

COMPANY REGISTRATION NUMBER 02505995

UIB INTERNATIONAL LIMITED
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2007

THURSDAY



A12 *ALYOVZCN* 199
01/05/2008
COMPANIES HOUSE

UIB INTERNATIONAL LIMITED

OFFICERS AND PROFESSIONAL ADVISORS

The board of directors

CD Bishop
K Jabri
BS Kabban
GJ Kabban
MG Kabban
SJ Newton
BA Small
DP Trezies
PAC Tuite-Dalton
AR Woods

Company secretary

PM Sinfield

Registered office

69 Mansell Street
London
E1 8AN

Auditors

CLB Littlejohn Frazer
Chartered Accountants
and Registered Auditors
1 Park Place
Canary Wharf
London
E14 4HJ

Bankers

British Arab Commercial Bank Limited
8-10 Mansion House Place
London
EC4N 8BJ

UIB INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

CONTENTS	PAGE
The directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report to the shareholders	3
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7
The following pages do not form part of the financial statements	
Detailed profit and loss account	15
Notes to the detailed profit and loss account	16

UIB INTERNATIONAL LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2007

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

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company during the year was that of acting as an investment company

The directors consider the company's business will continue to develop although trading conditions are expected to be difficult

RESULTS

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements

DIRECTORS

The directors who served the company during the year were as follows

CD Bishop
K Jabir
BS Kabban
GJ Kabban
MG Kabban
SJ Newton
BA Small
DP Trezies
PAC Fuite-Dalton
AR Woods

The directors set out above have held office from 1 January 2007 to the date of this report unless otherwise stated

DISCLOSURE OF INFORMATION TO AUDITORS

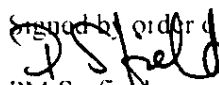
The directors who held office at the date of approval of this report confirm that so far as they are individually aware there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

In accordance with section 386 of the Companies Act 1985 the company has passed an elective resolution to retain CLB Littlejohn Frazer as auditors without the need for annual re-election CLB Littlejohn Frazer has indicated its willingness to continue in office

The directors' report has been prepared in accordance with the special provisions (of Part VII) relating to small companies under the Companies Act 1985

Registered office
69 Mansell Street
London
E1 8AN

Signed by order of the directors

PM Sinfield
Company Secretary

Approved by the directors on 30 APRIL 2008

UIB INTERNATIONAL LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 31 DECEMBER 2007

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to

- select suitable accounting policies, as described on page 7, and then apply them consistently
- make judgements and estimates that are reasonable and prudent, 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

The directors are responsible for ensuring that the Directors' Report is prepared in accordance with company law in the United Kingdom.

UIB INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the Financial Statements of UIB International Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 15. These Financial Statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body for our audit work, for this report or for the opinions we have formed.

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).

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 the 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 judgements 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.

UIB INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

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



CLB Littlejohn Frazer
Chartered Accountants
& Registered Auditors
1 Park Place
Canary Wharf
London
E14 4HJ

30 April 2008

UIB INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2007

	Note	2007 £	2006 £
TURNOVER		570,080	178 331
Administrative expenses		(83,404)	(154 048)
Other operating income	2	16,599	6 086
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	503,275	30,369
Tax on profit on ordinary activities	5	(86,509)	(31 069)
PROFIT/ (LOSS) FOR THE FINANCIAL YEAR	10	416,766	(700)

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 7 to 13 form part of these financial statements

UIB INTERNATIONAL LIMITED

BALANCE SHEET

31 DECEMBER 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Investments	6	1,093,642	<u>939 180</u>
CURRENT ASSETS			
Debtors	7	1,416,748	671 442
Cash at bank		<u>19,534</u>	<u>19 111</u>
		1,436,282	690,553
CREDITORS: Amounts falling due within one year	8	<u>(2,665,639)</u>	<u>(2 182 214)</u>
NET CURRENT LIABILITIES		<u>(1,229,357)</u>	<u>(1 491 661)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(135,715)</u>	<u>(552 481)</u>
CAPITAL AND RESERVES			
Called-up share capital	9	2	2
Profit and loss account	10	<u>(135,717)</u>	<u>(552 483)</u>
SHAREHOLDERS' FUNDS	11	<u>(135,715)</u>	<u>(552 481)</u>

These financial statements were approved by the directors on 30 APRIL 2008 and are signed on their behalf by,


