

Registered Number 03116678

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED

Directors' Report and Financial Statements

for the year ended 31 December 2012



Registered Office 5 Old Broad Street, London EC2N 1AD

Registered Number 03116678

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED

COMPANY INFORMATION

DIRECTORS

D R Cheeseman
J P D. L Drouffe
N J. Elphick
P J Evans
M J Kellard
A J Purvis
D. M. Thompson

COMPANY SECRETARY

J P Small

INDEPENDENT AUDITORS

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

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The Company's principal activity is that of a holding company

REVIEW OF ACTIVITIES

In order to support the strategic activities of the Company and its subsidiaries, a number of capital transactions were made during the year

- The Company received capital contributions of £9.7 million, £11 million and £20 million from AXA UK plc on the 26 June 2012, 29 June 2012 and 24 December 2012, respectively,
- The Company made capital contributions of £9.7 million and £10 million to Winterthur Life UK Holdings Limited ("WLUKH") on 26 June 2012 and 24 December 2012, respectively, and
- The Company made capital contributions of £13.6 million, £11 million and £10 million to Winterthur Financial Services UK Holdings Limited ("WFSUKH") on 29 May 2012, 29 June 2012 and 24 December 2012, respectively

Following the year end group undertakings AXA Wealth Nominees Limited, Winterthur Systems Leasing Limited and Winterthur 2 Limited were dissolved

BUSINESS REVIEW

Business environment

In the United Kingdom the life and savings market is a highly regulated mature market with distribution largely through third party intermediaries.

Through its subsidiary holding companies, the Company is the parent company of AXA Wealth Limited ("AWL"), AXA Wealth Services Limited ("AWS") and Winterthur Financial Services UK Limited ("WFS")

AWL is the main provider of pension and investment products

WFS acts as the employing company within the group of companies headed by the Company and as the paymaster for management expenses, for which it makes a recharge to other group undertakings as appropriate. WFS also holds fixed assets for which it makes a lease charge to the companies utilising those assets. The principal user of these services is AWL.

WFS is a principal employer that participates in the AXA UK Staff Pension Scheme

AWS acts as a distributor of specific AXA Wealth products and undertakes and discharges trustee responsibilities for AXA Wealth pension schemes

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

BUSINESS PERFORMANCE

The Company's profit for the year after taxation, as shown in the Profit and Loss account on page 8 of the financial statements, amounted to £24,000 (2011: profit of £150,000). The profit for the current year relates to interest received on cash investments. There are no other key performance indicators other than profit or loss for the year.

DIVIDENDS

The directors do not recommend the payment of a dividend for the year ended 31 December 2012 (2011: £nil).

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is part of the AXA UK plc group, which has established group-wide processes for risk acceptance and risk management, which are addressed through a framework of policies, procedures and internal controls. All policies are subject to ongoing review by management, risk management and group internal audit. Compliance with regulation, legal and ethical standards is a high priority for the Company, and the compliance and finance teams take on an important oversight role in this regard.

Financial risk management, including the impact of risk on economic capital, is discussed in the note on management of financial risk on pages 12 and 13.

FUTURE OUTLOOK

No change in the activities of the Company is planned for the foreseeable future.

DIRECTORS

The directors of the Company who were in office during the year and up to the date of approval of the financial statements are shown on page 1, with the following exceptions:

Mr N J Elphick was appointed as a director of the Company on 3 May 2013.

Mr D M Thompson was appointed as a director of the Company on 3 May 2013.

EXERCISE OF DIRECTORS' AXA SA OPTIONS

Two of the Company's directors exercised share options during the year (2011: None).

WINTERTHUR UK FINANCIAL SERVICES GROUP 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

The indemnification was in force during the year and at the date of signing

PAYMENT OF CREDITORS

All trade purchases are dealt with through group service companies, principally WFS

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

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

- (a) so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (b) 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.

