

Agnew Higgins Pickering & Company Limited

**Annual report
for the year ended 31 December 2008**



Registration Number: 3440416

Directors' report for the year ended 31 December 2008

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2008.

Principal activities and review of the business

The Company previously acted as an insurance broker, having ceased to trade during 2007. It is no longer registered as an authorised intermediary with the FSA.

Results and dividends

The results of the Company for the year ended 31 December 2008 are set out in the financial statements on pages 5 to 14.

No dividend was declared for the year ended 31 December 2008 (final dividend 2007: £38,792,261).

Key performance indicators (KPIs)

The directors of Jardine Lloyd Thompson Group plc (JLT Group) manage the group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business. The development, performance and position of JLT Group, which includes the Company, is discussed on page 3 of the annual report of JLT Group which does not form part of this report.

Directors

The directors set out in the table below held office during the year ended 31 December 2008 and up to the date of signing these financial statements:

A E Agnew	(Chief Executive)
A J Ball	
S A Walton	

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly the principal risks and uncertainties of JLT Group, which include those of the Company, are discussed on pages 31 to 34 of the annual report of JLT Group which does not form part of this report.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently with the exception of the changes arising on the adoption of new accounting standards in the period as explained under 'Accounting policies'. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 31 December 2008 and that applicable accounting standards have been followed.

Directors' report for the year ended 31 December 2008

Statement of directors' responsibilities (*continued*)

The directors are responsible for keeping proper accounting records that 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 1985. 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.

All the directors who are in office at the date this report is approved confirm there is no relevant audit information of which the auditors are unaware and that each director has taken all reasonable steps to make himself aware of any relevant audit information and established that the auditors are aware of that information.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and their reappointment is confirmed in accordance with S487 Companies Act, 2006.

6 Crutched Friars

BY ORDER OF THE BOARD

LONDON EC3N 2PH

22 May 2009



D J HICKMAN

Secretary

Independent Auditors' report to the members of Agnew Higgins Pickering & Company Limited

We have audited the financial statements of Agnew Higgins Pickering & Company Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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 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 judgments 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.

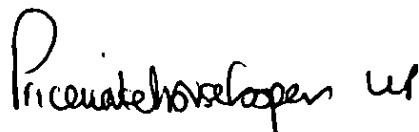
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Independent Auditors' report to the members of Agnew Higgins
Pickering & Company Limited**

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 2008 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.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers' followed by a stylized mark.

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors
Hay's Galleria
1 Hay's Lane
London
SE1 2RD

22 May 2009

Profit and loss account for the year ended 31 December 2008

		Year ended 31 December 2008	Year ended 31 December 2007
	Note	£000's	£000's
Turnover	3	-	917
Administrative expenses			
Excluding additional pension costs		(14)	(819)
Additional pension costs		-	(230)
		<u>(14)</u>	<u>(1,049)</u>
Operating loss	4		
Excluding additional pension costs		(14)	98
Additional pension costs		-	(230)
		<u>(14)</u>	<u>(132)</u>
Exceptional items		-	995
Profit on disposal of investment		-	38,792
(Loss)/Profit on ordinary activities before interest and tax		<u>(14)</u>	<u>39,655</u>
Interest receivable and similar income		3,009	914
Interest payable and similar charges	7	(2,669)	(9)
Profit on ordinary activities before tax		<u>326</u>	<u>40,560</u>
Tax on profit on ordinary activities	8	547	(41)
Profit for the financial year		<u>873</u>	<u>40,519</u>

All of the Company's turnover and operating profit relate to discontinued operations.

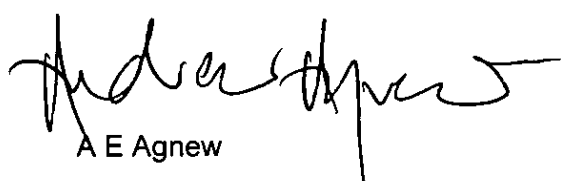
The Company had no recognised gains or losses other than those reflected in the profit and loss account above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before tax and the retained profit for the period stated above and their historical cost equivalents.

Balance Sheet as at 31 December 2008

	Note	31 December 2008 £000's	31 December 2007 £000's
Current assets			
Debtors	10	49,061	43,950
Cash at bank and in hand		169	1,985
		49,230	45,935
Creditors – amounts falling due within one year	12	(43,531)	(41,109)
Net current assets and net assets		5,699	4,826
Capital and reserves			
Called up share capital	13	1	1
Share premium	14	499	499
Profit and loss account	14	5,199	4,326
Total shareholders' funds (equity interests)	15	5,699	4,826

The financial statements on pages 5 to 14 were approved by the board of directors on 22 May 2009 and were signed on its behalf by:



A E Agnew

Director

**Notes to the financial statements
for the year ended 31 December 2008****1 Accounting policies****(a) Basis of preparation**

The financial statements are prepared under the historic cost convention and in accordance with Companies Act 1985 and applicable accounting standards which have been consistently applied.