DP TREZIES
Director

The notes on pages 7 to 13 form part of these financial statements

UIB INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007

1 ACCOUNTING POLICIES

Basis of accounting

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

The financial statements present information about the company as an individual undertaking and not about its group

Group financial statements are not presented as the company is a wholly-owned subsidiary of another company incorporated in the United Kingdom which itself prepares group financial statements

The company has used the exemption provided in Financial Reporting Standard No. 1 ("Cashflow Statements") not to prepare a cashflow statement as it is a wholly-owned subsidiary of another company which prepares a group cashflow statement. The group financial statements are available from the registered office of the ultimate parent undertaking

Turnover

Turnover comprises dividend income from investments. Dividend income is recognised in the period in which it is received

Foreign currencies

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date at which transactions occur, except for monetary assets and liabilities which are translated at the rate ruling at the balance sheet date

Differences arising on the translation of such items are dealt with in the profit and loss account

Investments

Investments held as fixed assets are stated at cost less provision for impairment

2. OTHER OPERATING INCOME

	2007	2006
	£	£
Interest receivable	16,599	6,086
	<u>16,599</u>	<u>6,086</u>

UIB INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging

	2007 £	2006 £
Exchange loss	<u>1,375</u>	<u>10,449</u>

Auditors' remuneration for audit services of £10,700 (2006: £10,500), tax services of £1,400 (2006: £1,200) and all other services of £1,100 (2006: £Nil) have been borne by the ultimate parent undertaking.

4 PARTICULARS OF EMPLOYEES

The company has no employees.

5 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	2007 £	2006 £
(a) Analysis of charge in year		
UK Corporation tax on profits of the year	202,871	88,135
Group relief payable	4,557	-
Double taxation relief	(201,531)	(88,135)
Foreign taxation	80,612	31,069
	<u>86,509</u>	<u>31,069</u>
Current tax charge for year (see (b) below)		

(b) Factors affecting tax charge for the year

The tax assessment for the year is different from the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2007 £	2006 £
Profit on ordinary activities before tax	<u>503,275</u>	<u>30,369</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2006: 30%)	150,983	9,111
Effect of expenses not deductible for tax purposes	16,138	52,393
Foreign taxation credits	(80,612)	(30,435)
Current tax charge for year (see (a) above)	<u>86,509</u>	<u>31,069</u>

UIB INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

6 INVESTMENTS

	Subsidiary Companies	Trade Investments	Total
	£	£	£
COST			
At 1 January 2007	1,529,231	139,210	1,668,441
Additions	<u>229,436</u>	<u>-</u>	<u>229,436</u>
At 31 December 2007	<u>1,758,667</u>	<u>139,210</u>	<u>1,897,877</u>
AMOUNTS PROVIDED AGAINST INVESTMENTS			
At 1 January 2007	720,271	86,747	807,018
Additions	<u>81,993</u>	<u>-</u>	<u>81,993</u>
At 31 December 2007	<u>802,264</u>	<u>86,747</u>	<u>889,011</u>
LOANS			
At 1 January 2007	117,757	-	117,757
Additions	<u>3,243</u>	<u>-</u>	<u>3,243</u>
Exchange Differences	<u>3,776</u>	<u>-</u>	<u>3,776</u>
At 31 December 2007	<u>124,776</u>	<u>-</u>	<u>124,776</u>
AMOUNTS PROVIDED AGAINST LOANS			
At 1 January 2007 and 31 December 2007	<u>40,000</u>	<u>-</u>	<u>40,000</u>
NET BOOK VALUE			
At 31 December 2007	<u>1,041,179</u>	<u>52,463</u>	<u>1,093,642</u>
At 31 December 2006	<u>886,717</u>	<u>52,463</u>	<u>939,180</u>

The above loans have been guaranteed by the ultimate parent company UIB Holdings (UK) Limited

UIB INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007

6 INVESTMENTS *(continued)*

(i) Subsidiaries held by the company

The following investments are treated as subsidiaries as the company is actively involved in determining the operational and financial policies of these companies

