

Fairfax House Securities Limited

Registered in England No. 732430

**Fairfax House
Securities Limited**

**Directors' Report
and Financial Statements**

31 December 1996



Fairfax House Securities Limited

DIRECTORS

D W White, ACII
B J Howett, BComm FCA

SECRETARY

M J Chandler, BSc ACIS

REGISTERED OFFICE

Zurich House
Stanhope Road
Portsmouth
Hampshire
PO1 1DU

Registered in England No. 732430

Fairfax House Securities Limited

DIRECTORS' REPORT

The directors present their annual report together with the financial statements for the year ended 31 December 1996.

Principal activity

The Company has not traded during the year.

Directors and directors' interests

The directors who held office during the year are listed on page 2.

None of the directors had any disclosable interest in the shares of the Company.

By order of the Board



M J Chandler
Secretary

9 May 1997

Zurich House
Stanhope Road
Portsmouth
Hampshire
PO1 1DU

Fairfax House Securities Limited

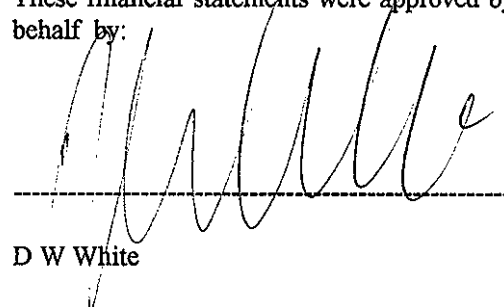
Balance sheet
as at 31 December 1996

| | Note | <u>1996</u> £ | <u>1995</u> £ |
|-----------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Debtors | 5 | 797,956 | 797,956 |
| NET CURRENT ASSETS | | <u>£797,956</u> | <u>£797,956</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 6 | 107,000 | 107,000 |
| Share premium account | | 693,000 | 693,000 |
| Investment reserve | | (2,044) | (2,044) |
| SHAREHOLDERS' FUNDS | | <u>£797,956</u> | <u>£797,956</u> |

The Company was dormant (within the meaning of Section 250 of the Companies Act 1985) throughout the year ended 31 December 1996.

We acknowledge our responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit for the financial year in accordance with the requirements of section 226, and which otherwise comply with the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the Board of Directors on 9 May 1997, and were signed on its behalf by:



Director

D W White

The notes on page 5 form part of these accounts.

Fairfax House Securities Limited

NOTES TO THE ACCOUNTS

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the provisions of Schedule 4 of the Companies Act 1985 and in accordance with applicable accounting standards using the historical cost accounting rules.

2. HOLDING COMPANY

The Company is a member of the Zurich Insurance Group, whose ultimate parent company is Zurich Insurance Company, a limited company incorporated in Switzerland. The registered office of the ultimate parent company is Mythenquai 2, P O Box CH-8022, Zurich, Switzerland.

3. PROFIT & LOSS ACCOUNT

During the financial year and the preceding financial year the Company did not trade and received no income and incurred no expenditure. Consequently, during these years the Company made neither a profit or a loss.

4. DIRECTORS' EMOLUMENTS

No remuneration was payable to the directors during the year.

5. DEBTORS

| | <u>1996</u> | <u>1995</u> |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Amount due from parent undertaking | <u>797,956</u> | <u>797,956</u> |

6. CALLED UP SHARE CAPITAL

| | <u>1996</u> | <u>1995</u> |
|--|----------------|----------------|
| | £ | £ |
| Authorised: | | |
| 110,000 ordinary shares of £1 each | <u>110,000</u> | <u>110,000</u> |
| Issued: | | |
| 107,000 ordinary shares of £1 each, fully paid | <u>107,000</u> | <u>107,000</u> |