A summary of the Company's principal accounting policies is set out below.

(b) Turnover

Turnover represents retained commissions and fees receivable.

Insurance Broking

Income relating to insurance broking is brought into account at the later of the policy inception date or when the policy placement has been completed and confirmed.

(c) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

(d) Pension costs

The Company operated a defined benefit pension scheme and defined contribution pension schemes.

Contributions payable in respect of the defined contribution schemes are charged to the profit and loss account as incurred.

The Company's defined benefit scheme is part of the JLT Group defined benefit scheme, which was closed to future accruals for existing members on 1 December 2006. Full disclosure of the scheme is given in the consolidated accounts of Jardine Lloyd Thompson Group plc for the year ended 31 December 2008. The Company is unable to identify its share of the underlying assets and liabilities of the scheme and as a result contributions payable in respect of the defined benefit scheme are charged to the profit and loss account as incurred. From 1 December 2006 members of the defined benefit scheme became eligible to join the JLT Group defined contribution scheme.

Notes to the financial statements for the year ended 31 December 2008

(e) Operating leases

Rental payments made in respect of operating leasing arrangements are charged to the profit and loss account over the lease term.

(f) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Exchange differences arising on translation are taken directly to the profit and loss account to the extent that the Company is exposed to exchange differences arising on such assets and liabilities. Exchange differences arising from trading activities are dealt with in the profit and loss account. Profits or losses arising from forward foreign exchange contracts that are taken out to hedge the currency exposure arising from future income are recognised in the profit and loss account as they are realised.

(g) Dividend distribution

Dividends proposed or declared after the balance sheet date are not recognised as a liability at the balance sheet date. Final dividends are recognised once formally approved by the board and interim dividends are charged once paid.

2 Cash flow statement and related party disclosures

The Company is a wholly owned subsidiary of Jardine Lloyd Thompson Group plc (JLT Group) and is included in the consolidated financial statements of JLT Group, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996). The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the JLT Group or investees of the JLT Group. All related party transactions external to the Group are disclosed in the consolidated financial statements of Jardine Lloyd Thompson Group plc.

3 Turnover

	Year ended 31 December 2008 £000's	Year ended 31 December 2007 £000's
Geographical analysis of turnover:		
Europe	-	495
North America	-	168
Rest of the World	-	254
	<hr/>	<hr/>
	-	917

All of the Company's turnover relates to discontinued operations.

**Notes to the financial statements
for the year ended 31 December 2008**

4 Operating loss

	Year ended 31 December 2008 £000's	Year ended 31 December 2007 £000's
Operating loss is stated after charging:		
Staff costs, including directors' remuneration:		
Wages and salaries	-	373
Social security costs	-	34
Other pension costs (including additional pension costs)	-	244
Other staff costs	-	19
	<hr/>	<hr/>
	-	670
	<hr/>	<hr/>
Depreciation and amortisation of owned assets	-	19
Operating lease charges	-	14
Adjustment to prior year audit provision	14	-
Auditors' remuneration		
Audit of the Company	-	15
Audit related	-	8
	<hr/>	<hr/>
	-	23
	<hr/>	<hr/>

Auditors' remuneration for the statutory audit of the accounts of the Company for the year ended 31 December 2008 is £2,500, and was paid on behalf of the Company, by Jardine Lloyd Thompson Limited.

Additional pension costs charged to the profit and loss relate to the Company's share of the additional injection into the JLT Group defined benefit scheme.

5 Directors' emoluments

	Year ended 31 December 2008 £000's	Year ended 31 December 2007 £000's
Aggregate emoluments excluding pension scheme contributions	-	23
Company contributions for money purchase pension schemes	-	1
	<hr/>	<hr/>

No directors received any remuneration during the period in respect of their services to the Company.

There were no directors (2007: 1 director) for whom retirement benefits were accruing under money purchase pension schemes.

In 2007, the total remuneration in respect of the highest paid director was below the de minimis required for disclosure.

**Notes to the financial statements
for the year ended 31 December 2008**

6 Employee information

Year ended 31 December 2008 Number	Year ended 31 December 2007 Number
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The average number of persons employed by the Company (including directors), during the period, split by activity was as follows:

Broking and technical	-	3
Administration	-	1
	-	4

7 Interest payable and similar charges

Year ended 31 December 2008 £000's	Year ended 31 December 2007 £000's
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Group interest and similar charges payable	2,669	9
	2,669	9

8 Tax on profit on ordinary activities

Year ended 31 December 2008 £000's	Year ended 31 December 2007 £000's
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UK Corporation Tax

Current tax on income for the year	(555)	-
Deferred tax	-	128
Deferred tax prior year	8	(87)
Tax on profit on ordinary activities	(547)	41

The tax charge for the period is lower (2007 - lower) than the standard rate of Corporation Tax in the UK - 28% (2007: 30%). The differences are explained overleaf:

