

Company registration number: 3646940

## **Evedon Enterprises Limited**

### **Report and financial statements 31 December 2000**

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# **Evedon Enterprises Limited**

## **Company information**

### **Directors**

D R Dickinson

### **Company Secretary**

Hampden Legal PLC

### **Registered Office**

42 Crutched Friars  
London  
EC3N 2AP

### **Auditors**

Littlejohn Frazer  
Chartered Accountants  
and Registered Auditors  
1 Park Place  
Canary Wharf  
London  
E14 4HJ

### **Accountants**

Hampden Underwriting Services Limited  
Maritime House, 1 Linton Road  
Barking, Essex  
IG11 8GW

### **Bankers**

Leopold Joseph & Sons Ltd.  
99 Gresham Street  
London  
EC2V 7NG

### **Solicitors**

Gouldens  
22 Tudor Street  
London  
EC4Y OJJ

# **Evedon Enterprises Limited**

## **Report of the directors**

The directors submit their report together with the financial statements of the company for the year ended 31 December 2000.

### **Principal activities and business review**

The principal activity of the company is that of trading as a Lloyd's corporate capital member. Both the level of business and the year end financial position were satisfactory. The directors expect that future underwriting will continue at the same level.

### **Results and dividends**

The results for the year are set out on pages 5 to 6 of the financial statements. The directors do not propose to pay a dividend.

### **Directors and directors' interests**

The directors who served at any time during the year and their interests in the share capital of the company were as follows:

	At 31 December 2000 Ordinary £1 shares	At 1 January 2000 Ordinary £1 shares
D R Dickinson	264	264

# **Evedon Enterprises Limited**

## **Report of the directors (continued)**

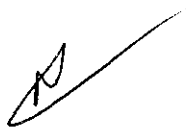
### **Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been applied
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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



Hampden Legal PLC  
Secretary

6th July 2001

# **Evedon Enterprises Limited**

## **Report of the auditors**

### **To the Members of Evedon Enterprises Limited**

We have audited the financial statements on pages 5 to 22 which have been prepared under the accounting policies set out on pages 10 to 13.

### **Respective responsibilities of directors and auditors**

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

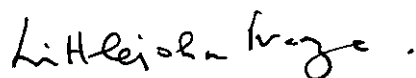
### **Basis of Opinion**

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 as at 31 December 2000, and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Littlejohn Frazer**

Chartered Accountants  
and Registered Auditors

6 July  
June 2001

1 Park Place  
Canary Wharf  
London E14 4HJ

# Evedon Enterprises Limited

## Profit and loss account

### Technical account – general business

For the year ended 31 December 2000

	Note	2000 £	1999 £
<b>Earned premiums, net of reinsurance</b>			
Gross premiums written	3	916,825	463,754
Outward reinsurance premiums		(158,419)	(107,954)
Net premiums written		758,406	355,800
Allocated investment return transferred from the non-technical account		10,223	1,374
<b>Total technical income</b>		768,629	357,174
<b>Claims paid</b>			
Gross amount		(216,940)	(49,242)
Reinsurers' share		71,089	11,137
Net claims paid		(145,851)	(38,105)
<b>Change in provision for claims</b>			
Gross amount		(773,536)	(321,312)
Reinsurers' share		294,791	77,406
<b>Claims incurred net of reinsurance</b>		(624,596)	(282,011)
Net operating expenses	4	(144,330)	(112,135)
Investment expenses and charges		(228)	(92)
<b>Total charges</b>		(769,154)	(394,238)
<b>Balance on technical account – general business</b>		(525)	(37,064)

The accounting policies and notes on pages 10 to 22 form part of these financial statements.

