

TIDDINGTON INVESTMENTS LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2000

Registered Number : 1641937



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<u>CONTENTS</u>	<u>PAGE</u>
Directors' report	2
Statement of directors' responsibilities	3
Report of the auditors	4
Profit and loss account	5
Statement of total recognised gains and losses	5
Balance sheet	6
Notes to the financial statements	7 - 9

TIDDINGTON INVESTMENTS LIMITEDDIRECTORS' REPORTFOR THE YEAR ENDED 31 DECEMBER 2000

The directors present their report and audited financial statements of the company for the year ended 31 December 2000.

PRINCIPAL ACTIVITIES

The principal activities of the company are the holding of investments in fixed interest stock exchange securities to maturity and the receipt of interest thereon.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The profit and loss account for the year is set out on page 5.

Both the level of business and the year end financial position were satisfactory and the directors expect that the present level of activity will be sustained for the foreseeable future.

DIVIDENDS AND TRANSFERS TO RESERVES

The directors do not recommend the payment of a dividend (1999: nil).

The profit for the financial year of £364,588 (1999: £329,193) will be transferred to reserves.

DIRECTORS

The directors during the year were as follows:

A.S. Young, FCII
N. Carter, FCA
A.M. Cummins, BSc (Hons)

None of the directors had any beneficial interests in shares of either the company or any other company in the group.

AUDITORS

In accordance with Section 386 of the Companies Act, the company has elected to dispense with the requirement to reappoint the auditors annually.

TIDDINGTON INVESTMENTS LIMITEDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors confirm that

- ♦ suitable accounting policies have been applied consistently;
- ♦ reasonable and prudent judgements have been made;
- ♦ applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ♦ the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

By order of the Board



J.D. Creechan
Secretary

27 July 2001

REPORT OF THE AUDITORS TO THE MEMBERS OF
TIDDINGTON INVESTMENTS LIMITED

We have audited the financial statements on pages 5 to 9.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the annual report. As described on page 3, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 judgements 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 of the state of the company's affairs at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the United Kingdom Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers
 Chartered Accountants and Registered Auditors
 Birmingham

3 August 2001

TIDDINGTON INVESTMENTS LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31 DECEMBER 2000

	<u>Notes</u>	<u>2000</u> £	<u>1999</u> £
<u>Continuing operations</u>			
INVESTMENT INCOME	1(a)	529,796	476,297
Administrative expenses		(8,186)	(6,021)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	521,610	470,276
Tax on profit on ordinary activities	5	(157,022)	(141,083)
		<hr/>	<hr/>
RETAINED PROFIT FOR THE FINANCIAL YEAR		364,588	329,193
RETAINED PROFIT BROUGHT FORWARD		2,496,953	2,167,760
		<hr/>	<hr/>
RETAINED PROFIT CARRIED FORWARD		<u>2,861,541</u>	<u>2,496,953</u>

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

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	<u>2000</u> £	<u>1999</u> £
Profit for the financial year	364,588	329,193
Unrealised surplus on revaluation of investments	322,571	210,958
Taxation on unrealised surplus on revaluation of investments	81,417	42,915
	<hr/>	<hr/>
Total recognised gains for the year	<u>768,576</u>	<u>583,066</u>

TIDDINGTON INVESTMENTS LIMITEDBALANCE SHEETAS AT 31 DECEMBER 2000

	<u>Notes</u>	<u>2000</u>	<u>1999</u>
		£	£
<u>FIXED ASSETS</u>			
Investments	6	20,602,110	20,279,539
<u>CURRENT ASSETS</u>			
Debtors	7	124,551	98,330
Investments - short-term deposits		423,000	-
Cash at bank		47,132	137,013
		<hr/>	<hr/>
		594,683	235,343
<u>CURRENT LIABILITIES</u>			
Creditors: amounts falling due within one year	8	(79,568)	(166,233)
		<hr/>	<hr/>
NET CURRENT ASSETS		515,115	69,110
		<hr/>	<hr/>
NET ASSETS		<u>21,117,225</u>	<u>20,348,649</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	9	12,000,000	12,000,000
Capital reserve	10	2,120,433	2,120,433
Revaluation reserve	10	4,135,251	3,731,263
Profit and loss reserve	10	2,861,541	2,496,953
		<hr/>	<hr/>
EQUITY SHAREHOLDERS' FUNDS	12	<u>21,117,225</u>	<u>20,348,649</u>

The financial statements on pages 5 to 9 were approved by the board of directors on 27 July 2001 and were signed on its behalf by:

DIRECTOR



TIDDINGTON INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention, the accounting policies set out below and in accordance with applicable accounting standards.

a) Investment income

Income from investments is included, together with any related tax credit, in the profit and loss account on an accruals basis.

b) Investments

Investments which are stated at market value, relate to holdings of fixed interest stock exchange securities.