**Notes to the financial statements
for the year ended 31 December 2008**

8 Tax on profit on ordinary activities (*continued*)

	Year ended 31 December 2008 £000's	Year ended 31 December 2007 £000's
Profit on ordinary activities before tax	326	40,560
UK Corporation Tax on profit on ordinary activities at 28.5% (2007: 30%)	93	12,168
Permanent additions to taxable result (principally entertaining and other disallowable expenses)	-	23
Permanent deductions from taxable result (principally non taxable gain on group restructuring and losses surrendered by other group companies)	-	(11,633)
Group relief claimed	(93)	(432)
Book depreciation in excess of tax depreciation	-	6
Increase in provisions not deductible in the period / decrease in provisions not deducted in prior periods	-	(95)
Other temporary differences	-	(37)
Adjustments to current tax charge for prior periods	(555)	-
Current tax charge for the year	(555)	-

The Corporation Tax rate was reduced from 30 per cent to 28 per cent in the 2007 Budget (effective from 1 April 2008).

9 Dividends

	Year ended 31 December 2008 £000's	Year ended 31 December 2007 £000's
Final dividend paid	-	38,792
	-	38,792

Notes to the financial statements for the year ended 31 December 2008

10 Debtors

	31 December 2008 £000's	31 December 2007 £000's
Amounts falling due within one year		
Amounts due from fellow group undertakings	49,061	43,774
Deferred tax (note 11)	-	8
Tax and social security	-	45
Other debtors	-	102
Prepayments and accrued income	-	21
	<u>49,061</u>	<u>43,950</u>

Amounts due from fellow group undertakings are unsecured, interest free and are repayable on demand with the exception of certain amounts due from group undertakings of £46,145,425 (£2007: £3,088,162) on which an interest rate of 6.52% (2007: 6.81%) has been charged.

11 Provision for deferred tax

	31 December 2008 £000's	31 December 2007 £000's
Share-based payments	-	8
Closing deferred tax asset	-	8
Reconciliation of movement in deferred tax provision:		
	£000's	
Provision at 1 January 2008	8	
Profit & loss account debit	(8)	
Provision at 31 December 2008	<u>-</u>	

12 Creditors – amounts falling due within one year

	31 December 2008 £000's	31 December 2007 £000's
Amounts due to fellow group undertakings	43,531	40,871
Tax and social security	-	1
Other creditors	-	214
Accruals and deferred income	-	23
	<u>43,531</u>	<u>41,109</u>

Amounts due to fellow group undertakings are unsecured, interest free and are repayable on demand with the exception of certain amounts due to group undertakings of £40,925,830 (2007: £135,453) on which an interest rate of 6.52% (2007: 6.81%) has been charged.

Notes to the financial statements for the year ended 31 December 2008

13 Share capital

	31 December 2008 £000's	31 December 2007 £000's
Authorised:		
10,000 ordinary shares of £1 each	<u>10</u>	<u>10</u>
Allotted and fully paid:		
1,038 ordinary shares of £1 each	<u>1</u>	<u>1</u>

14 Reserves

	Share Premium Account £000's	Profit & Loss Account £000's
At 1 January 2008	499	4,326
Profit for the financial year	<u>-</u>	<u>873</u>
At 31 December 2008	<u>499</u>	<u>5,199</u>

15 Reconciliation of movements in shareholders' funds

	31 December 2008 £000's	31 December 2007 £000's
Profit for the financial year	873	40,519
Dividends	<u>-</u>	<u>(38,792)</u>
Net addition to shareholders' funds	873	1,727
Opening shareholders' funds	<u>4,826</u>	<u>3,099</u>
Closing shareholders' funds	<u>5,699</u>	<u>4,826</u>

**Notes to the financial statements
for the year ended 31 December 2008**

16 Financial commitments

The Company has annual commitments under non-cancellable operating leases as set out below:

	31 December 2008 £000's	31 December 2007 £000's
Land & Buildings - expiring over more than five years	428	428

The operating lease commitment relates to premises formerly occupied by the Company. During 2007, another JLT Group company occupied the premises, and the costs were subsequently recorded in their books. The Company expects all future costs pertaining to these premises to continue to be met by that Group company. However, the lease will remain in the name of the Company for the foreseeable future.

In the normal course of business the Company entered into hedge agreements to limit its exposure to interest rate movements on cash balances held. The notional principal amounts of outstanding interest rate swaps as at 31 December 2008 total US\$nil (2007 – US\$5,000,000).

17 Parent undertakings

The Company's immediate parent undertaking is Specialty Risk Broking Limited, a company registered in England.

Jardine Lloyd Thompson Group plc is the ultimate parent undertaking and controlling party for which consolidated group accounts are prepared and of which the Company is a member.

Copies of the group accounts can be obtained from:

Name	Jardine Lloyd Thompson Group plc
Country of incorporation or registration	England
Address from where copies of the group accounts can be obtained	6 Crutched Friars London EC3N 2PH