# Evedon Enterprises Limited

## Profit and loss account

### Non - technical account

For the year ended 31 December 2000

	Note	2000 £	1999 £
<b>Balance on technical account – general business</b>		(525)	(37,064)
Investment income	5	10,319	1,380
Allocated investment return transferred to the Technical account – general business		(10,223)	(1,374)
Profit (loss) on disposal of syndicate capacity		(5,396)	1,812
Other charges		(3,644)	(3,355)
<b>Profit (loss) on ordinary activities before taxation</b>	6	(9,469)	(38,601)
Tax on profit (loss) on ordinary activities	7	-	-
<b>Profit (loss) on ordinary activities after taxation for the financial year</b>	11	(9,469)	(38,601)

The Company has no recognised gains or losses other than the profit or (loss) on ordinary activities after taxation stated above. There is no material difference between the reported profit or (loss) for the period and the profit or (loss) for the period restated on a historical cost basis.

The accounting policies and notes on pages 10 to 22 form part of these financial statements.

# Evedon Enterprises Limited

## Balance sheet

As at 31 December 2000

		31 December 2000			31 December 1999		
	Note	Held Directly £	Held through Syndicate Participation £	Total £	Held Directly £	Held through Syndicate Participation £	Total £
<b>Assets</b>							
<b>Intangible assets</b>							
Syndicate participation rights	8	26,251	-	26,251	35,568	-	35,568
<b>Investments</b>							
Financial investments	9	-	169,744	169,744	-	60,403	60,403
Deposits with ceding undertakings		-	127	127	-	32	32
		-	169,871	169,871	-	60,435	60,435
<b>Reinsurers' share of technical provisions</b>							
Claims outstanding		-	336,576	336,576	-	70,810	70,810
<b>Debtors</b>							
Arising out of direct insurance operations							
- Intermediaries		-	175,100	175,100	-	103,659	103,659
- Policyholders		-	1,807	1,807	-	132	132
Arising out of reinsurance operations		-	365,125	365,125	-	68,070	68,070
Other debtors		13,997	22,646	36,643	2,668	8,845	11,513
		13,997	564,678	578,675	2,668	180,706	183,374
<b>Other assets</b>							
Cash at bank and in hand		-	36,680	36,680	172	9,293	9,465
Other		-	17,308	17,308	-	4,533	4,533
		-	53,988	53,988	172	13,826	13,998
<b>Prepayments and accrued income</b>							
Other prepayments and accrued income		-	1,986	1,986	-	832	832
<b>Total assets</b>							
		40,248	1,127,099	1,167,347	38,408	326,609	365,017

The accounting policies and notes on pages 10 to 22 form part of these financial statements.

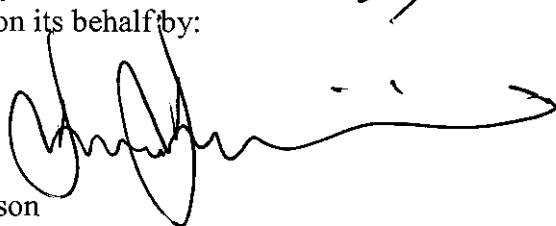


# Evedon Enterprises Limited

## Balance sheet As at 31 December 2000

		31 December 2000			31 December 1999		
	Note	Held Directly £	Held through Syndicate Participation £	Total £	Held Directly £	Held through Syndicate Participation £	Total £
<b>Liabilities and shareholders' funds</b>							
<b>Capital and reserves</b>							
Called up share capital	10	290	-	290	290	-	290
Share premium account		-	-	-	-	-	-
Profit and loss account	11	(48,070)	-	(48,070)	(38,601)	-	(38,601)
Shareholders' funds	12	(47,780)	-	(47,780)	(38,311)	-	(38,311)
<b>Technical provisions</b>							
Claims outstanding – gross amount		37,590	1,021,180	1,058,770	37,065	276,595	313,660
<b>Provisions for other risks and charges</b>							
Provision for taxation		-	-	-	-	-	-
<b>Creditors</b>							
Arising out of direct insurance operations		-	25,312	25,312	-	10,879	10,879
Arising out of reinsurance operations		-	52,420	52,420	-	27,168	27,168
Other creditors	13	50,438	28,114	78,552	39,654	11,117	50,771
		50,438	105,846	156,284	39,654	49,164	88,818
Accruals and deferred income		-	73	73	-	850	850
<b>Total liabilities</b>		40,248	1,127,099	1,167,347	38,408	326,609	365,017

Approved by the board of directors on <sup>6 July</sup> ~~6 June~~ 2001  
and signed on its behalf by:



D R Dickinson  
Director

The accounting policies and notes on pages 10 to 22 form part of these financial statements.

