Registered Number· 3039521

SECUREHEALTH LIMITED

Directors' Report and Financial Statements
for the year ended 31 December 2011



Registered Office 5 Old Broad Street, London, United Kingdom, EC2N 1AD

Registered Number 3039521

SECUREHEALTH LIMITED

COMPANY INFORMATION

DIRECTORS

Mr D C Orsborn
Mr I M McMillan
Mr J W Darby

COMPANY SECRETARY

Mr J P. Small

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

Registered Number 3039521

SECUREHEALTH LIMITED

DIRECTORS' REPORT

The directors present their report together and the audited financial statements of SecureHealth Limited ("the Company") for the year ended 31 December 2011

PRINCIPAL ACTIVITY

The Company's principal and ongoing activity is that of a specialist private medical insurance intermediary.

BUSINESS REVIEW

Results and performance

The profit after taxation for the year to 31 December 2011 was £106,023 (2010 £383,678)

The financial position at 31 December 2011 is satisfactory and the directors expect that this position will be sustained for the foreseeable future.

Key performance indicators

The Board monitors the performance of the Company by reference to the following KPIs.

	2011	2010
	£'000	£'000
Turnover	**7,184**	7,184
Gross profit	**2,753**	2,855
Profit before tax	**195**	572
Net assets	**1,762**	5,786

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk to SecureHealth is that it operates in a competitive and changing market, which creates risk and uncertainty in particular with regards to the renewal of existing business The Company has low exposure to credit risk, price, interest, cash flow and liquidity risks. Business risks are regularly monitored by directors and are taken into account in setting the strategy for the Company.

DIVIDENDS

A dividend of £4,130,003 was approved by the board on 28 September 2011 of which £4,000,000 was paid on 29 September 2011

The directors do not recommend the payment of a final dividend for the year ended 31 December 2011

DIRECTORS

The directors of the Company at the date of this report are shown on page 1.
Mr I M. McMillan was appointed as a director of the Company on 23 February 2011
Mr J W Darby was appointed as a director of the Company on 14 September 2011.

DIRECTORS (continued)

Mr J. A. Freeston resigned on 24 January 2011
Mr S J. Harland resigned on 23 February 2011.
Mrs N. Bell, Mr F. Craig and Mr K G. Gibbs resigned as directors of the Company on 23 February 2011
Mr B Duce and Mr J. Byfield resigned as directors of the Company on 14 April 2011

EXERCISE OF DIRECTORS' AXA SA OPTIONS

None of the Company's directors exercised share options during the year (2010 nil)

INDEMNIFICATION OF DIRECTORS

The Company is party to a groupwide 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.

EMPLOYEES

The AXA UK plc group, through each of its employing subsidiary companies, is committed to a policy of equal opportunity in recruitment, training, career development and promotion of staff, irrespective of gender, marital status, race or ethnic origin Full and fair consideration is also given to disabled persons, including the rehabilitation and retention of staff who become disabled, having regard to their particular aptitudes and abilities

Great importance is placed on good communications with employees and in seeking to inform and involve staff in the development of AXA UK's operations and in the achievement of the group's business goals

A full range of written, audio, video and regular face-to-face communications, including team briefings, regular appraisals, company newspapers and various bulletins are used. Regular consultation is maintained with independent and certified trade unions on the complete range of employment and business issues

FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Company is exposed to financial risk through its business operations affecting the financial assets and liabilities The most important components of this risk given the nature of the Company's operations as an insurance intermediary are credit, liquidity and cash flow risks

The Company is part of the AXA UK plc group which has established a group-wide financial risk management framework and associated set of policies These are designed primarily to ensure that financial risks are adequately controlled and monitored for the insurance group through Risk Committees advising the Group Chief Executive and individual business unit Chief Executives

FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk

Credit risk can be defined as the risk of capital or income loss resulting from counterparty default.

Items which generate credit risk generally arise as a by-product of the Company's insurance intermediary operations and other operational debts. Exposure is controlled via different processes including the active monitoring of debt

Liquidity and cash flow risk

Liquidity or cash flow risk is defined as the risk that the Company may not have sufficient available cash (or near cash assets or funding facilities) to pay obligations when they fall due at reasonable cost

A robust working capital management environment is encouraged by ensuring there are appropriate funding arrangements from the parent group and overdraft facilities, backed up by shorter-term, regular cash flow forecasting

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each director in office at the date of approval of this report confirms that

- so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves 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 prepared 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 accounting 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,

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

- 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

On behalf of the Board

D. C. Orsborn
Director
9 July 2012

Registered Number 3039521

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

SECUREHEALTH LIMITED

We have audited the financial statements of SecureHealth 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).

