

Ken Randall Associates Limited

**Annual Report and Financial Statements for the
year ended 31 December 2007**

The Company's registration number is 2712392



Annual Report and Financial Statements for the year ended 31 December 2007

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Directors and Advisers

Directors

A K Quilter
K E Randall

Secretary

J Watt

Registered Office

9-13 Fenchurch Buildings
London
EC3M 5HR

Bankers

National Westminster Bank Plc
City of London Office
PO Box 12258
1 Princes Street
London
EC2R 8PA

Auditors

CLB Littlejohn Frazer
1 Park Place
Canary Wharf
London, E14 4HJ

Registered Number

2712392

Report of the Directors
For the year ended 31 December 2007

The Directors have pleasure in presenting their Report together with the audited financial statements for the year ended 31 December 2007

Principal Activity

The Company's principal activity during the year continued to be the holding company for Ludgate Insurance Company Limited ('Ludgate')

Review of the Business and Future Developments

The profit and loss account for the year ended 31 December 2007 is set out on page 6. The results for the Company are in line with those expected for the year.

The Company will continue to act as a holding company for the foreseeable future. Ludgate concluded its solvent scheme of arrangement during 2006 and is now considering its future activities.

Dividends

During the year the Company paid a dividend of £nil (2006: £100,000).

Directors

The present Directors are shown on page 1.

Directors' and Officers' Liability Insurance

As permitted by the Companies Act 1985, an insurance policy has been purchased on a Group basis which covers the Directors of the Company.

Disclosure of Information to the Auditors

The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are individually aware:

- there is no relevant audit information of which the Company's auditors are unaware, and
- each Director has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

CLB Littlejohn Frazer are the Company's auditors and are deemed to be re-appointed under the Companies Act 2006.

Report of the Directors
For the year ended 31 December 2007 (Continued)**Statement of Directors' Responsibilities**

Company law requires Directors to prepare Financial Statements for each financial year 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 the profit or loss of the Company for that period

The Directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates have been used in the preparation of the Financial Statements. The Directors also confirm that applicable accounting standards have been followed subject to any material departures disclosed and explained in the notes to the financial statements

The Directors have prepared the Financial Statements on the going concern basis and have kept proper accounting records which 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. The Directors are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the Report of the Directors is prepared in accordance with Company law in the United Kingdom

This Report of the Directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities

By Order of the Board



J Watt
Company Secretary

28 March 2008

Independent Auditors' Report to the Shareholders of Ken Randall Associates Limited

We have audited the Financial Statements of Ken Randall Associates Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 15. These Financial Statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

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).

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 Report of the Directors 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 Report of the Directors 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.

**Independent Auditors' Report to the Shareholders of Kan Randall Associates Limited
(Continued)****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 loss 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 Report of the Directors is consistent with the Financial Statements



CLB Littlejohn Frazer
Chartered Accountants
and Registered Auditors

28 March 2008

1 Park Place
Canary Wharf
London E14 4HJ

Profit and loss account**For the year ended 31 December 2007**

	Notes	2007 £	2006 £
Turnover		-	-
Net operating expenses		<u>(3,572)</u>	<u>(3,149)</u>
Operating loss	2	(3,572)	(3,149)
Income from shares in group undertakings		-	100,000
Interest receivable	5	<u>473</u>	<u>1</u>
(Loss)/profit on ordinary activities before taxation		(3,099)	96,852
Taxation on (loss)/profit on ordinary activities	6	<u>-</u>	<u>944</u>
(Loss)/profit on ordinary activities after taxation	11	<u>(3,099)</u>	<u>97,796</u>

The Company has no recognised gains and losses other than the (loss)/profit above and therefore no separate statement of total recognised gains and losses is presented

All operations are continuing

The accounting policies and notes on pages 8 to 11 form part of these Financial Statements

Balance sheet**As at 31 December 2007**

	Note	2007 £	2006 £
Fixed Assets			
Investments	7	1	1
Current Assets			
Debtors	8	1,233	26,493
Cash at bank and in hand		<u>20,735</u>	<u>715</u>
		21,968	27,208
Creditors amounts falling due within one year	9	<u>(4,769)</u>	<u>(6,910)</u>
Net current assets		<u>17,199</u>	<u>20,298</u>
Total net assets		<u>17,200</u>	<u>20,299</u>
Capital and Reserves			
Called up share capital	10	100	100
Profit and loss account		<u>17,100</u>	<u>20,199</u>
Total Shareholder's funds	12	<u>17,200</u>	<u>20,299</u>

The financial statements were approved by the Board of Directors on 28 March 2008 and were signed on its behalf by



A. K. Quilter
Director

The accounting policies and notes on pages 8 to 11 form part of these Financial Statements

Notes to the financial statements
For the year ended 31 December 2007**1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared under the historical cost basis of accounting.