# Evedon Enterprises Limited

## Cash flow statement

For the year ended 31 December 2000

	Note	2000 £	1999 £
<b>Operating activities</b>			
Net cash inflow/(outflow) from operating activities	14	(4,094)	33,638
<b>Returns on investments</b>		-	-
<b>Capital expenditure</b>			
Purchase of syndicate capacity		(4,812)	(35,568)
Proceeds from sale of syndicate capacity		8,734	1,812
<b>Taxation</b>			
Corporation tax (paid) refunded		-	-
<b>Financing</b>			
Issue of shares		-	2,900
Share issue expenses		-	(2,610)
Net cash inflow/(outflow) for the year		<u>(172)</u>	<u>172</u>
<b>Cash flows were invested as follows:</b>			
Increase/(decrease) in cash holdings		(172)	172
Purchase of financial investments		-	-
Sale of financial investments		-	-
Net investment of cash flows		<u>(172)</u>	<u>172</u>

The Company has no control over the disposition of assets and liabilities at Lloyd's. Consequently, the cash flow statement is prepared reflecting only the movement in corporate funds, which includes transfers to and from the syndicates at Lloyd's.

The accounting policies and notes on pages 10 to 22 form part of these financial statements.

# **Evedon Enterprises Limited**

## **Notes to the financial statements For the year ended 31 December 2000**

### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments.

#### **1.2 Basis of accounting for underwriting results**

The company participates in insurance business as an underwriting member of various syndicates at Lloyd's. All classes of insurance business written are accounted for on a three year funded basis because it is the basis most similar to that followed by the syndicates. The nature of the information managing agents can make available is insufficient for the company to make reliable estimates of the necessary technical provisions on an annual basis of accounting. Under the three year funded basis followed by the company, the excess of premiums written and attributable net investment return over claims and expenses paid in respect of contracts incepting in an accounting period ("the underwriting year") is carried forward as a technical provision until the end of the third year from the inception of the underwriting year. Consequently, no profit is recognised in respect of an underwriting year until that time at the earliest.

If an underwriting year is expected to make a loss, the loss is recognised as soon as it is foreseen by increasing the technical provision to make it sufficient to meet present liabilities and anticipated future claims and expenses.

#### **1.3 Premiums**

Premiums written comprise the total premiums receivable for the whole period of cover provided by the contracts incepting during the financial year, together with any adjustments arising in the year to such premiums receivable in respect of business written in prior years. Premiums are shown gross of commission payable to intermediaries and exclude insurance premium tax.

Gross premiums written may include "reinsurance to close" receivable (see 1.6 below).

Premiums written by a syndicate may also include the reinsurance of other syndicates on which the company participates. No adjustments have been made to gross premiums written or outward reinsurance premiums (or to gross and reinsurers' share of claims) to remove this intersyndicate reinsurance.

Outward reinsurance premiums may include "reinsurance to close" payable (see 1.6 below).

#### **1.4 Claims incurred**

Claims incurred include the costs of claims handling expenses. Recoverable amounts arising out of subrogation or salvage are deducted from the cost of claims. Claims incurred comprise amounts paid or provided in respect of claims occurring during the year to 31 December, together with the amount by which settlement or reassessment of claims from previous years differ from the provision at the beginning of the year.