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities statement set out on pages 5 and 6 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.

This report, including the opinion, 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. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

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 profit 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

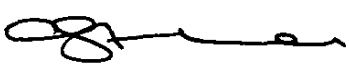
Opinion on other matter prescribed by the Companies Act 2006

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

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



Claire Stockhausen (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
9 July 2012

Registered Number 3039521

SECUREHEALTH LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	**2011 £'000**	2010 £'000
Turnover	2	**7,184**	7,184
Cost of sales		**(4,431)**	(4,329)
Gross profit		**2,753**	2,855
Administrative expenses		**(2,591)**	(2,312)
Operating profit		**162**	543
Interest receivable and similar income		**34**	33
Interest payable and other charges		**(1)**	(4)
Profit on ordinary activities before taxation	4	**195**	572
Tax on profit on ordinary activities	6 1	**(89)**	(189)
Profit for the financial year	12	**106**	383

All amounts relate to continuing operations.

There were no recognised gains or losses other than the profit for the period.

There is no material difference between the result as disclosed in the profit and loss account and the result on an historical cost basis.

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SECUREHEALTH LIMITED
BALANCE SHEET AS AT 31 DECEMBER 2011

	Note	2011 £'000	2010 £'000
Fixed assets			
Tangible assets	7	**31**	58
Current assets			
Cash at bank and in hand		**2,565**	6,444
Debtors	8	**372**	290
Deferred tax	9	**57**	45
		2,994	6,779
Current liabilities			
Creditors - amounts falling due within one year	10	**(1,263)**	(1,051)
Net current assets		**1,731**	5,728
Net assets		**1,762**	5,786
Capital and reserves			
Called-up share capital	11,12	**1**	1
Profit and loss account	12	**1,761**	5,785
Total shareholders' funds	12	**1,762**	5,786

The financial statements on pages 8 to 18 were approved by the Board on 9 July 2012 and were signed on its behalf by



D. C. Orsborn
Director

1. STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies are set out below.

1.1 Basis of preparation

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards The accounting policies have been applied consistently

The Company has not adopted Financial Reporting Standard ("FRS") 29 (Financial Instruments· Disclosures), FRS 23 (The Effects of Changes in Foreign Exchange Rates) or FRS 25 (Financial Instruments: Presentation), or any subsequent amendments to these standards The Company is exempt from these standards as it has not adopted FRS 26 (Financial Instruments Recognition and Measurement)

The Company has adopted the amendments to FRS 20 (Share Based Payments), but the adoption has had no impact on the financial statements

The Company has adopted the amendments to FRS 2 (Accounting for Subsidiary Undertakings), FRS 6 (Acquisitions and Mergers) and FRS 28 (Corresponding Amounts), regarding references to the Companies Act 2006 and The large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, but the adoption has had no impact on the financial statements

The Company has adopted the amendments to FRS 8 (Related Party Transactions). However due to the Company adopting the concessions under FRS 8 (note 18) the adoption has had no impact on the financial statements

1.2 Turnover

Turnover represents commissions received by the Company in respect of medical policies sold during the year and renewal commissions on policies sold in prior periods

Turnover represents retained commission receivable Income relating to insurance broking is brought into account at the earlier of the policy inception date or when the policy placement has been completed and confirmed

1.3 Clawback provision

A provision is applied to turnover and cost of sales to estimate commission that may be clawed back due to cancelled policies This provision is calculated by using the most recent data of actual cancellations.

1.4 Cost of Sales and Administrative Expenses

Expenses are classified based on function. Costs directly associated with generating revenues have been included in cost of sales

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

- Leasehold properties - Straight line over life of lease
- Computer equipment - 50% straight line
- Fixtures and fittings - 25% written down value

1.6 Operating leases

All leases are operating leases. The rental costs relating to operating leases are charged to the profit and loss account on a straight-line basis over the lease term

1.7 Deferred tax

Provision is made for deferred tax liabilities, using the liability method, on all material timing differences, including revaluation gains and losses on investments recognised in the profit and loss account Deferred tax is calculated at current tax rates. Deferred tax is recognised in the profit and loss account for the period, except to the extent that it is attributable to a gain or loss that is recognised directly in the statement of total recognised gains and losses Deferred tax balances are not discounted

1.8 Pension scheme

The Company operates a defined contribution scheme covering all employees The employees also contribute to the scheme. The pension costs charged in the financial statements represent the contribution payable by the Company during the year.

