

ACE CAPITAL VI LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2007

COMPANY REGISTRATION NUMBER 3219204

TUESDAY



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COMPANIES HOUSE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2007

The directors are pleased to submit their report and the audited financial statements for the year to 31 December 2007

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company was that of a corporate underwriting member of Lloyd's. Its last year of underwriting was 1999. During the year, the directors of a group undertaking approved the waiver of an amount due from the company of £197,000. As a result of this waiver, and the write-off of share capital not paid, shareholder's funds have increased during the year to £Nil (2006 £(191,000)).

FUTURE DEVELOPMENTS

The company no longer trades as a corporate underwriting member of Lloyd's. From 1 January 2008, the company will be treated as dormant.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties of the company are negligible as the company no longer trades as a corporate underwriting member of Lloyd's.

KEY PERFORMANCE INDICATORS (KPIs)

Given the nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

RESULTS AND DIVIDENDS

The profit for the year to 31 December 2007 after taxation amounted to £191,000 (2006 £Nil). The directors do not recommend the payment of a dividend (2006 £Nil).

DIRECTORS

The following have been directors from 1 January 2007 to the date of this report unless otherwise indicated.

ACE London Group Limited	
R L Cigelnik	(Resigned 31 January 2007)
P M Curtis	

The company has the benefit of a group insurance company management activities policy effected by ACE Limited. No charge was made to the company during the year for this policy.

DIRECTORS' INTERESTS

In accordance with The Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985 (SI 1985/802), the directors' interests in ACE Limited, the ultimate holding company, are not disclosed in these financial statements.

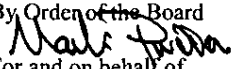
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

- i) So far as each of them is aware, there is no information relevant to the audit of the company's financial statements for the year ended 31 December 2007 of which the auditors are unaware, and
- ii) The director has taken all steps that he/she ought to have taken in his/her duty as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The company's auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. On 23 June 1999 the company passed an elective resolution to dispense with the obligation to appoint auditors annually.

By Order of the Board

For and on behalf of
ACE London Services Limited
Secretary, 12 March 2008

ACE Building
100 Leadenhall Street
London
EC3A 3BP

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 1985 to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for the financial period

The directors confirm that suitable accounting policies have been used and applied consistently, with the exception of changes arising on the adoption of new accounting standards in the year, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 2007. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis

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

INDEPENDENT AUDITORS' REPORT

to the members of ACE Capital VI Limited

We have audited the financial statements of ACE Capital VI Limited for the year ended 31 December 2007 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

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 2007 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

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
12 March 2008

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	2007 £'000	2006 £'000
NON-TECHNICAL ACCOUNT			
BALANCE ON THE GENERAL BUSINESS TECHNICAL ACCOUNT		-	-
Other charges, including value adjustments	3, 6	(6)	-
Other income	4	197	-
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		191	-
Tax on profit on ordinary activities	5	-	-
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	7	191	-
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There have been no transactions on the technical account during either 2007 or 2006, accordingly, a technical account is not presented

All of the above results derive from discontinued operations

The company has no recognised gains or losses other than those presented and hence no separate Statement of Total Recognised Gains and Losses is presented

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

BALANCE SHEET AT 31 DECEMBER 2007

	Note	2007 £'000	2006 £'000
ASSETS			
DEBTORS – amounts falling due within one year			
Called-up share capital not paid	6	-	6
TOTAL ASSETS		-	6
LIABILITIES			
CAPITAL AND RESERVES			
Called-up share capital	6	16	16
Profit and loss account	7	(16)	(207)
TOTAL SHAREHOLDER'S FUNDS	8	-	(191)
CREDITORS – amounts falling due within one year			
Other creditors including taxation and social security	9	-	197
TOTAL LIABILITIES		-	6

The financial statements on pages 3 to 7 were approved by the board of directors on 12 March 2008 and were signed on its behalf by



P M Curtis

Director

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the provisions of Section 255 of, and Schedule 9A to, the Companies Act 1985 ("the Act"), and in accordance with the Statement of Recommended Practice on Accounting for Insurance Business issued by the Association of British Insurers ("the ABI SORP") dated December 2005 and applicable accounting standards in the United Kingdom. The company is a wholly owned subsidiary within the ACE Limited group and is included within the consolidated financial statements of ACE Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised) "Cash Flow Statements".

2. DIRECTORS AND EMPLOYEES

The company has no employees. The directors received no emoluments for their services to the company (2006: £Nil).

3 OTHER CHARGES, INCLUDING VALUE ADJUSTMENTS

The company's audit fee of £1,000 (2006: £6,000) is borne by ACE INA Services U.K. Limited.

4 WRITE BACK OF DEBT DUE TO GROUP UNDERTAKING

During the year, the company benefitted from the write back of a liability due to a group undertaking amounting to £197,000. This is included within other income. The directors of the group undertaking concerned have approved the waiver of the debt due from the company.

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in period

	2007 £'000	2006 £'000
Current tax (note 5 (b))	-	-

(b) Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2007 £'000	2006 £'000
Profit on ordinary activities before taxation	191	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2006: 30%)	57	-
Effects of:		
Write back of liability not chargeable to corporation tax	(59)	-
Write-off of share capital not paid not deductible for tax purposes	2	-
Current tax charge for period (note 5 (a))	-	-

NOTES TO THE FINANCIAL STATEMENTS

6. CALLED-UP SHARE CAPITAL

	2007 £'000	2006 £'000
Authorised		
100 Deferred shares of £1 each	-	-
99,900 Redeemable ordinary shares of £1 each	100	100
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	100	100
	<hr/>	<hr/>
Allotted and issued		
2 Deferred shares of £1 each	-	-
5,001 Redeemable 1997 ordinary shares of £1 each	5	5
5,260 Redeemable 1998 ordinary shares of £1 each	5	5
5,800 Redeemable 1999 ordinary shares of £1 each	6	6
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	16	16
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Allotted and issued share capital not paid		
5,800 Redeemable 1999 ordinary shares of £1 each	-	6
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The deferred shares are not entitled to receive any dividend. On winding up the holders are entitled to receive the amount paid up on their shares after all other shareholders in the company have been repaid their capital in full. The holders have no voting rights.

During the year, the balance of £6,000 due in respect of share capital not paid was written off, as this balance was considered irrecoverable. This write off is included within other charges.

7. RESERVES

	Profit and loss account £'000
At 1 January 2007	(207)
Profit for the financial year	191
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At 31 December 2007	(16)
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8. RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

	2007 £'000	2006 £'000
Profit for the financial year	191	-
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Net addition to shareholder's funds	191	-
Opening shareholder's funds	(191)	(191)
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Closing shareholder's funds	-	(191)
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NOTES TO THE FINANCIAL STATEMENTS

9. OTHER CREDITORS INCLUDING TAXATION AND SOCIAL SECURITY

	2007 £'000	2006 £'000
Amounts due to group undertakings	-	197

10. TRANSACTIONS WITH RELATED PARTIES

Advantage has been taken of the exemption provided in FRS 8 "Related Party Disclosures" from disclosing details of transactions with ACE Limited and its subsidiary undertakings

11. ULTIMATE HOLDING COMPANY

The company's immediate holding company is ACE London Group Limited. The ultimate holding company is ACE Limited, a company registered in the Cayman Islands, with its headquarters in Bermuda and quoted on the New York Stock Exchange. Copies of the ultimate holding company's consolidated accounts can be obtained from Investor Relations at ACE Global Headquarters, 17 Woodbourne Avenue, Hamilton HM 08, Bermuda.