

Registered Number 06777255

ALLIANCE INSURANCE HOLDINGS LIMITED

Annual report and Financial Statements

for the 18 month period ended 31 December 2016



Registered Office: 1 Tower Place West Tower Place London EC3R 5BU

Registered Number 06777255

ALLIANCE INSURANCE HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS

J. M. Pickford
P. F. Clayden

COMPANY SECRETARY

D. J. Hodges

INDEPENDENT AUDITOR

Deloitte LLP
Statutory Auditor
London, United Kingdom

ALLIANCE INSURANCE HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of Alliance Insurance Holdings Limited ("the Company") for the 18 month period ended 31 December 2016. The Directors' Report has been prepared in accordance with the special provisions relating to small companies entitled to the small companies' exemption. The Company's registration number is 06777255.

PRINCIPAL ACTIVITY

The principal activity is that of an intermediary holding company.

STRATEGIC REPORT

The Company qualifies as a small company as defined in s382 of the Companies Act 2006 and is exempt from the preparation of a Strategic Report as defined by the Companies Act 2006 (Strategic Report and Directors' Report) regulations 2013 no. 1970.

DIRECTORS

The directors of the Company who were in office during the period and up to the date of approval of the financial statements are shown on page 1. The directors who have served for part of the period are given below:

R.C. Willet resigned as a director of the Company on 31 October 2016.

A. Wilkinson was appointed as a director of the Company on 31 October 2016 and resigned as a director of the Company on 31 December 2016.

R.C.W. Organ was appointed as a director of the Company on 31 October 2016 and resigned as a director of the Company on 1 February 2017.

D.L. Maltby resigned as a director of the Company on 31 October 2016.

D.J. Lane resigned as a director of the Company on 31 October 2016.

N.R. Jamieson resigned as a director of the Company on 31 October 2016.

P.F. Clayden was appointed as a director of the Company on 18 January 2017.

J.M. Pickford was appointed as a director of the Company on 18 January 2017.

RESULTS AND DIVIDENDS

The Company continued to act as a holding company.

The directors declared and paid dividends of £359,760 during the period (2015: £265,250).

CHANGE OF ACCOUNTING REFERENCE DATE

The Company's management have reviewed the Company's accounting reference date and this was changed from 30 June to 31 December, in order to align its accounting period with the other companies in the Marsh & McLennan Companies, Inc. Group.

FUTURE DEVELOPMENTS

Following a management review of the role of the Company, the Company has ceased trading and it is anticipated that, following an orderly wind-down, an application will be made to put the Company into Members Voluntary Liquidation in the near future.

ALLIANCE INSURANCE HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

GOING CONCERN

Following the transfer of trade and assets of its subsidiary, Northern Alliance Brokers Limited to Bluefin Insurance Services Limited on 1 November 2016, the Company has ceased trading and is expected to be struck off in the foreseeable future.

As required by FRS 102 Accounting Policies, the directors have prepared the financial statements on the basis that the Company is no longer a going concern. This resulted in no adjustments compared to the going concern basis of preparation.

INDEMNITY

The Company has put in place an indemnity in the Articles of Association to indemnify directors and officers of the Company against losses or liabilities sustained in the execution of their duties of office. The indemnity is a qualifying third party indemnity provision under s232 and s234 of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a director of the Company at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

AUDITOR

Mazars LLP resigned as auditors on 31 December 2016. Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

ALLIANCE INSURANCE HOLDINGS LIMITED**DIRECTORS' REPORT (CONTINUED)**

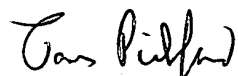
DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments and accounting estimates that are reasonable and prudent;
- 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.



J. M. Pickford **DIRECTOR**

27th September 2017

Alliance Insurance Services Limited
1 Tower Place West
Tower Place
London
EC3R 5BU

ALLIANCE INSURANCE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLIANCE INSURANCE HOLDINGS LIMITED

We have audited the financial statements of Alliance Insurance Holdings Limited for the period ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 13. 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), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland".

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 auditor's 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 AUDITOR

As explained more fully in the Statement of Directors' Responsibilities, 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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 and of its profit for the period 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.

EMPHASIS OF MATTER - Financial statement prepared other than on a going concern basis

In forming our opinion on the financial statements, which are not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

ALLIANCE INSURANCE HOLDINGS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLIANCE INSURANCE
HOLDINGS LIMITED (CONTINUED)**

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

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
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report or from the requirement to prepare a Strategic Report.



