements of Friends Provident plc, which are publicly available. Consequently the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 Cash Flow Statements (Revised 1996).

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of £6,036,412 (2007: £6,036,412), which the directors believe to be appropriate for the following reasons. Friends Provident Life and Pensions Limited, the parent company of FPIH, the Company's immediate parent undertaking, has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available funds as are needed by the Company, and in particular will not seek repayment of the amounts currently made available. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other Group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not.

**2. PROFIT AND LOSS ACCOUNT**

During the financial year, the Company did not trade and received no income and incurred no expenditure. Consequently, it made neither profit nor loss.

**3. DIRECTORS' EMOLUMENTS**

All directors are employed by, and receive their emoluments from, Friends Provident Management Services Limited (FPMS). The directors holding office during the year consider that their services to the Company were incidental to their other duties within the Friends Provident Group (the Group) and accordingly no remuneration has been apportioned to this Company.

Retirement benefits are accruing to both directors under a defined benefit pension scheme.

**4. DEBTORS: Amounts falling due within one year**

	2008 £	2007 £
Amounts owed by Group undertakings	1	1

**FRIENDS PROVIDENT THE BLUE LINE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**5. CALLED-UP SHARE CAPITAL**

	2008 £	2007 £
<b>Authorised</b>		
10,000,000 ordinary shares of £1 each	10,000,000	10,000,000
<b>Allotted and called-up, not fully paid</b>		
1 ordinary share of £1 each	1	1

**6. MOVEMENT IN TOTAL SHAREHOLDER'S FUNDS**

There have been no movements in total shareholder's funds during the year.

**7. RELATED PARTY TRANSACTIONS**

The Company is a wholly owned subsidiary undertaking of Friends Provident Investment Holdings plc (FPIH). The results of both the Company and FPIH are consolidated in the results of Friends Provident plc, the Company's ultimate parent and controlling undertaking, whose financial statements are publicly available. Accordingly, the Company is exempt from the requirements of Financial Reporting Standard 8 Related Party Disclosures, concerning the disclosure of transactions with other companies, which qualify as related parties within the Group.

There were no other material related party transactions.

**8. ULTIMATE PARENT UNDERTAKING**

The Company's ultimate parent undertaking is Friends Provident plc which is incorporated in the United Kingdom. Copies of the Group Report and Accounts of Friends Provident plc can be obtained by writing to its Secretary at Pixham End, Dorking, Surrey, RH4 1QA and can be viewed via its website at [www.friendsprovident.com](http://www.friendsprovident.com)