

2355534

RAC INSURANCE LIMITED
(formerly RAC Underwriters Limited)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1990



RAC INSURANCE LIMITED (formerly RAC Underwriters Limited)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 1990

The directors present their report and the audited financial statements for the year ended 31 December 1990.

Principal activities and trading review

The principal activity of the company is the provision of insurance.

On the 15th August 1990 the company changed its name from RAC Underwriters Limited to RAC Insurance Limited.

Results and Dividends

The profit and loss account is set out on page 2 and shows the surplus for the year. The directors propose that no dividend be paid for the year.

Directors

The following have served as directors of the company during the year:-

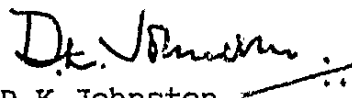
J D Rose
P N Guy FCA
D K Johnston
A R W Large BSc CA(Ontario) FCIS (resigned 28 January 1991)
M J Limb FBIM FIMI
J A Williams TD I.ENG.FIMI.FIHT.

None of the directors had any beneficial interest in the shares of the company.

Auditors

The auditors, Stoy Hayward, have expressed their willingness to continue in office, and a resolution to reappoint them will be proposed at the annual general meeting.

By order of the board


D K Johnston
Secretary

RAC House
Brent Terrace
London
NW2 1LT

25 March 1991

Company Registration No: 2355834

RAC INSURANCE LIMITED (formerly RAC Underwriters Limited)
 PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1990

Notes	1990 £	1989 £
1&2 Income	9,269	-
3 Investment income	227,209	-
	<hr/>	<hr/>
	236,478	-
Administration expenses	8,805	-
	<hr/>	<hr/>
Surplus on ordinary activities before taxation	227,673	-
4 Taxation	80,000	-
	<hr/>	<hr/>
11 Surplus on ordinary activities after taxation	147,673	-
	=====	=====

The notes on pages 5 to 7 form part of these financial statements.

RAC INSURANCE LIMITED (formerly RAC Underwriters Limited)

BALANCE SHEET AS AT 31 DECEMBER 1990

Notes

	1990 £	1989 £
Current assets		
5 Debtors	190,637	2
6 Investments	2,227,209	-
	<hr/>	<hr/>
	2,417,846	2
7 Creditors: amounts falling due within one year	86,642	-
	<hr/>	<hr/>
Net current assets	2,331,204	2
Provisions for liabilities and charges		
9 Accruals and deferred income	183,531	-
	<hr/>	<hr/>
	2,147,673	2
	<hr/>	<hr/>
	=====	=====
Capital and reserves		
10 Share capital	2,000,000	2
11 Income and expenditure account	147,673	-
	<hr/>	<hr/>
	2,147,673	2
	<hr/>	<hr/>
	=====	=====

These financial statements were approved by the Board on 25 March 1991.

J D Rose)
D K Johnston) Directors

J. D. Rose
D. K. Johnston



The notes on pages 5 to 7 form part of these financial statements.

RAC INSURANCE LIMITED (formerly RAC Underwriters Limited)

STATEMENT OF SOURCE AND APPLICATION OF FUNDS: YEAR ENDED 31 DECEMBER 1990

	1990	1989
	£	£
Source of funds		
Surplus before taxation	227,673	-
Funds from other sources		
Increase in subscriptions		
received in advance	183,531	-
Issued share capital	1,999,998	2
	<u>2,183,529</u>	<u>2</u>
	<u>2,411,202</u>	<u>2</u>
	=====	=====
Increase (decrease) in working capital		
Debtors	190,635	2
Creditors excluding taxation	(6,642)	-
	<u>183,993</u>	<u>2</u>
Movement in net liquid funds		
Increase in short term investments	2,227,209	-
	<u>2,411,202</u>	<u>2</u>
	=====	=====

The notes on pages 5 to 7 form part of these accounts.

RAC INSURANCE LIMITED (formerly RAC Underwriters Limited)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1990

1. Accounting policies

There have been no changes in the accounting policies during the year. The financial statements are prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Income

Income represents insurance premiums earned in the year.

Deferred taxation

The company provides deferred taxation using the liability method in respect of all short-term timing differences and all other material timing differences to the extent that it is probable that a liability will crystallise.

2. Operating income and results

All operating income and results derive from the principal activity of the company carried out in the United Kingdom.

1990	1989
£	£

3. Investment income

Interest receivable

227,209

-

4. Taxation

UK Corporation tax on income at 35%

80,000

-

RAC INSURANCE LIMITED (formerly RAC Underwriters Limited)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1990
(CONTINUED)

	1990 £	1989 £
5. Debtors		
Amounts owed by group companies	190,637	-
Other debtors	-	2
	<u>190,637</u>	<u>2</u>

All amounts shown under debtors fall due for payment within one year.

6. Investments

These consist of monies on deposit with banks.

2,227,209

-

7. Creditors: amounts falling due within one year

Trade creditors
Corporation tax

6,642
80,000

-

-

86,642

-

8. Deferred taxation

No deferred taxation has been provided as no material timing differences have arisen. There is no unprovided deferred tax.

RAC INSURANCE LIMITED (formerly RAC Underwriters Limited)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1990
(CONTINUED)**

	1990 £	1989 £
9. Accruals and deferred income		
Subscriptions in advance	183,531	-

10 Share capital

Ordinary shares of £1 each

Authorised	3,000,000	3,000,000
Allotted, called up and fully paid	2,000,000	2

1,999,998 shares of £1 each were allotted during the year to provide an adequate capital base.

11. Income and expenditure account

At beginning of year	-	-
Surplus for the year	147,673	-
At end of year	147,673	-

12. Ultimate holding company

The ultimate holding company is The Royal Automobile Club Limited (by guarantee) which is registered in England.

RAC INSURANCE LIMITED (formerly RAC Underwriters Limited)

REPORT OF THE AUDITORS

To the members of RAC Motoring Services Limited

We have audited the financial statements on pages 3 to 7 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 1990 and of its surplus and source and application of funds for the year ended at that date and have been properly prepared in accordance with the Companies Act 1985.



Stoy Hayward
8 Baker Street
London
W1M 1DA

25 March 1991