2. CASH FLOW STATEMENT AND RELATED PARTY DISCLOSURES

The company is a wholly owned subsidiary of The National Farmers Union Mutual Insurance Society Limited and is included in the consolidated cash flow financial statements of The National Farmers Union Mutual Insurance Society Limited which are publicly available. Consequently, the company is exempt under the terms of Financial Reporting Standard (FRS) 1 (Revised 1996) from publishing a cash flow statement.

The company is also exempt under the terms of Financial Reporting Standard (FRS) 8 from disclosing related party transactions with entities that are part of The National Farmers Union Mutual Insurance Society group.

3. DIRECTORS' EMOLUMENTS AND EMPLOYEE INFORMATION

The directors received no emoluments for the year ended 31 December 2000 (1999: nil). There were no employees during 2000 (1999: nil).

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>2000</u>	<u>1999</u>
	£	£
Profit on ordinary activities is stated after charging/(crediting):		
Auditors' remuneration	2,420	1,250
Quoted investment income	(509,070)	(457,631)
Bank interest	<u>(19,833)</u>	<u>(1,866)</u>

TIDDINGTON INVESTMENTS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31 DECEMBER 2000

5. <u>TAXATION ON PROFIT ON ORDINARY ACTIVITIES</u>	<u>2000</u> £	<u>1999</u> £
The taxation charge on the profit for the year:		
UK Corporation tax at 30% (1999: 30.25%)	74,798	98,168
Transfer of corporation tax due on Corporate Government Debt to:		
Revaluation reserve	81,417	42,915
Underprovision for previous year	807	-
	<u>157,022</u>	<u>141,083</u>
6. <u>INVESTMENTS</u>	<u>2000</u> £	<u>1999</u> £
Market value at 31 December	<u>20,602,110</u>	<u>20,279,539</u>
Cost at 31 December	<u>15,538,200</u>	<u>15,538,200</u>
7. <u>DEBTORS</u>	<u>2000</u> £	<u>1999</u> £
Accrued income	<u>124,551</u>	<u>98,330</u>
8. <u>CREDITORS</u>	<u>2000</u> £	<u>1999</u> £
Trade creditors	4,770	1,250
Corporation tax	74,798	78,983
Inter Company loan	-	86,000
	<u>79,568</u>	<u>166,233</u>
9. <u>SHARE CAPITAL</u>	<u>2000</u> £	<u>1999</u> £
Authorised:		
12,000,000 ordinary shares of £1 each	<u>12,000,000</u>	<u>12,000,000</u>
Allotted and fully paid:		
12,000,000 ordinary shares of £1 each	<u>12,000,000</u>	<u>12,000,000</u>

TIDDINGTON INVESTMENTS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31 DECEMBER 200010. RESERVES

	<u>Capital Reserve</u>	<u>Revaluation Reserve</u>	<u>Profit and Loss Reserve</u>	<u>Total</u>
	£	£	£	£
At 1 January 2000	2,120,433	3,731,263	2,496,953	8,348,649
Revaluation surplus on investments	-	403,988	-	403,988
Retained profit for the year	-	-	364,588	364,588
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2000	<u>2,120,433</u>	<u>4,135,251</u>	<u>2,861,541</u>	<u>9,117,225</u>

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>2000</u>	<u>1999</u>
	£	£
Profit for the year	364,588	329,193
Other recognised gains/(losses) relating to the year:		
Revaluation surplus on investments	322,571	210,958
Tax on revaluation surplus	81,417	42,915
	<hr/>	<hr/>
Net increase in shareholders' funds	768,576	583,066
At 1 January	20,348,649	19,765,583
	<hr/>	<hr/>
At 31 December	<u>21,117,225</u>	<u>20,348,649</u>

12. ULTIMATE PARENT COMPANY

The immediate parent undertaking is Avon Insurance plc, which is incorporated in England and Wales.

The company's ultimate parent undertaking and controlling party is The National Farmers Union Mutual Insurance Society Limited, which is incorporated in England and Wales. Copies of the consolidated financial statements of the ultimate controlling party can be obtained from the Secretary at the following address:

Tiddington Road,
Stratford-upon-Avon.
CV37 7BJ