GOING CONCERN

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

The Company has considerable financial resources, with significant investments in group companies (note 8). Detailed budgets, plans and forecasts have been prepared and reviewed setting out the continued financial position of the AXA Wealth business as a whole for the next 12 months and a strategic plan to 2015. As a consequence, the directors believe sufficient contingencies have been put in place that will enable the Company to manage its business risks despite the current uncertain economic outlook, and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

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,
- 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. R. Cheeseman

Director

27 June 2013

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINTERTHUR UK
FINANCIAL SERVICES GROUP LIMITED**

We have audited the financial statements of Winterthur UK Financial Services Group Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Reconciliation of Movements in Shareholders' Funds, 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 set out on page 5, 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 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. In addition, we read all the financial and non-financial information in the Directors' Report and Financial Statements 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 2012 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

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINTERTHUR UK
FINANCIAL SERVICES GROUP LIMITED (CONTINUED)**

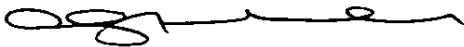
Opinion on other matter prescribed by the Companies Act 2006

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
7 More London Riverside
London
SE1 2RT
27 June 2013

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £000	2011 £000
Interest receivable and similar income	3	32	204
Profit on ordinary activities before taxation		<u>32</u>	<u>204</u>
Tax on profit on ordinary activities	7	<u>(8)</u>	<u>(54)</u>
Profit for the financial year	13	<u>24</u>	<u>150</u>

All of the above amounts are in respect of continuing operations

The Company has no recognised gains or losses other than those included in the results above, and therefore no separate statement of recognised gains and losses has been presented.

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

The information on pages 11 to 18 forms an integral part of these financial statements

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED**RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2012**

		2012	2011
		£000	£000
Profit for the financial year	13	24	150
Total shareholders' funds at 1 January		542,151	522,001
Capital contribution received in the year	13	40,700	20,000
Total shareholders' funds at 31 December		582,875	542,151

The information on pages 11 to 18 forms an integral part of these financial statements

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED**BALANCE SHEET AS AT 31 DECEMBER 2012**

	Note	2012 £000	2011 £000
Fixed assets			
Investments in group undertakings	8	<u>544,463</u>	<u>490,163</u>
Current assets			
Debtors	9	43,747	43,747
Other investments	10	-	14,232
Cash at bank and in hand		<u>673</u>	<u>63</u>
		44,420	58,042
Creditors: amounts falling due within one year	11	<u>(6,008)</u>	<u>(6,054)</u>
Net current assets		38,412	51,988
Total assets less current liabilities		<u>582,875</u>	<u>542,151</u>
Capital and reserves			
Called up share capital	12	192,001	192,001
Share premium account	13	299,999	299,999
Capital contribution	13	449,918	409,218
Profit and loss account	13	<u>(359,043)</u>	<u>(359,067)</u>
Total shareholders' funds		<u>582,875</u>	<u>542,151</u>

The financial statements on pages 8 to 18 were approved by the Board of directors on 27 June 2013 and were signed on its behalf by



D. R. Cheeseman
Director

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of presentation

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

The Company has taken advantage of section 400 of the Companies Act 2006 and has not produced consolidated financial statements on the basis that it is a subsidiary undertaking of AXA SA which prepares consolidated financial statements and is established under the laws of an E E A. State.

Under Financial Reporting Standard ("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 AXA group financial statements, which can be obtained from 23, avenue Matignon, 75008 Paris, France.

The Company has applied all applicable accounting standards and interpretations effective at 31 December 2012. There have been no new standards, changes to standards and interpretations which are effective for accounting periods beginning on or after 1 January 2012 that have a material impact on these financial statements.

Investment income

Investment income is accounted for on a receivable basis and interest is accrued up to the balance sheet date.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax balances, 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 using rates substantively enacted at the balance sheet date. Deferred tax balances have not been discounted.

Deferred tax assets are only recognised to the extent that they are expected to be recoverable.

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. STATEMENT OF ACCOUNTING POLICIES (Continued)

Investments

Investments in subsidiary undertakings are included in the balance sheet at cost unless their value has been permanently impaired, in which case they are valued at their realisable value or value in use as appropriate

2. MANAGEMENT OF FINANCIAL RISK

The Company as the holding company for the Winterthur group within the UK considers that the risk framework of the group as a whole is the key to understanding the business of the Company. Where specific risks or mitigation actions exist for the Company these have been specifically referred to

Financial risk management objectives and policies

The Company is exposed to financial risk through the inherent uncertainty in its subsidiaries undertaking insurance business affecting its financial assets and liabilities. The most important components of this risk are market (including interest rate and price risks), credit and liquidity risks.

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

A dedicated financial risk management function supports the individual business units by ensuring that a full understanding and control of financial risks is incorporated into management decision making and procedures.