2. TURNOVER

The total turnover of the Company for the period has been derived from its principal activity wholly undertaken in the UK.

3. STAFF COSTS

	2011 £'000	2010 £'000
Wages and salaries	**1,487**	1,283
Social security costs	**163**	135
Other pension costs (Note 13)	**60**	40
	1,710	1,458

	2011 Number	2010 Number
Monthly average number of employees		
Administration	**45**	51

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

	2011 £'000	2010 £'000
Depreciation (note 7)	**60**	76
Operating lease charges	**96**	90

During the year the Company obtained the following services from the Company's auditor at costs detailed below

Audit services

The auditors' remuneration for the audit of the Company's statutory accounts amount to £24,000 (2010 £24,000). It is paid by a fellow group undertaking and is not recharged to the Company.

5. DIRECTORS' EMOLUMENTS

The directors are employed and paid by companies in the AXA group and their directorships are held as part of that employment Other than as disclosed below, no director has received any emoluments or other benefits from the Company or from any other company in the AXA group in respect of services to the Company.

5. DIRECTORS' EMOLUMENTS (CONTINUED)

	2011 £'000	2010 £'000
Aggregate emoluments	**716**	345
Amounts receivable (excluding gains on exercise of share options and values of shares received) under long-term incentive schemes	**7**	-
Aggregate pension contributions		
Defined Benefit	**-**	1
Defined Contribution	**62**	25

Retirement benefits are accruing to 5 directors (2010: 3) under a defined contribution pension scheme and to no directors under a defined benefit scheme (2010 1).

Directors' interests in transactions

No contract in which a director was interested and which was material to the group or its subsidiaries or to the other transacting party existed during the year.

Loans to directors and connected persons

No loans or quasi-loans exceeding £5,000 to directors and connected persons were made or subsisted during the year

None of the directors exercised any share options or employee sharesave options in AXA UK plc during the year

Mr J A Freeston was also a director of ICAS International Holdings Ltd during the year and his emoluments, which relate to his services to the AXA group as a whole, are disclosed in the financial statements of that company

Mr K.G. Gibbs was also a director of AXA UK plc during the year and his emoluments, which relate to his services to the AXA group as a whole, are disclosed in the financial statements of that company

Ms. N Bell, Mr F A. Craig and Mr S J Harland were also directors of AXA PPP healthcare Limited during the year and their emoluments, which relate to their services to the AXA group as a whole, are disclosed in the financial statements of that company

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

6.1 ANALYSIS OF TAX CHARGE IN THE PERIOD

	2011 £'000	2010 £'000
Current tax:		
UK corporation tax on profits of the period	**100**	191
Total current tax (note 6 2)	**100**	191
Deferred tax:		
Origination and reversal of timing differences	**(11)**	(2)
Total deferred tax (note 9)	**(11)**	(2)
Tax charge	**89**	189

6.2 FACTORS AFFECTING CURRENT TAX CHARGE FOR THE PERIOD

The tax assessed for the period is higher (2010 higher) than the standard rate of corporation tax in the UK of 26 5% (2010 28%) The differences are explained below

	2011 £'000	2010 £'000
Profit on ordinary activities before tax	**195**	572
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 28%)	**52**	160
Effects of:		
Expenses not deductible for tax purposes	**33**	27
Capital allowances for period less than depreciation	**16**	8
Other timing differences	**(1)**	(2)
Effect of change in UK tax rate from 26 5% to 28%	**-**	(2)
Current tax charge for the period (note 6 1)	**100**	191

6.2 FACTORS AFFECTING CURRENT TAX CHARGE FOR THE PERIOD (CONTINUED)

During the year, as a result of the change in the UK corporation tax rate from 27% to 25% that was enacted in Finance Act 2011 as effective from 1 April 2012, the relevant deferred tax balances have been re-measured on this basis The impact reflected in the tax charge for the year amounts to £4,526

In the Budget announcement on 21 March 2012, the Government proposed an additional reduction in the UK corporation tax rate to 24% with effect from 1 April 2012 This is expected to be followed by further 1% per annum annual reductions which will bring the rate to 22% by 1 April 2014. The impact of 3% rate change on the deferred tax asset on the balance sheet would be £6,804 The changes had not been substantively enacted at the balance sheet date and, therefore, are not recognised in these financial statements

