

**SMART & COOK HOLDINGS LIMITED**

**Directors' Report and Financial Statements**

**for the year ended 31 December 2009**



**SMART & COOK HOLDINGS LIMITED**

**COMPANY INFORMATION**

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**DIRECTORS**

Stuart C Reid  
Ian G Story

**SECRETARY**

Mrs L McDonell

**AUDITORS**

PricewaterhouseCoopers LLP

## SMART & COOK HOLDINGS LIMITED

### DIRECTORS' REPORT

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

#### PRINCIPAL ACTIVITIES

The Company's principal business is that of a holding company for subsidiaries engaged in insurance broking, risk management & consultancy

#### BUSINESS REVIEW

##### Results and performance

The Company's result for the year amounted to £Nil (2008 £11,779)

##### 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

The company is expected to remain as a holding company for the foreseeable future.

#### 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.

The company has net current liabilities therefore AXA UK Plc has agreed to provide financial support for the next twelve months.

#### 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 year are shown on page 1.

#### INDEMNIFICATION OF DIRECTORS

Directors & Officers insurance has been maintained throughout the year.

**SMART & COOK HOLDINGS LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

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**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

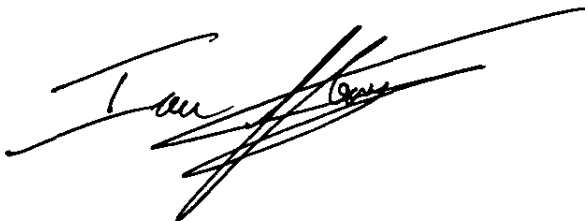
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies 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.

**AUDITORS**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they will be reappointed will be proposed at the annual general meeting.

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

Mr I G Story  
Director



21 July 2010

**SMART & COOK HOLDINGS LIMITED**

**INDEPENDENT AUDITORS' REPORT**

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We have audited the financial statements of Smart & Cook Holdings Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet 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.

**SMART & COOK HOLDINGS LIMITED**


**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

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**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

**SMART & COOK HOLDINGS LIMITED****PROFIT & LOSS ACCOUNT**  
**for the year ended 31 December 2009**

	Note	2009 £	2008 £
Interest receivable and similar income	4	-	16,474
<b>Profit on ordinary activities before taxation</b>		<u>-</u>	<u>16,474</u>
Tax on profit on ordinary activities	5	-	(4,695)
<b>Retained profit for the year</b>	11	<u><u>-</u></u>	<u><u>11,779</u></u>

All activities relate to continuing operations

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the current or preceding financial year 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

## SMART &amp; COOK HOLDINGS LIMITED

BALANCE SHEET  
as at 31 December 2009

	Note	2009 £	2008 £
<b>Fixed assets</b>			
Investments	6	<u>22,241,322</u>	<u>22,241,322</u>
<b>Current assets</b>			
Debtors	7	20,956,015	20,962,319
Cash at bank and in hand		<u>13,911</u>	<u>27,287</u>
		<u>20,969,926</u>	<u>20,989,606</u>
<b>Creditors' amounts falling due within one year</b>	8	(45,614,227)	(45,633,907)
<b>Net current liabilities</b>		<u>(24,644,301)</u>	<u>(24,644,301)</u>
<b>Total net liabilities</b>		<u>(2,402,979)</u>	<u>(2,402,979)</u>
<b>Capital &amp; reserves</b>			
Called-up share capital	9	351,741	351,741
Share premium	10	341,260	341,260
Profit and loss account	10	(3,095,980)	(3,095,980)
<b>Total equity shareholders' deficit</b>	11	<u>(2,402,979)</u>	<u>(2,402,979)</u>

The financial statements on pages 6 to 11 were approved by the Board on 21 July 2010 and were signed on its behalf by



Mr I G Story  
Director  
21 July 2010



**SMART & COOK HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

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**1 ACCOUNTING POLICIES**

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) Investments**

Investments are stated at cost less provision for impairment in value.

**(c) 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 group financial statements.

**(d) 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.

**2 INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

There have been no employment costs in either the current or preceding financial year.

**3. OPERATING PROFIT**

Auditors' remuneration of £5,000 (2008 £5,000) was borne by Bluefin Insurance Services Limited on behalf of Smart & Cook Holdings Limited in both the current and previous financial year.

**4. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2009 £	2008 £
Bank interest receivable	<u>-</u>	<u>16,474</u>

## SMART &amp; COOK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 5 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2009 £	2008 £
UK tax based on the profit for the year	-	4,695
The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 28% (2008 28.5%) The current tax charge for the year is equal to 28% (2008 equal to 28.5%) for the reasons set out in the following reconciliation		
Profit on ordinary activities before tax	-	16,474
Tax on profit on ordinary activities at standard rate	-	4,695
Current tax charge for the year	-	4,695

## 6 INVESTMENTS

	Subsidiaries £
At 1 January 2009 and 31 December 2009	22,241,322

The principal operating subsidiary undertakings are

	Principal activity	Country of registration	Shares held Class	%
Thornton Grove (Holdings) Limited	Holding Company	England and Wales	Ordinary	100

## 7. DEBTORS

	2009 £	2008 £
Amounts owed by fellow subsidiary undertakings	20,956,015	20,962,319

Amounts owed by fellow subsidiary undertakings falling due within one year are unsecured, interest free, and have no fixed date of repayment

## SMART &amp; COOK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 8. CREDITORS: amounts falling due within one year

	2009 £	2008 £
Trade creditors	-	1,100
Corporation Tax	4,695	4,695
Amounts owed to parent company	45,609,532	43,025,313
Amounts owed to fellow subsidiary undertakings	-	2,602,799
	<u>45,614,227</u>	<u>45,633,907</u>

Amounts owed to parent company and fellow subsidiary undertakings are unsecured, interest free, and have no fixed date of repayment

## 9. CALLED-UP SHARE CAPITAL

	No.	2009 £	No.	2008 £
<b>Allotted, called-up and fully-paid</b>				
Ordinary shares of 1p each	35,174,134	351,741	35,174,134	351,741

All types of ordinary shares carry equal voting rights and rank equally to dividend and distribution rights

## 10. RESERVES

	Profit and loss account £	Share premium £	Total £
At 1 January 2009 and at 31 December 2009	<u>(3,095,980)</u>	341,260	<u>(2,754,720)</u>

## 11 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2009 £	2008 £
Profit for the financial year	-	11,779
Net addition to equity shareholders' funds	<u>-</u>	<u>11,779</u>
Opening equity shareholders' funds	(2,402,979)	(2,414,758)
Closing equity shareholders' funds	<u>(2,402,979)</u>	<u>(2,402,979)</u>

**SMART & COOK HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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**12. GROUP ACCOUNTS**

The financial statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group financial statements as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Bluefin Insurance Group Limited, a Company incorporated in United Kingdom, and is included in the consolidated financial statements of that Company.

**13. ULTIMATE PARENT COMPANY**

The Company's immediate parent is Bluefin Insurance Group 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, Mandy, Cardiff, CF4 3UZ.