

COMPANY REGISTRATION NUMBER 02505995

UIB INTERNATIONAL LIMITED
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2011



UIB INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Statement of directors' responsibilities	4
Independent auditor's report to the shareholders	5
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9
The following pages do not form part of the financial statements	
Detailed profit and loss account	18
Notes to the detailed profit and loss account	19

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	KM Anderson AJ Dilley BS Kabban
Company secretary	PM Sinfield
Registered office	69 Mansell Street London E1 8AN
Auditor	Littlejohn LLP Statutory Auditor 1 Westferry Circus Canary Wharf London E14 4HD

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2011

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2011

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 AND DIVIDENDS

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

The directors have declared and paid the following dividends

	2011	2010
	£	£
Dividends paid on ordinary shares	<u>-</u>	<u>1,000,000</u>

POST BALANCE SHEET EVENT

In April 2012, the company sold its shareholding in MACS-UIB Insurance Brokers Pte Limited (Singapore) for proceeds of SGD 120,000

DIRECTORS

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

CD Bishop (Resigned 1 September 2011)	SJ Newton (Resigned 1 September 2011)
AJ Dilley (Appointed 1 September 2011)	BA Small (Resigned 17 October 2011)
K Jabri (Resigned 1 September 2011)	DP Trezies (Resigned 1 September 2011)
BS Kabban	
P Tuite-Dalton (Resigned 1 September 2011)	
GJ Kabban (Resigned 1 September 2011)	
MG Kabban (Resigned 1 September 2011)	
KM Anderson	

The directors set out above have held office from 1 January 2011 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

Littlejohn LLP has signified its willingness to continue in office as auditors

THE DIRECTORS' REPORT *(continued)*

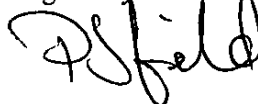
YEAR ENDED 31 DECEMBER 2011

STATUS OF THIS DIRECTORS' REPORT

The directors' report has been prepared in accordance with the small companies regime under the Companies Act 2006

Registered office
69 Mansell Street
London
E1 8AN

Signed by order of the directors



PM Sinfield
Company Secretary

Approved by the directors on *28 June* 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES**YEAR ENDED 31 DECEMBER 2011**

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 the 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 accounting 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the Financial Statements of UIB International Limited for the year ended 31 December 2011 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement, 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 and express an opinion on 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.

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 2011 and of its loss 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS *(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

David Roberts (Senior statutory auditor)

For and on behalf of

Littlejohn LLP

Statutory auditor

1 Westferry Circus

Canary Wharf

London

E14 4HD



2 July

2012

UIB INTERNATIONAL LIMITED
PROFIT AND LOSS ACCOUNT

Page 7

YEAR ENDED 31 DECEMBER 2011

	Note	2011 £	2010 £
TURNOVER		1,088,732	1,229,042
Administrative expenses		(1,093,528)	(307,935)
Other operating income	2	46,248	25,258
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	41,452	946,365
Tax on profit on ordinary activities	5	(150,403)	(124,989)
(LOSS)/ PROFIT FOR THE FINANCIAL YEAR		<u>(108,951)</u>	<u>821,376</u>

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

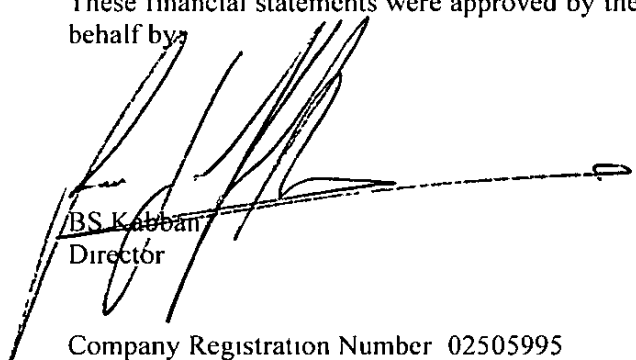
The notes on pages 9 to 16 form part of these financial statements

