

**Chubb Overseas Investments Limited**

**(Registered Number 3855046)**

**Directors' Report and Financial Statements**

**for the year ended 31 December 2007**



# **Chubb Overseas Investments Limited**

**Annual report for the year ended 31 December 2007**

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# **Chubb Overseas Investments Limited**

## **Directors' report for the year ended 31 December 2007**

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

### **Principal activities and review of business and future developments**

The company acts as an intermediate holding company within the United Technologies Corporation group. The directors expect this activity to continue in the future.

### **Results and dividends**

The company's profit for the financial year is £1.1m (2006: loss of £11.7m). The directors do not recommend the payment of a dividend (2006: £nil).

### **Directors**

The directors of the company who have served during the year and up to the date of signing the accounts were:

Westminster Securities Limited (resigned 21 November 2007)  
Chubb Management Services Limited  
Robert Sloss (appointed 21 November 2007)

### **Fixed asset investments**

The details of fixed asset investments are shown in note 5 to the financial statements.

### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently in the preparation of the financial statements. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2007 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 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.

# **Chubb Overseas Investments Limited**

## **Directors' report for the year ended 31 December 2007 (continued)**

### **Statement of disclosure of information to auditors**

So far as the directors are aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken as directors to make themselves 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 s234ZA of the Companies Act 1985

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

### **Auditors**

PricewaterhouseCoopers LLP are willing to continue in office and as a consequence of an elective resolution in place will continue until further notice

By order of the board



**For and on behalf of:  
Chubb Management Services Ltd  
Director**

**22 August 2008**

## Independent auditors' report to the members of Chubb Overseas Investments Limited

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

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing 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 legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or 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.

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 other transactions 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 judgments 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.

### 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 profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

*RicewaterhouseCoopers LLP*

**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
West London

22 August 2008

# Chubb Overseas Investments Limited

## Profit and Loss Account for the year ended 31 December 2007

	<i>Note</i>	<b>2007 £'000</b>	<b>2006 £'000</b>
Administrative expenses	<b>2</b>	-	(10)
Provision for diminution of investments		-	(12,630)
<b>Operating loss</b>		-	(12,640)
Interest receivable and similar income	<b>3</b>	1,123	1,401
Interest payable and similar charges	<b>3</b>	-	(440)
<b>Profit/ (loss) on ordinary activities before taxation</b>	<b>2</b>	1,123	(11,679)
Tax on profit on ordinary activities	<b>4</b>	-	-
<b>Retained profit/ (loss) for the financial period</b>	<b>8,9</b>	1,123	(11,679)

All amounts relate to continuing activities

There is no material difference between the profit/ (loss) on ordinary activities before taxation and the profit/ (loss) for the year stated above, and their historical cost equivalents

The Company has no recognised gains or losses, other than the profit/ (loss) for the financial year, and therefore no separate statement of total recognised gains and losses has been presented

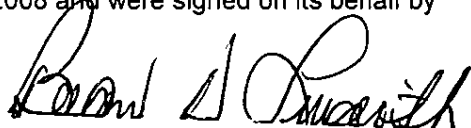
The notes on pages 6 to 10 form part of the financial statements

# Chubb Overseas Investments Limited

## Balance sheet as at 31 December 2007

	Note	2007 £'000	2006 £'000
<b>Fixed assets</b>			
Investments	5	1,227,392	1,227,392
<b>Current assets</b>			
Debtors amounts falling due within one year	6	20,953	19,830
<b>Net current assets</b>		20,953	19,830
<b>Net assets</b>		1,248,345	1,247,222
<b>Capital and reserves</b>			
Called up share capital	7	1,631,097	1,631,097
Share premium	8	325,243	325,243
Profit and loss account	8	(707,995)	(709,118)
<b>Total equity shareholders' funds</b>	9	1,248,345	1,247,222

The financial statements on pages 4 to 10 were approved by the board of directors on **22** August 2008 and were signed on its behalf by



For and on behalf of:  
**Chubb Management Services Ltd**  
Director

The notes on pages 6 to 10 form part of the financial statements

# **Chubb Overseas Investments Limited**

## **Notes to the financial statements for the year ended 31 December 2007**

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with the Companies Act 1985 and applicable Accounting Standards in the United Kingdom. The following is a summary of the more important accounting policies which have been applied consistently throughout the year as set out below.

#### **Basis of accounting**

The financial statements are prepared on the going concern basis and under the historical cost convention.

The financial statements contain information about Chubb Overseas Investments Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 228A of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, United Technologies Corporation, a company incorporated in the United States of America.

The company is a wholly owned subsidiary of the ultimate parent undertaking, United Technologies Corporation incorporated in the United States of America. The company is exempt under Financial Reporting Standard 8 from disclosure of transactions with entities that are part of the group headed by United Technologies Corporation on the grounds that more than 90% of voting rights are controlled within the group.

