

No. 295258

THE CAMBRIAN INSURANCE COMPANY LIMITED  
DIRECTORS' REPORT AND ACCOUNTS FOR THE  
YEAR ENDED 31ST DECEMBER 1988



THE CAMBRIAN INSURANCE COMPANY LIMITED

REGISTERED OFFICE: Royal Exchange, London EC3V 3LS

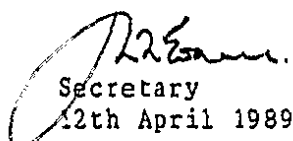
NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at 68 King William Street, London, EC4N 7BU on Thursday, 18th May 1989 at 12.30 p.m. for the following purposes:-

To receive the report of the Directors and the accounts for the year ended 31st December 1988.

To re-appoint the Auditors and to authorise the Directors to fix their remuneration.

By order of the Board,

  
Secretary  
12th April 1989

A member entitled to attend and vote is entitled to appoint a proxy, who need not himself be a member, to attend and vote in his stead.

# THE CAMBRIAN INSURANCE COMPANY LIMITED

## DIRECTORS

S.A. Hopkins, A.C.I.I. (Chairman)  
D.F. Cooper, M.A.  
J.M.R. Evans, F.C.A.  
B.R. King, F.C.A.

SECRETARY J.M.R. Evans, F.C.A.

AUDITORS Coopers & Lybrand

## REPORT OF THE DIRECTORS

for the year ended 31st December 1988

The Directors present their report and the accounts of the Company for the year ended 31st December 1988.

## REVIEW OF ACTIVITIES

There was no change during the year in the principal activity of the Company, which consisted of the writing of short-term insurance business. This business has been reinsured with the holding company, Guardian Royal Exchange Assurance plc, and certain fellow subsidiary companies and the performance of short-term insurance contracts issued by the Company is guaranteed by Guardian Royal Exchange Assurance plc.

## RESERVE

The movement on reserve is set out in note 5 on page 6.

## DIRECTORS

The names of the Directors of the Company at the date of this report appear above.

## DIRECTORS' INTERESTS

According to the register kept under section 325 of the Companies Act 1985, the interests of Directors in the share capital and debentures of the ultimate holding company, Guardian Royal Exchange plc, and its subsidiaries at 31st December 1988 and 1st January 1988 are as set out below.

	<u>At 31st December 1988</u>	<u>At 1st January 1988</u>
D.F. Cooper	2,540*	780*
J.M.R. Evans	8,015*	6,515*
B.R. King	9,465*	7,945*

\*Ordinary shares held in Guardian Royal Exchange plc  
The ordinary shares of 25p were sub-divided into five  
ordinary shares of 5p each on 18th July 1988. The  
holdings at 1st January 1988 have been expressed as  
5p shares for comparative purposes.

As permitted by Statutory Instrument the register does not include the interests of S.A. Hopkins which are reported by Guardian Royal Exchange plc.

THE CAMBRIAN INSURANCE COMPANY LIMITED

AUDITORS

A resolution to re-appoint the Auditors, Coopers & Lybrand, and to authorise the Directors to fix their remuneration will be proposed at the Annual General Meeting.

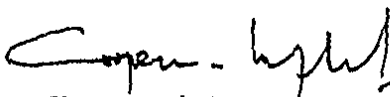
By order of the Board.

  
Secretary  
12th April 1989

REPORT OF THE AUDITORS  
to the members of The Cambrian Insurance Company Limited

We have audited the accounts on pages 5 to 7 in accordance with approved Auditing Standards.

In our opinion the accounts comply with the provisions of the Companies Act 1985 applicable to insurance companies.

  
Chartered Accountants  
London, 12th April 1989

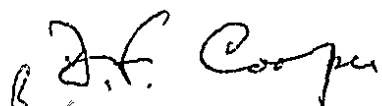

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S. A.  
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THE CAMBRIAN INSURANCE COMPANY LIMITED

BALANCE SHEET

as at 31st December 1988

	<u>Note</u>	1988	1987
in thousands of pounds			
<b>ASSETS</b>			
Investments	3,6	263	277
Amount due from holding company		268	139
		—	—
<b>TOTAL ASSETS</b>		<b>531</b>	<b>416</b>
		<b>===</b>	<b>===</b>
Representing:			
Share capital	4	250	250
Share premium		122	122
Reserve	5	159	44
		—	—
<b>SHAREHOLDERS' FUNDS</b>		<b>531</b>	<b>416</b>
		<b>===</b>	<b>===</b>

 Director  
 Director

London, 12th April 1989

The notes on pages 6 and 7 form part of these accounts.

# THE CAMBRIAN INSURANCE COMPANY LIMITED

## NOTES ON THE ACCOUNTS

### ACCOUNTING POLICIES

#### 1. Companies Act 1985

As permitted by the Companies Act 1985, the accounts are prepared in accordance with the requirements of Chapter II of Part VII of that Act.

#### 2. Exchange

Currencies of territories other than the United Kingdom are translated to sterling at the rates ruling on 31st December.

#### 3. Valuation of investments

Stock exchange and other marketable securities are stated at market value. The unrealised surplus over book value arising from the values attributed to investments is included in revaluation reserve (Note 5).

### OTHER NOTES

4. <u>Share capital</u>	1988	1987		
	Authorised £'000	Paid-up £'000	Authorised £'000	Paid-up £'000

450,000 shares of £1 each	450		450	
	===		===	

250,000 shares of £1 each fully paid		250		250
		===		===

5. <u>Reserve</u>	1988	1987
	£'000	£'000

Revaluation reserve:-

At 1st January	44	68
Movement during the year	115	(24)
At 31st December	159	44
	===	===

6. <u>Investments</u>	1988	1987
	£'000	£'000

Ordinary stocks and shares	263	277
	===	===

#### 7. General

All the business of the Company has been reinsured with the holding company and certain fellow subsidiary companies. All the investment income and the assets, with the exception of those shown in the balance sheet, have been transferred to these companies in satisfaction of the Company's liabilities.

THE CAMBRIAN INSURANCE COMPANY LIMITED

8. Ultimate holding company

The Directors of the Company regard as its ultimate holding company Guardian Royal Exchange plc, incorporated in England.

9. Directors' emoluments

The Directors have received no remuneration or other emoluments for the year (1987 - Nil).

10. Auditors' remuneration

The remuneration of the Auditors amounted to £1,200 (1987 - £1,050) and was borne by the holding company.

11. Contingent liabilities

With the approval of the Department of Trade and Industry, the Company, its holding company and certain of its fellow subsidiary companies have entered into a mutual guarantee whereby each company guarantees payment of all liabilities incurred by the others in respect of short-term business.

There is a contingent liability for taxation which would be payable if the investments were sold at the values at which they appear in the balance sheet. To provide a figure with a reasonable degree of accuracy is a complex process having regard to the disposition of investments and other prevailing features. As the contingency is considered to be remote no quantification of the potential taxation liability has been made.