BALANCE SHEET

31 DECEMBER 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Investments	7	<u>3,914,287</u>	<u>2,846,114</u>
CURRENT ASSETS			
Debtors	8	1,540,783	1,506,402
Cash at bank		<u>128,357</u>	<u>172,139</u>
		1,669,140	1,678,541
CREDITORS: Amounts falling due within one year	9	<u>(5,291,283)</u>	<u>(4,123,559)</u>
NET CURRENT LIABILITIES		<u>(3,622,143)</u>	<u>(2,445,019)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>292,144</u>	<u>401,095</u>
CAPITAL AND RESERVES			
Called-up equity share capital	10	2	2
Profit and loss account	11	<u>292,142</u>	<u>401,093</u>
SHAREHOLDERS' FUNDS	12	<u>292,144</u>	<u>401,095</u>

These financial statements were approved by the directors on 28 June 2012 and are signed on their behalf by:


BS Kabbani
Director

Company Registration Number 02505995

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on a going concern basis 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

	2011 £	2010 £
Interest receivable	<u>46,248</u>	<u>25,258</u>

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging

	2011 £	2010 £
Exchange loss/ (gain)	<u>(42,055)</u>	<u>126,734</u>

Auditors' remuneration for audit services of £17,500 (2010: £16,400) and tax services of £1,680 (2010: £1,600) have been borne by the ultimate parent undertaking.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

4. PARTICULARS OF EMPLOYEES

The company has no employees

5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	2011 £	2010 £
(a) Analysis of charge in year		
UK Corporation tax on profits of the year	-	-
Group relief payable/ (receivable)	20,847	(32,099)
Adjustment in respect of previous years	(478)	-
Double taxation relief	-	-
Foreign taxation	130,034	157,088
	<u>150,403</u>	<u>124,989</u>
Current tax charge for year (see (b) below)		
(b) Factors affecting tax charge for the year		
	2011 £	2010 £
The tax assessment for the year is different from the standard rate of corporation tax in the UK of 26.5% (2010: 28%). The differences are explained below		
Profit on ordinary activities before tax	41,452	946,365
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010: 28%)	10,985	264,982
Effect of expenses not deductible for tax purposes	298,376	45,232
Exempt dividend income	(288,514)	(344,132)
Foreign taxation	130,034	157,088
Unrelieved tax losses	-	1,819
Adjustment in respect of previous years	(478)	-
	<u>150,403</u>	<u>124,989</u>
Current tax charge for year (see (a) above)		

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011
6. DIVIDENDS

	2011 £	2010 £
Equity dividends declared and paid	<u>-</u>	<u>1,000,000</u>

7. INVESTMENTS

	Subsidiary Companies £	Trade Investments £	Total £
COST			
At 1 January 2011	3,714,123	105,804	3,819,927
Additions	1,116,741	205,143	1,321,884
Disposals	(244,264)	(19,277)	(263,541)
At 31 December 2011	<u>4,586,600</u>	<u>291,670</u>	<u>4,878,270</u>
PROVISION FOR DIMINUTION IN VALUE			
At 1 January 2011	963,803	10,010	973,813
Provided during the year	178,000	-	178,000
Disposals	(187,830)	-	(187,830)
At 31 December 2011	<u>953,973</u>	<u>10,010</u>	<u>963,983</u>
NET BOOK VALUE			
At 31 December 2011	<u>3,632,627</u>	<u>281,660</u>	<u>3,914,287</u>
At 31 December 2010	<u>2,750,320</u>	<u>95,794</u>	<u>2,846,114</u>

(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
UIB Insurance Brokers (India) Private Limited	India	26%	Insurance broking

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011
7. INVESTMENTS *(continued)*

Subsidiary	Country of Incorporation	Ordinary shares held	Nature of Business
IBS Sigorta ve Reasurans Brokerligi AS	Turkey	38%	Insurance broking
UIB Insurance Brokers SA	Switzerland	100%	Insurance broking
UIB Asia Reinsurance Brokers Pte Limited	Singapore	90%	Reinsurance broking
UIB Asia Labuan Limited	Labuan	100%	Insurance broking
UIB Re Brasil Corretora de Resseguros Ltda	Brazil	92%	Reinsurance broking
United Insurance Brokers Colombia SA Corredores de Reaseguros	Colombia	40%	Reinsurance 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
United Insurance Brokers Limited Broker de Asigurare – Reasigurare SRL	Romania	40%	Reinsurance broking