Subsidiary	Country of Incorporation	Ordinary shares held	Nature of Business
IBS Sigorta Brokerlik Hizmetleri	Turkey	40%	Insurance broking
UIB Insurance Brokers SA	Switzerland	100%	Insurance broking
UIB Asia Reinsurance Brokers Pte Limited	Singapore	90%	Reinsurance broking
United Insurance Brokers EC - Bahrain	Bahrain	99%	Insurance broking
United Insurance Brokers (LLC) - Dubai (Held by a subsidiary)	Dubai	48.998%	Insurance broking
United Insurance Brokers (DIFC) Limited	Dubai	100%	Insurance broking
UIB Insurance Brokers Company Limited	Korea	100%	Insurance broking
UIB Nordic Holdings	Sweden	100%	Holding company
UIB Nordic AB (Held by a subsidiary)	Sweden	100%	Insurance broking

The company also owns 100% of the preference shares of UIB Asia Reinsurance Brokers Pte Limited, shown above

(ii) Trade investments held by the company

The following investments are treated as trade investments as the company is not actively involved in determining the operational and financial policies of these companies

Associate	Country of Incorporation	Ordinary shares held	Nature of Business
International Broking SL	Spain	35%	Insurance broking

UIB INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

6. INVESTMENTS *(continued)*

(ii) Trade investments held by the company *(continued)*

Trade Investment	Country of Incorporation	Ordinary shares held	Nature of Business
MACS-ECICS Insurance Brokers PTF Limited	Singapore	11.9%	Insurance broking
Luebecke & Co GmbH	Germany	15%	Insurance broking

On 15 May 2007, the company acquired 3.33% of the ordinary shares of IDL Holding ApS, a company incorporated in Denmark. This investment was transferred to Mansell Underwriting and Management Company Limited, a 100% subsidiary of UIB Holdings (UK) Limited, on 31 December 2007.

7. DEBTORS Amounts falling due within one year

	2007 £	2006 £
Amounts owed by group undertakings	1,405,864	650,736
Other debtors	10,884	12,306
Prepayments and accrued income	—	8,400
	<u>1,416,748</u>	<u>671,442</u>

8. CREDITORS Amounts falling due within one year

	2007 £	2006 £
Amounts owed to group undertakings	2,653,524	2,140,874
Corporation tax	—	30,540
Accruals and deferred income	12,115	10,800
	<u>2,665,639</u>	<u>2,182,214</u>

UIB INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007

9 SHARE CAPITAL

Authorised share capital

	2007 £	2006 £
300 000 Ordinary shares of £1 each	<u>300,000</u>	<u>300 000</u>

Allotted, called up and fully paid.

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

10 PROFIT AND LOSS ACCOUNT

	2007 £	2006 £
Balance at 1 January 2007	(552,483)	(551 783)
Profit/ (loss) for the financial year	<u>416,766</u>	<u>(700)</u>
Balance at 31 December 2007	<u>(135,717)</u>	<u>(552 483)</u>

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Profit/ (loss) for the financial year	416,766	(700)
Opening shareholders' funds	<u>(552,481)</u>	<u>(551 781)</u>
Closing shareholders' funds	<u>(135,715)</u>	<u>(552 481)</u>

12 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is UIB Holdings (UK) Limited a company registered in England and Wales. There is no ultimate controlling party of UIB Holdings (UK) Limited.

Group financial statements are available from the registered office of the ultimate parent undertaking at 69 Mansell Street London E1 8AN.

UIB INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

13 RELATED PARTIES

The company has taken advantage of exemptions under Financial Reporting Standard No. 8 as the company is a wholly-owned subsidiary of UIB Holdings (UK) Limited. Transactions with entities that are part of the group are consolidated in that company's financial statements. These are available from the registered office of the ultimate parent undertaking.

14. GUARANTEES AND FINANCIAL COMMITMENTS TO INVESTMENTS

The company has provided a guarantee of £73,191 to a wholly-owned subsidiary, UIB Nordic AB, in respect of a bank overdraft facility.

The company has committed to provide financial support to United Insurance Brokers I.C. and United Insurance Brokers (L.L.C) to enable them to meet financial obligations as they fall due in the foreseeable future.

15 FINANCIAL COMMITMENT FROM ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking, UIB Holdings (UK) Limited, has provided the company with a financial commitment whereby it has agreed to ensure that the company has sufficient financial resources to honour its contractual commitments entered into in accordance with the group's standard terms of business. Such commitments will not extend to any liabilities of the company which have been incurred other than in the ordinary course of business and/or as a result of negligence or other default of the company or its directors.

The commitment shall be subject to review and cancellation at any time by the ultimate parent undertaking and shall be subject to such limits and other requirements as made from time to time by the ultimate parent undertaking.