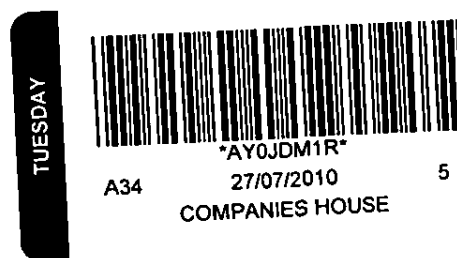


LAYTON BLACKHAM UNDERWRITING LIMITED

Directors' Report and Financial Statements

for the year ended 31 December 2009



LAYTON BLACKHAM UNDERWRITING LIMITED

COMPANY INFORMATION

DIRECTORS

SC Reid
IG Story
GM Coates
JA Bean
AK Parsons

SECRETARY

JP Small

AUDITORS

PricewaterhouseCoopers LLP

LAYTON BLACKHAM UNDERWRITING LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their report together with the audited financial statements for the year ended 31 December 2009

PRINCIPAL ACTIVITIES

On 31 December 2008, the trade, assets and liabilities of the company (with the exception of the insurance broking bank accounts and related liabilities) were transferred to Bluefin Insurance Services Limited

BUSINESS REVIEW

All of the business of the company's activities were discontinued during year ended 31 December 2008 due to the transfer of the trade, assets, and liabilities to Bluefin Insurance Services Limited. As a result, there is no profit or loss reported for the year ended 31 December 2009

Key performance indicators and principal risks & uncertainties

Key performance indicators are not deemed to be relevant for this company. Principal risks & uncertainties are consistent with the rest of the group, for details please refer to the consolidated financial statements of Bluefin Insurance Group Limited

Future prospects

On 31 March 2010 the balances left following the run-off of the insurance broking accounts were transferred to Bluefin Insurance Services Limited, the company is now dormant

GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the director's report business review

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

DIVIDENDS

The directors of the Company do not recommend the payment of a final dividend for the year ended 31 December 2009 (2008: £Nil)

DIRECTORS

The directors of the Company at the date of this report and those who have served throughout the period are shown on page 1

Mr A K Parsons and Mrs J A Bean were appointed as directors of the Company on 1 March 2009

Mr J P Small was appointed as secretary of the Company on 30 April 2009

V E Thanangadan resigned as secretary of the Company on 30 April 2009

Mr S I Hooper resigned as a director of the Company on 31 January 2009

Mr D Druckman resigned as a director of the Company on 30 April 2010

LAYTON BLACKHAM UNDERWRITING LIMITED**DIRECTORS' REPORT (CONTINUED)**

INDEMNIFICATION OF DIRECTORS

The Company is party to a group wide indemnity policy which benefits all of its current directors and is a qualifying third party indemnity provision for the purpose of the Companies Act 2006

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each of the directors 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
- the director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

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 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, and
- 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.

Approved by the Board of Directors
and signed on behalf of the Board



Mr I G Story
Director
21 July 2010

LAYTON BLACKHAM UNDERWRITING LIMITED**INDEPENDENT AUDITORS' REPORT**

We have audited the financial statements of Layton Blackham Underwriting Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet, the accounting policies and the related notes. 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).

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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

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 2009 and of its result for the year then ended,
- 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.

LAYTON BLACKHAM UNDERWRITING LIMITED

INDEPENDENT AUDITORS' 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



Matthew Nichols (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
22 July 2010

Registered Number 04348231

LAYTON BLACKHAM UNDERWRITING LIMITED

PROFIT & LOSS ACCOUNT
for the year ended 31 December 2009

	Note	2009 £	2008 £
TURNOVER	2	-	2,316,834
Cost of Sales			(7,373)
Gross profit		-	2,309,461
Administrative expenses		-	(2,560,246)
Operating loss	4	-	(250,785)
Interest receivable and similar income	5	-	16
Interest payable and similar charges	6	-	(9)
Loss on ordinary activities before taxation		-	(250,778)
Tax on loss on ordinary activities	7	-	67,098
Retained loss for the year	12	-	(183,680)

All of the business of the company's activities were discontinued during the prior year due to the transfer of the trade, assets, and liabilities to Bluefin Insurance Services Limited on 31 December 2008

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents

There are no recognised gains and losses for the current or preceding financial year other than as stated in the profit and loss account

LAYTON BLACKHAM UNDERWRITING LIMITED**BALANCE SHEET**
as at 31 December 2009

	Note	2009 £	2008 £
Current assets			
Debtors amounts falling due after one year	8	2,714,773	2,714,773
Cash at bank and in hand	9	<u>17,880</u>	<u>1,832,178</u>
		2,732,653	4,546,951
Creditors: amounts falling due within one year	10	(17,880)	(1,832,178)
Net current assets		<u>2,714,773</u>	<u>2,714,773</u>
Total assets less current liabilities		2,714,773	2,714,773
Total net assets		<u>2,714,773</u>	<u>2,714,773</u>
Capital & reserves			
Called-up share capital	11	100	100
Profit and loss account	12	2,714,673	2,714,673
Total equity shareholders' funds	13	<u>2,714,773</u>	<u>2,714,773</u>

The financial statements on pages 6 to 12 were approved by the Board on 21 July 2010 and were signed on its behalf by



IG Story
Director
21 July 2010

LAYTON BLACKHAM UNDERWRITING LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

1 ACCOUNTING POLICIES**Basis of preparation**

The financial statements are prepared in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been consistently applied in the current and previous year, are described below.

(a) Accounting convention

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

(b) Contributions to pension scheme

The Company arranges on behalf of the directors and other employees a defined contribution pension scheme, the cost of which is charged against the profits of the Company in the year in which the expenditure is incurred.