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011
7 INVESTMENTS (continued)

During the year, United Insurance Brokers EC (Bahrain) was liquidated, with a residual value of £56,000 returned to the company

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

Trade Investment	Country of Incorporation	Ordinary shares held	Nature of Business
Laser, S A de C V Intermediario de Reaseguro	Mexico	40%	Insurance broking
Luebecke & Co GmbH	Germany	7.5%	Insurance broking
MACS-UIB Insurance Brokers Pte Limited	Singapore	11.9%	Insurance broking
UIB (Saudi) For Insurance & Reinsurance Broker Co Limited	Saudi Arabia	40%	Reinsurance broking

During the year, the company disposed of half of its shareholding in Luebecke & Co GmbH (Germany) for proceeds of Euro 22,500

8. DEBTORS: Amounts falling due within one year

	2011 £	2010 £
Amounts owed by group undertakings	1,511,399	1,482,077
Other debtors	29,384	24,325
	<u>1,540,783</u>	<u>1,506,402</u>

9. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Amounts owed to group undertakings	4,786,287	3,343,085
Corporation tax	-	478
Other creditors	504,996	779,996
	<u>5,291,283</u>	<u>4,123,559</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

10. SHARE CAPITAL

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

11. PROFIT AND LOSS ACCOUNT

	2011	2010
	£	£
Balance at 1 January 2011	401,093	579,717
(Loss)/ profit for the financial year	(108,951)	821,376
Equity dividends paid	–	(1,000,000)
Balance at 31 December 2011	<u>292,142</u>	<u>401,093</u>

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011	2010
	£	£
(Loss)/ profit for the financial year	(108,951)	821,376
Equity dividends paid	–	(1,000,000)
Opening shareholders' funds	<u>401,095</u>	<u>579,719</u>
Closing shareholders' funds	<u>292,144</u>	<u>401,095</u>

13. 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.

14. RELATED PARTIES

Transactions with Directors

During 2009 and 2010, three directors of the ultimate parent undertaking issued temporary loans to the company. The maximum amount outstanding during the year was £779,996 (2010 - £779,996) and at the year end was £504,996 (2010 - £779,996). The loans are not secured and are not interest bearing.

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.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011
14. RELATED PARTIES (continued)

Company and Nature of Relationship	Transaction	2011 Charges (to)/from £	2011 Balances (to)/from £	2010 Charges (to)/from £	2010 Balances (to)/from £
UIB Asia Reinsurance Brokers Pte Limited (Subsidiary)	Intercompany Recharges	(33,355)	(481,399)	(131,301)	(448,044)
UIB Re Brasil Corretora de Resseguros Ltda (Subsidiary)	Intercompany Funding	695,009	1,864,476	636,705	1,169,467
United Insurance Brokers (LLC) – Dubai (Subsidiary)	Additional Investment	(23,593)	(43,744)	15,976	(20,151)
United Insurance Brokers Limited Broker de Asigurare Reasigurare SRL (Subsidiary)	Intercompany Funding	127,284	127,284	-	-

15. GUARANTEES AND FINANCIAL COMMITMENTS TO INVESTMENTS

The company has provided a guarantee of up to £87,034 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 (LLC) to enable them to meet financial obligations as they fall due in the foreseeable future

16. 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

NOTES TO THE FINANCIAL STATEMENTS**YEAR ENDED 31 DECEMBER 2011****17. POST BALANCE SHEET EVENT**

In April 2012, the company sold its shareholding in MACS-UIB Insurance Brokers Pte Limited (Singapore) for proceeds of SGD 120,000

18. GOING CONCERN

The company is reliant on support from its ultimate parent undertaking to enable it to continue meeting its liabilities as they fall due. The directors have received written confirmation that such support will continue indefinitely and are satisfied that UIB Holdings (UK) Limited has the capacity to continue providing such support for the foreseeable future, and for at least one year from the date the financial statements are signed.