7. TANGIBLE ASSETS

	Land and buildings £'000	Fixtures and fittings £'000	Computer Equipment £'000	Total £'000
Cost:				
At 1 January 2011	16	31	391	438
Additions	-	-	33	33
At 31 December 2011	16	31	424	471
Accumulated depreciation:				
At 1 January 2011	4	25	351	380
Charge for the year (note 4)	3	1	56	60
At 31 December 2011	7	26	407	440
Net book value 31 December 2011	**9**	**5**	**17**	**31**
Net book value 31 December 2010	12	6	40	58

8. DEBTORS

	2011 £'000	2010 £'000
Trade debtors	**28**	35
Amounts due from other group undertakings	**165**	160
Other debtors	**-**	4
Prepayments and accrued income	**179**	91
	372	290

All amounts shown under debtors fall due within one year

Included within amounts owed by group undertaking is £164,887 (2010 £124,332) relating to trade activities

9. DEFERRED TAX

	2011 £'000	2010 £'000
The deferred tax asset comprises:		
Capital allowances timing difference	**54**	43
Other timing differences	**3**	2
Undiscounted deferred tax asset	**57**	45

The movement on the deferred tax asset was as follows.		
Deferred tax asset at start of period	**45**	43
Deferred tax credit in profit and loss account for period (note 6 1)	**12**	2
Deferred tax asset at end of period	**57**	45

The deferred tax asset is primarily in relation to capital allowances which will unwind over the next few years

10. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £'000	2010 £'000
Trade creditors	**522**	591
Amounts due to other group undertakings	**473**	152
Corporation tax	**100**	191
Taxation and social security	**-**	36
Accruals and deferred income	**168**	81
	1,263	1,051

11. CALLED-UP SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid:		
900 ordinary shares of £1 each	**900**	900

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS AND RESERVES

	Called–up Share capital £'000	Profit and loss account £'000	Total £'000
Balance at 1 January 2011	1	5,785	5,786
Profit for the financial year	-	106	106
Dividend Paid	-	(4,130)	(4,130)
Balance at 31 December 2011	**1**	**1,761**	**1,762**

13. STAFF PENSION COSTS

The Company operates a defined contribution scheme covering all employees. The employees also contribute to the scheme The pension costs charged in the financial statements represent the contribution payable by the Company during the year The pension costs for the year to 31 December 2011 amounted to £59,617 (2010: £40,153).

Outstanding contributions payable as at 31 December 2011 amount to £nil (2010; £nil)

14. OBLIGATIONS UNDER NON-CANCELLABLE OPERATING LEASES

	2011		2010	
	Land and buildings £'000	**Other £'000**	Land and buildings £'000	Other £'000
Annual payments under operating leases Expiry date.				
Within one year	**56**	-	-	13
Between one and five years	-	**12**	74	4
	56	**12**	74	17

15. CAPITAL EXPENDITURE COMMITMENTS

The Company had no capital expenditure commitments as at 31 December 2011 (2010 £nil)

16. CONTINGENT LIABILITIES

The Company had no contingent liabilities as at 31 December 2011 (2010 £nil)

17. 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 Guardian Royal Exchange plc financial statements, which can be obtained from 5 Old Broad Street, London EC2N 1AD

18. RELATED PARTIES

The Company has taken advantage of the exemption granted under FRS 8 (Related Party Disclosures) which exempts it from disclosing related party transactions where the related party is part of the group of the intermediate parent company, AXA UK plc.

No transactions arose with other companies in the group of the ultimate parent company, AXA.

19. IMMEDIATE AND ULTIMATE PARENT

The immediate parent company is SecureHealth (Holdings) Limited a company registered in England

In the opinion of the directors, the Company's ultimate parent and controlling undertaking is AXA, a company incorporated in France. The parent undertaking of the largest group which includes the Company and for which group financial statements are prepared is AXA Copies of the AXA group financial statements can be obtained from 23, avenue Matignon, 75008 Paris, France.

The parent undertaking of the smallest group which includes the Company and for which group financial statements are prepared is Guardian Royal Exchange plc, a company registered in England. Copies of the Guardian Royal Exchange plc financial statements can be obtained from 5 Old Broad Street, London EC2N 1AD.