#### **Cash flow statement**

The company is a wholly owned subsidiary of United Technologies Corporation and is included in the consolidated financial statements of that company, 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 (revised 1996).

#### **Fixed asset investments**

Fixed asset investments are held at cost less any provision for impairment in value. Impairment reviews are carried out by the directors on an annual basis, or when there is indication that impairment may have occurred.

#### **Foreign exchange**

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the date of the balance sheet or at the agreed contractual rate. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction. All differences on exchange are taken to the profit and loss account.



# Chubb Overseas Investments Limited

## Notes to the financial statements for the year ended 31 December 2007 (continued)

### 1 Principal accounting policies (continued)

#### Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis

### 2 Profit on ordinary activities before taxation

The directors received no emoluments in respect of their services to the company (2006 £nil)

Auditors' remuneration was borne by Chubb Group Limited in 2007 and 2006

Chubb Overseas Investments Limited has no employees at the year (2006 none)

### 3 (a) Interest receivable and similar income

	2007 £'000	2006 £'000
Interest receivable from group companies	1,123	1,401

### (b) Interest payable and similar charges

	2007 £'000	2006 £'000
Interest payable to group companies	-	440

# Chubb Overseas Investments Limited

## Notes to the financial statements for the year ended 31 December 2007 (continued)

### 4 Tax on loss on ordinary activities

	2007 £'000	2006 £'000
Current tax		
United Kingdom corporation tax for the period at 30% (2006 30%)	-	-
Tax charge	-	-

#### Factors affecting current tax charge for the year

The tax assessed for the period is lower (2006 higher) than that resulting from applying the standard rate of corporation tax in the UK 30% (2006 30%)

The differences are explained below

	2007 £'000	2006 £'000
Profit/ (loss) on ordinary activities before tax	1,123	(11,679)
Tax at 30% thereon	337	(3,504)
Effects of		
Expenses not deductible	-	3,789
Sch28 AA transfer pricing adjustment	-	(2,600)
Group relief (received)/ surrendered for nil consideration	(337)	2,315
Current tax charge for period	-	-

### 5 Fixed asset investments

	Shares in group undertakings £'000
<b>Cost</b>	
At 1 January 2007 and 31 December 2007	1,941,536
<b>Provision</b>	
At 1 January 2007 and 31 December 2007	714,144
<b>Net book value</b>	
At 1 January 2007 and 31 December 2007	1,227,392

# Chubb Overseas Investments Limited

## Notes to the financial statements for the year ended 31 December 2007 (continued)

### 5 Fixed asset investments (continued)

At 31 December 2007 the company held, the entire issued share capital of White Peak Finance Ireland, an intermediate holding company incorporated in the Republic of Ireland

The company held, at 31 December 2007 the entire share capital of So-Rex Brandeschuttservice GmbH, a company incorporated in Germany. It also held the entire share capital of EO 45 Verwaltungsgesellschaft GmbH, a holding company incorporated in Germany

The directors believe that the book value of investments is supported by their underlying assets

### 6 Debtors

	2007 £'000	2006 £'000
Amounts falling due within one year		
Due from group undertakings	20,953	19,830

Amounts due from group undertakings comprise of £20.95m (2006 £19.8m) which is unsecured, interest bearing at a rate of 6% (2006 5.25%) and repayable on demand

### 7 Called up Share capital

	2007 £'000	2006 £'000
Authorised		
3,000,000,000 Ordinary Shares of £1 each	3,000,000	3,000,000
Allotted, called up and fully paid		
1,631,097,160 Ordinary Shares of £1 each	1,631,097	1,631,097

### 8 Reserves

	Profit and loss account £'000	Share Premium £'000
At 1 January 2007	(709,118)	325,243
Retained profit for the financial year	1,123	-
At 31 December 2007	(707,995)	325,243

At 31 December 2007 and 2006, £4,176,000 of the balance on the profit and loss account is unrealised and not available for distribution

## Chubb Overseas Investments Limited

### Notes to the financial statements for the year ended 31 December 2007 (continued)

#### 9 Reconciliation of movements in shareholders' funds

	2007 £'000	2006 £'000
Retained profit/ (loss) for the financial year	1,123	(11,679)
Premium on shares issued in the year	-	325,243
Net movement in shareholders' funds	1,123	313,564
Opening shareholder's funds	1,247,222	933,658
Closing shareholder's funds	1,248,345	1,247,222

#### 10 Ultimate parent undertaking

The company's ultimate parent undertaking and controlling party is United Technologies Corporation, a company incorporated in the United States of America

The company's immediate parent undertaking is Chubb Group (International) Limited, a company incorporated in England and Wales. United Technologies Corporation is the smallest and largest group to consolidate these financial statements

Copies of the United Technologies group financial statements are publicly available and can be obtained from

United Technologies Corporation  
One Financial Plaza  
Hartford  
Connecticut 06103  
U S A