(c) Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets and liabilities are not discounted.

(d) Turnover

Turnover represents commissions and fees earned in the period net of discounts and allowances and is accounted for as earned at the latter of when the policy is inception or invoiced. Where there is an expectation of future servicing requirements an element of income relating to the policy is deferred to cover the associated contractual obligation.

(e) Insurance broking assets and liabilities

The Company acts as an agent in broking the insurable risks for its clients and, generally, is not liable as a principal for premiums due to underwriters or for claims payable to clients. Notwithstanding the Company's legal relationship with clients and underwriters and since in practice premium and claim monies are usually accounted for by insurance intermediaries, it has followed generally accepted accounting practice by showing cash, debtors and creditors relating to insurance business as assets and liabilities of the Company itself.

(f) Cash flow statement

Under FRS 1 – Cash Flow Statements (revised 1996), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a subsidiary undertaking of a parent undertaking which produces a consolidated cash flow statement. The cash flow of the Company is consolidated in the Bluefin Insurance Group Limited financial statements.

LAYTON BLACKHAM UNDERWRITING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****2 SEGMENTAL ANALYSIS**

There are no segments of the business which are substantially different from each other. Turnover is wholly attributable to operations within the UK.

3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2009 £	2008 £
Directors' remuneration		
Emoluments inclusive of benefits in kind	-	90,114
Pension contributions	-	2,250
	<u>-</u>	<u>92,364</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to nil (2008: 1).

	2009 Number	2008 Number
Average number of persons employed	<u>-</u>	<u>48</u>

	2009 £	2008 £
Staff costs during the year (including directors, excluding benefits in kind)		
Wages and salaries	-	1,273,623
Social security costs	-	130,116
Pension costs	-	17,665
	<u>-</u>	<u>1,421,404</u>

4. OPERATING LOSS

	2009 £	2008 £
Operating loss is stated after charging:		
Depreciation – owned assets	-	33,048
– leased and hire purchase assets	<u>-</u>	<u>430</u>

Auditors' remuneration of £6,133 was borne by Bluefin Insurance Services Limited in the current year (2008: £6,133 borne by Layton Blackham Insurance Brokers Limited).

LAYTON BLACKHAM UNDERWRITING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****5. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2009 £	2008 £
Bank interest receivable	<u>-</u>	<u>16</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
Other short term interest	-	9
	<u>-</u>	<u>9</u>

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2009 £	2008 £
UK tax based on the profit/(loss) for the year	-	(67,941)
Prior year adjustment	-	158
Current tax charge/(credit)	<u>-</u>	<u>(67,783)</u>
Deferred tax – timing differences	-	833
– adjustment in respect of prior years	-	(148)
	<u>-</u>	<u>(67,098)</u>

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 28 0% (2008 28 5%) The current tax charge for the year is equal to 28 0% (2008 lower) for the reasons set out in the following reconciliation

Profit/(loss) on ordinary activities before tax	<u>-</u>	<u>(250,778)</u>
Tax on profit/(loss) on ordinary activities at standard rate	-	(71,472)
Factors affecting charge		
Expenses not deductible	-	4,379
Capital allowances	-	(848)
Other timing differences	-	158
Current tax charge/(credit) for the year	<u>-</u>	<u>(67,783)</u>

LAYTON BLACKHAM UNDERWRITING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****8 DEBTORS: amounts falling due after more than one year**

	2009 £	2008 £
Amounts owed from parent and fellow subsidiary undertakings	2,714,773	2,714,773
	<u>2,714,773</u>	<u>2,714,773</u>

Amounts owed by group undertakings are unsecured, interest free, and have no fixed date of repayment, being due on one years notice

9 CASH

	2009 £	2008 £
Insurance broking accounts	17,880	1,832,178
	<u>17,880</u>	<u>1,832,178</u>

10. CREDITORS: amounts falling due within one year

	2009 £	2008 £
Trade creditors	17,880	1,832,178
	<u>17,880</u>	<u>1,832,178</u>

Amounts owed to group undertakings are unsecured, interest free, and have no fixed date of repayment

11 CALLED-UP SHARE CAPITAL

	2009 £	2008 £
Allotted, called-up and fully-paid: Ordinary shares of £1 each	<u>100</u>	<u>100</u>

12. RESERVES

	Profit and loss account 2009 £	Profit and loss account 2008 £
At 1 January	2,714,673	2,898,353
Loss for the year	-	(183,680)
At 31 December	<u>2,714,673</u>	<u>2,714,673</u>

LAYTON BLACKHAM UNDERWRITING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****13. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS**

	2009 £	2008 £
Loss for the year	-	(183,680)
Net reduction in equity shareholders' funds	<u>-</u>	<u>(183,680)</u>
Opening equity shareholders' funds	2,714,773	2,898,453
Closing equity shareholders' funds	<u><u>2,714,773</u></u>	<u><u>2,714,773</u></u>

14 PENSION COSTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £nil (2008 £17,665). At 31 December 2009, there were no outstanding pension contributions (2008 £nil).

15. ULTIMATE PARENT COMPANY

The Company's immediate parent is Layton Blackham Limited, a company incorporated in Great Britain and registered in England and Wales.

The Company's ultimate parent is AXA, a company incorporated in France. The parent of the largest and smallest group which includes the Company and for which group financial statements are prepared is Bluefin Insurance Group Limited. Copies of the Bluefin Insurance Group Limited group financial statements can be obtained from Registrar of Companies, Companies House, 3 Crown Way, Maindy, Cardiff, CF4 3UZ.