Fixed asset investments

Fixed asset investments are stated at cost, including acquisition costs, less provisions for any impairment in value.

Group financial statements

The results of the Company's subsidiary have been incorporated in the consolidated financial statements of the Company's ultimate parent undertaking at 31 December 2007, and are therefore not required to be included in the consolidated financial statements of the Company. These financial statements present information about the Company as an individual undertaking and not about its Group.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

All differences are dealt with through the profit and loss account.

Deferred Taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities have not been discounted.

Cash Flow Statement

Advantage has been taken of the exemption under Financial Reporting Standard 1 (Revised), "Cash Flow Statements", from preparing a cash flow statement on the grounds that Ken Randall Associates Limited is a wholly owned subsidiary undertaking of Randall & Quilter Investment Holdings plc, and is included within the publicly available consolidated financial statements of Randall and Quilter Investment Holdings plc.

Notes to the financial statements
For the year ended 31 December 2007 (Continued)

2	(Loss)/Profit on ordinary activities before interest	2007	2006
		£	£
	This is stated after charging		
	Auditors' Remuneration		
	- for audit of the financial statements	<u>1,250</u>	<u>1,500</u>
3	Staff costs (including Directors)		
	The Company employs no staff and incurred no staff costs in the year (2006. £nil)		
4	Directors' emoluments		
	The Company incurred no Directors' emoluments in the year (2006 £nil)		
5	Interest receivable	2007	2006
		£	£
	Bank interest	<u>473</u>	<u>1</u>
6	Taxation	2007	2006
		£	£
	Analysis of charge in year		
	Group relief receivable	<u>-</u>	<u>(944)</u>
	Current tax	<u>-</u>	<u>(944)</u>
	Factors affecting tax charge for year		
	The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below		
		2007	2006
		£	£
	(Loss)/profit on ordinary activities before tax	<u>(3,099)</u>	<u>96,852</u>
	(Loss)/profit on ordinary activity multiplied by standard rate of corporation tax in the UK of 30% (2006 30%)	<u>(930)</u>	<u>29,056</u>
	Effects of		
	Income not taxable for tax purposes	-	(30,000)
	Unrelieved losses available for carry forward	<u>930</u>	<u>-</u>
	Current tax credit for the year	<u>-</u>	<u>(944)</u>

Notes to the financial statements
For the year ended 31 December 2007 (Continued)

7 Fixed assets – investments

**Ludgate
Ord. shares
£**

Cost

At 1 January and 31 December 2007

1
1

Provisions

At 1 January and 31 December 2007

-
-

Net book value

At 31 December 2007 and 31 December 2006

1

The Company owns more than 20% of the share capital of the following company

Name	Nature of Business	Country of Registration	Shares Held Class %	Share Capital and Reserves	Latest loss for Period	Latest Available Financial Statements
Ludgate Insurance Company Limited	Former Insurance Company	England & Wales	Ordinary Shares 100%	\$861,591	\$617,425	Audited year ended 31 December 2007

8 Debtors

**2007
£**

**2006
£**

Amounts due from group undertakings
Group relief receivable
Other debtors

72 24,534
944 1,727
217 232
1,233 26,493

9 Creditors: amounts falling due within one year

**2007
£**

**2006
£**

Amounts due to group undertakings
Accruals and other creditors

2,269 4,410
2,500 2,500
4,769 6,910

10 Called up share capital

**2007
£**

**2006
£**

Authorised
100 £1 Ordinary Shares

100 100

Allotted, called up and fully paid
100 £1 Ordinary Shares

100 100

Notes to the financial statements**For the year ended 31 December 2007 (Continued)**

11 Profit and loss account	2007 £	2006 £
At 1 January	20,199	22,403
(Loss)/profit for the financial year	(3,099)	97,796
Dividend paid	-	(100,000)
At 31 December	<u>17,100</u>	<u>20,199</u>
12 Reconciliation of movement in Shareholders Funds	2007 £	2006 £
(Loss)/profit for the financial year	(3,099)	97,796
Dividend paid	-	(100,000)
Opening Shareholder's funds	<u>20,299</u>	<u>22,503</u>
Closing Shareholder's funds	<u>17,200</u>	<u>20,299</u>

13 Capital commitments

There were no capital commitments at 31 December 2007 (2006 £Nil)

14 Related party transactions

The Company is a wholly owned subsidiary of and is controlled by Randall & Quilter Investment Holdings plc. It has taken advantage of provisions in Financial Reporting Standard No 8 which allows the Company not to disclose transactions with other consolidated group companies qualifying as related parties.

There are no other related party transactions that require disclosure.

15 Ultimate parent undertaking

Group financial statements are drawn up by the parent and ultimate parent undertaking, Randall & Quilter Investment Holdings plc, a company registered in England & Wales, and can be obtained from 9-13 Fenchurch Buildings, London EC3M 5HR.