The Company is exposed to financial risk directly through its transactions with other AXA UK plc group companies and indirectly through its subsidiaries' business operations affecting valuation of its direct subsidiaries in these financial statements. The most important components of this risk, given both the operating nature of the Company's direct subsidiary entities and the activities of the Company in its own right are capital assessment, liquidity and credit risks.

Capital assessment

The Winterthur UK group insurance operations are regulated by the Financial Conduct Authority and Prudential Regulation Authority respectively and are subject to insurance solvency regulations which specify the minimum amount and type of capital that must be held in addition to the insurance liabilities.

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****2. MANAGEMENT OF FINANCIAL RISK (Continued)**

The AXA UK group manages capital in accordance with these rules and has embedded in its processes the necessary tests to ensure continuous and full compliance with such regulations. Given the variability of the many inflows and outflows which are subject to price and other combinations of risk, regular monitoring of liability and asset profiles is undertaken to establish the implications for supporting capital requirements.

As a result of this capital management policy, the Company is periodically required to provide additional capital to its direct subsidiaries, WLUKH and WFSUKH. When necessary, the Company requests and receives additional capital from its parent company, AXA UK plc, in order to fund the additional capital to WLUKH and WFSUKH.

Liquidity and cash flow risk

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

Liquidity risk could arise from illiquid asset holdings, inappropriate asset/liability matching or inexact forecast operating liquidity requirements resulting in insufficient short-term (including intra-day) and longer-term liquidity.

This is controlled via regular liquidity risk monitoring and reporting in addition to regular short-term cash flow forecasting. A robust capital management framework is in place to ensure there are appropriate funding loan and overdraft facilities in place.

Credit risk

Non-investment credit risk arises from the exposure of the Company to intra-group debts with other companies in the AXA UK group and from debts due from third parties. The risk in respect of these debts is controlled through ongoing monitoring of amounts due.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2012 £000	2011 £000
Interest from cash on deposit	4	3
Interest from other investments	28	201
	<u>32</u>	<u>204</u>

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4. AUDITORS' REMUNERATION**

Auditors' remuneration in respect of audit fees for 2012 of £4,271 (2011 £3,902) was borne by WFS, a fellow group company

5. EMPLOYEE NUMBERS AND COSTS

The Company does not employ directly any staff (2011 none) All staff are employed by WFS Staff costs are borne by WFS and disclosed in the accounts of that company

6. DIRECTORS' EMOLUMENTS

The directors are employed and paid by companies in the AXA group and their directorships are held as part of that employment. The directors did not receive any emoluments or other benefits from the Company or from any other company in the AXA group in respect of services to the Company in the current or prior year

Mr. J P D L Drouffe, Mr P J Evans and Mr M. J Kellard were also directors of the intermediate parent company, AXA UK plc, 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

Mr D R. Cheeseman and Mr A J Purvis were also directors of AXA Portfolio Services Limited and their emoluments which relate to their services to the AXA group as a whole, are disclosed in the financial statements of that company

7. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	2012	2011
	£000	£000
Current tax:		
UK corporation tax charge for the current year	8	54
Tax on profit on ordinary activities	8	54

UK corporation tax is charged at a rate of 24.5% (2011 26.5%) There is no difference between the actual tax charge and the profit for the year taxed at the standard rate of corporation tax in the UK

There is no deferred tax, either recognised or unrecognised, at the end of the current or preceding financial year

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****7. TAXATION ON PROFIT ON ORDINARY ACTIVITIES (Continued)**

During the year, as a result of the changes in the UK corporation tax rate, from 25% to 24% (effective from 1 April 2012) and from 24% to 23% (effective from 1 April 2013), that were enacted in the Finance Act 2012, the relevant deferred tax balances have been re-measured on this basis. No impact is reflected in the tax charge for the year since the assets are unrecognised.

In the Budget announcement on 20 March 2013, the Government proposed an additional reduction in the UK corporation tax rate which will bring the rate to 20% with effect from 1 April 2015. The impact of the 3% rate change on the deferred tax asset on the balance sheet would be nil. The changes had not been substantively enacted at the balance sheet date and, therefore, are not recognised in these financial statements.