Adam Knight, ACA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

27 SEPTEMBER 2017

ALLIANCE INSURANCE HOLDINGS LIMITED**STATEMENT OF COMPREHENSIVE INCOME**
for the 18 month period ended 31 December 2016

	Note	18 month Period ended 31 December 2016 £	Year ended 30 June 2015 £
Investment income	4	359,760	265,250
Profit on ordinary activities before taxation		<u>359,760</u>	<u>265,250</u>
Tax on profit on ordinary activities	5	-	-
Profit for the period/year		<u>359,760</u>	<u>265,250</u>
Total comprehensive income		<u>359,760</u>	<u>265,250</u>

All transactions derive from discontinued operations.

There is no other comprehensive income in 2015 or 2016.

The information on pages 10 to 14 forms an integral part of these financial statements.

ALLIANCE INSURANCE HOLDINGS LIMITED**STATEMENT OF FINANCIAL POSITION**

as at 31 December 2016

	Note	31 December 2016 £	30 June 2015 £
Fixed assets			
Investments in subsidiaries	7	100	100
Current assets			
Debtors: Amounts falling due within one year	8	-	2,170
		<u>-</u>	<u>2,170</u>
Creditors: Amounts falling due within one year	9	-	(2,170)
Net current assets		<u>-</u>	<u>-</u>
Total assets less current liabilities		100	100
Total net assets		<u>100</u>	<u>100</u>
Capital & reserves			
Called-up share capital	10	100	100
Profit and loss account	11	-	-
Total shareholder's funds		<u>100</u>	<u>100</u>

The Statement of Financial Position has been prepared in accordance with the small companies regime under the Companies Act 2006.

The financial statement of Alliance Insurance Holdings Limited (registered number 06777255) were approved by the Board of Directors and authorised for issue on 27th September 2017

They were signed on its behalf by



P. F. Clayden
Director

27th September 2017

The information on pages 10 to 14 forms an integral part of these financial statements.

ALLIANCE INSURANCE HOLDINGS LIMITED**STATEMENT OF CHANGES IN EQUITY**
for the 18 month period ended 31 December 2016

	Note	Called-up Share Capital £	Profit and Loss Account £	Total £
Balance at 1 January 2015		100	-	100
Profit for the financial year 2015	4	-	265,250	265,250
Dividends Paid	6	-	(265,250)	(265,250)
Balance at 31 December 2015		100	-	100
Profit for the financial period 2016	4	-	359,760	359,760
Dividends Paid	6	-	(359,760)	(359,760)
Balance at 31 December 2016		100	-	100

The information on pages 10 to 14 forms an integral part of these financial statements.

ALLIANCE INSURANCE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding year.

General information and basis of accounting

Alliance Insurance Holdings Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 4. Alliance Insurance Holdings Limited is a private company limited by shares. The nature of the Company's operations and its principal activities are set out in the Directors Report on pages 2 to 3.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The financial year end of the Company has been changed during the period to 31 December in order to align the financial year end with other Marsh entities. Hence, the financial statement has been prepared for a longer period. The comparative amounts presented in the financial statement (including the related notes) are not entirely comparable.

The functional currency is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the Company operates.

Alliance Insurance Holdings Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of:

- the presentation of a statement of cash flows and related notes;
- disclosure of inter-group transactions within the wholly-owned group;
- exposure to and management of financial risks;
- categories of financial instruments; and
- key management personnel.

Shareholders have been notified in writing and do not object to the disclosure exemptions. The group consolidated financial statements of Marsh & McLennan Companies Inc. can be obtained from the address listed

Going concern

Following the transfer of trade and assets of its subsidiary, Northern Alliance Brokers Limited to Bluefin Insurance Services Limited on 1 November 2016, the Company has continued to act as a holding company.

As required by FRS 102 Accounting Policies, the directors have prepared the financial statements on the basis that the Company is no longer a going concern. This resulted in no adjustments compared to the going concern basis of preparation.

ALLIANCE INSURANCE HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

1. SIGNIFICANT ACCOUNTING POLICIES (cont.)**Investments**

Fixed asset investments are shown at cost less provisions for any impairment. Impairment and impairment reversals are measured by comparing the carrying value of the asset with its future discounted cash flow. Any impairment that have subsequently been reversed are capped to their historical acquisition cost.

Dividends

Dividends payable are accounted for when declared.

Taxation

Current tax, including United Kingdom corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Critical accounting judgements and key source of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the directors are required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The directors have reviewed the critical judgements (apart from those involving estimations) in applying the Company's accounting policies and consider that there are no significant items to report on amounts recognised in the financial statements.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Certain directors of the Company are also directors of a fellow group undertaking, Marsh Limited. The costs for these directors are disclosed in the financial statements of Marsh Limited, as the directors believe it is impractical to split the amounts for these directors between their services as directors of the Company and their services as directors or employees of other Marsh & McLennan Companies, Inc. Group companies.