8. INVESTMENTS IN GROUP UNDERTAKINGS

Investments in group undertakings are

	2012	2011
	£000	£000
Shares in group undertakings:		
Cost as at 1 January	437,374	437,374
Increase	-	-
Cost as at 31 December	<u>437,374</u>	<u>437,374</u>
Provision against impairment:		
As at 1 January and 31 December	<u>139,316</u>	<u>139,316</u>
Shares in group undertakings - carrying value	<u>298,058</u>	<u>298,058</u>
Capital contributions to group undertakings		
Cost as at 1 January	192,105	137,105
Increase	54,300	55,000
Cost as at 31 December	<u>246,405</u>	<u>192,105</u>
Capital contributions to group undertakings - carrying value	<u>246,405</u>	<u>192,105</u>
Investments in group undertakings as at 31 December	<u>544,463</u>	<u>490,163</u>

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****8. INVESTMENTS IN GROUP UNDERTAKINGS (Continued)**

At 31 December 2012 the Company owned the whole of the issued ordinary share capital of the following group undertakings, all of which are incorporated in Great Britain and registered in England and Wales

Name	Nature of business
Winterthur Life UK Holdings Limited	Holding company
Winterthur Financial Services UK Holdings Limited	Holding company
Winterthur 1 Limited *	Dormant
AXA Wealth Limited *	Life and pensions business
AXA Wealth Services Limited *	Insurance and product distribution and pension trustee
Winterthur Financial Services UK Limited *	Management & administration services
Winterthur Systems Leasing Limited *	Dormant
Winterthur Trustee Services Limited *	Pension trustee
Winterthur 2 Limited *	Dormant
AXA Wealth Nominees Limited	Dormant

*These group undertakings are held indirectly through another wholly owned subsidiary undertaking

The directors believe that the carrying value of the investments is supported by their underlying net assets

On 30 April 2013 AXA Wealth Nominees Limited, Winterthur Systems Leasing Limited and Winterthur 2 Limited were dissolved. As a result the Companies no longer exist as legal entities and have been subsequently removed as group undertakings

9. DEBTORS

	2012	2011
	£000	£000
Amounts owed by group undertakings	43,747	43,747

Amounts owed by group undertakings are interest free, unsecured and repayable on demand

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****10. OTHER INVESTMENTS**

	2012	2011
	£000	£000
Cash investments	<u>-</u>	<u>14,232</u>

Cash investments in 2011 represented an investment in an interest-bearing cash liquidity fund. This decreased during the year, due to the Company providing WFSUKH with a capital contribution of £13.6m, with the remaining balance held as cash.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£000	£000
Amounts owed to group undertakings	<u>6,008</u>	<u>6,054</u>

The amounts owed to group undertakings includes £6m (2011: £6m) advanced by AXA Sun Life Direct Limited. The loan is interest free, unsecured and repayable on demand.

12. CALLED UP SHARE CAPITAL

	2012	2011
	£000	£000
Allotted and fully paid:		
192,001,002 ordinary shares of £1 each	<u>192,001</u>	<u>192,001</u>

13. MOVEMENT IN RESERVES

	Share premium account £000	Capital contribution £000	Profit and loss account £000	Total £000
Balance at 1 January 2012	299,999	409,218	(359,067)	350,150
Profit for the financial year	-	-	24	24
Capital contribution received during the year	-	40,700	-	40,700
Balance at 31 December 2012	<u>299,999</u>	<u>449,918</u>	<u>(359,043)</u>	<u>390,874</u>

WINTERTHUR UK FINANCIAL SERVICES GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****14. RELATED PARTY TRANSACTIONS**

As the Company is a wholly-owned subsidiary of AXA UK plc it has taken advantage of the exemption granted under Financial Reporting Standard 8 (Related Party Disclosures) where subsidiary undertakings do not have to disclose transactions with wholly owned Group companies.

The Company entered into transactions with related parties which do not qualify for the exemption under FRS 8. Such transactions are included in the financial statements under the following captions.

	Note	2012 £000	2011 £000
<i>Profit and loss account - interest receivable</i>			
AXA Investment Managers Luxembourg (as Note 3)	(a)	28	201
<i>Balance sheet – other investments</i>			
AXA Investment Managers Luxembourg	(b)	-	14,232

(a) Represents interest income on the Company's investment into the AXA IM Cash Sterling Liquidity Fund

(b) Represents the closing value of capital and accrued interest in respect of the Company's investment in the AXA IM Cash Sterling Liquidity Fund

15. IMMEDIATE AND ULTIMATE PARENT COMPANY

The Company is an immediate subsidiary of AXA UK plc, a company incorporated in Great Britain and registered in England and Wales

In the opinion of the directors, the Company's ultimate parent and controlling company is AXA, a company incorporated in France. The parent undertaking of the largest and smallest 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