For the other directors, the emoluments shown above reflect the total emoluments received by them for services relating to the Company and other companies in both the AXA Group prior to 31 December 2016 and, subsequently, the Marsh & McLennan Companies, Inc., Group (the "Group") during the year under review. The directors' emoluments disclosed above are not allocated to a Group company in receipt of an individual's specific service. Emoluments are paid by the directors' employing company within the Group and subsequently recharged to the Company.

Where the Company's directors are in receipt of share-based payments and awards as part of their overall remuneration, these are disclosed in the financial statements of Marsh Services Limited, the group's principal employing company.

ALLIANCE INSURANCE HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****3. AUDITORS REMUNERATION**

2016 audit fees of £5,500 (2015: £3,000) have been borne by Bluefin Insurance Group Limited, the Company's immediate parent company.

4. INCOME RECEIVABLE AND SIMILAR INCOME

	period ended 31 December 2016 £	year ended 30 June 2015 £
Income from subsidiary undertakings	<u>359,760</u>	<u>265,250</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The rate of corporation tax for the period to 31 December 2016 was 20.00% (Year to 30 June 2015: 20.25%).

	period ended 31 December 2016 £	year ended 30 June 2015 £
The taxation charge comprises:		
United Kingdom corporation tax based on the profit for the period at 20.00% (2015: 20.25%)	-	-

Total tax charge on profit on ordinary activities

The total tax charge (2015: charge) of £nil (2015: £nil) is lower (2015: lower) than that resulting from applying the standard rate of corporation tax in the UK in 2016 of 20.00% (2015: 20.00%).

The differences are explained below:

Profit on ordinary activities before tax	<u>359,760</u>	<u>265,250</u>
Expected Tax (charge) for the period calculated at 20.00% (2015 - 20.00%) of the Profit before Tax	(71,952)	(53,050)
Effects of:		
Income not taxable in determining taxable profit	71,952	53,050
Actual tax charge	<u>-</u>	<u>-</u>

The rate of corporation tax reduced from 20% to 19% from 1 April 2017 and will reduce from 19% to 17% from 1 April 2020.

ALLIANCE INSURANCE HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****6. DIVIDENDS**

	period ended 31 December 2016 £	year ended 30 June 2015 £
Paid during the period/ year		
Dividends on ordinary shares	<u>359,760</u>	<u>265,250</u>

7. INVESTMENTS IN SUBSIDIARIES

	31 December 2016 £	30 June 2015 £
Shares in subsidiary undertakings at cost:		
At 1 July 2015 and 31 December 2016	<u>100</u>	<u>100</u>

	Principal activity	Registered office address	Shares held class	%
Northern Alliance Brokers Ltd	Insurance Intermediary	England and Wales	Ordinary	100

In the opinion of the directors the value of the investment in the Company's subsidiaries is not less than the amount at which it is included in the Statement of Financial Position.

8. DEBTORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2016 £	30 June 2015 £
Amounts owed by group undertakings	<u>-</u>	<u>2,170</u>

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

9. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2016 £	30 June 2015 £
Directors' accounts	<u>-</u>	<u>2,170</u>
	<u>-</u>	<u>2,170</u>

ALLIANCE INSURANCE HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****10. CALLED-UP SHARE CAPITAL**

	2016 £	2015 £
Allotted, called-up and fully-paid:		
100 Ordinary A shares of £1 each	100	100
	<u>100</u>	<u>100</u>

The share capital of the Company consists of fully paid ordinary shares with a par value of £1 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of the Company.

11. RESERVES

Profit and loss account - Profit and loss account includes all current and prior year retained profits and losses.

12. GROUP FINANCIAL STATEMENTS

Group financial statements are not prepared in line with s401 of the Companies Act 2006 as the Company is itself a wholly owned subsidiary and is included in the consolidated financial statements of Marsh & McLennan Companies, Inc., its ultimate parent company. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group.

13. IMMEDIATE AND ULTIMATE PARENT COMPANIES

The Company's immediate parent company is Bluefin Insurance Group Limited registered in England and Wales.

Prior to 31 December 2016, the Company's ultimate parent company and controlling entity was AXA Group, a company incorporated in France. From 31 December 2016, the Company's ultimate parent company and controlling entity is Marsh & McLennan Companies, Inc., incorporated in the state of Delaware, United States of America.

The smallest and largest Group in which the results of the Company are consolidated is that headed by Marsh & McLennan Companies, Inc. The consolidated financial statements of Marsh & McLennan Companies, Inc. are available to the public and may be obtained from:

Companies House
Crown Way
Maindy
Cardiff
CF14 3UZ

and also from:

The Company Secretary
MMC Treasury Holdings (UK) Limited
1 Tower Place West
Tower Place
London
EC3R 5BU