# **Evedon Enterprises Limited**

## **Notes to the financial statements**

### **For the year ended 31 December 2000**

#### **1.5 Provision for claims (technical provisions)**

Provision is made for claims incurred but not paid in respect of events up to 31 December. The provision includes the amounts required to ensure that for each underwriting year no profit is recognised before the end of the third year under the three year funded basis of accounting (see 1.2 above).

The provision has been increased as appropriate by the company to the extent that deficits are foreseen on underwriting years before the 36 months point is reached.

The provision is based on the returns and report from the managing agents and/or the company's licensed adviser/members' agent.

#### **1.6 Reinsurance to close**

A reinsurance to close is a particular type of reinsurance contract entered into by Lloyd's syndicates. Under it, underwriting members (the reinsured members) who are members of a syndicate for a year of account (the closed year), agree with underwriting members who comprise that or another syndicate for a later year of account (the reinsuring members) that the reinsuring members will indemnify, discharge or procure the discharge, of the reinsured members against all known and unknown liabilities of the reinsured members arising out of insurance business undertaken through that syndicate and allocated to the closed year in consideration of:

- (a) a premium; and
- (b) either
  - (i) the assignment, or agreement to assign, to the reinsuring members of all the rights of the reinsured members arising out of, or in connection with, that insurance business (including without limitation the right to receive all future premiums, reinsurances and other monies receivable in connection with that insurance business); or
  - (ii) an agreement by the reinsured members that the reinsuring members shall collect on behalf of the reinsured members the proceeds of all such rights and retain them for their own benefit so far as they are not applied in discharges of the liabilities of the reinsured members.

To the extent that the company participates on successive years of account of the same syndicate and there is a reinsurance to close between those years, the company has offset its share of the reinsurance to close received against its share of the reinsurance to close paid.

# **Evedon Enterprises Limited**

## **Notes to the financial statements**

**For the year ended 31 December 2000**

### **1.6 Reinsurance to close (continued)**

If the company has increased its participation from one year of account to the next, the reinsurance to close paid is eliminated, as a result of this offset, leaving an element of the reinsurance to close received. This reflects the fact that the company has assumed a greater proportion of the business of the syndicate. If the company has reduced its participation from one year of account to the next, the reinsurance to close received is eliminated, leaving an element of the reinsurance to close paid. This reflects the reduction in the company's exposure to risks previously written by the syndicate.

The reinsurance to close is technically a reinsurance contract and, as such, the payment of a reinsurance to close does not remove from members of that year of account ultimate responsibility for claims payable on risks they have written. If the reinsuring members under the reinsurance to close become insolvent and the other elements of the Lloyd's chain of security also fail, the reinsured members remain liable for the settlement of any outstanding claims.

However, payment of a reinsurance to close is conventionally accepted as terminating a reinsured member's participation on a syndicate year of account and it is treated for accounts purposes as settling all the company's outstanding gross liabilities in respect of the business so reinsured.

### **1.7 Investments**

Listed and other traded investments are stated at mid-market values. Other investments are stated at directors' valuations. Unrealised gains and losses are recognised in the profit and loss account.

### **1.8 Investment income**

Investment income comprises interest receivable and dividends received plus realised gains and losses on the disposal of investments. Realised gains and losses arise from the difference between sale proceeds and either the valuation at the previous year end, or purchase cost if the investment was purchased during the current year.

Where investments represent the company's share of syndicate investments, they are treated as sold and repurchased at each year end in recognition of the annual venture nature of participation on a syndicate. The cost of these investments is therefore their market value at each 31 December. The realised gains reported by Syndicates are net of any realised losses.

All investment income, net of realised losses, arising on syndicate participations is allocated to the technical account. Other investment income is attributable to the non-technical account.

### **1.9 Investments expenses and charges**

Investment expenses and charges comprise investment management expenses.

# **Evedon Enterprises Limited**

## **Notes to the financial statements**

### **For the year ended 31 December 2000**

#### **1.10 Net operating expenses**

Operating expenses are recognised when incurred. They include the company's share of syndicate operating expenses, the remuneration payable to managing agents (and the company's members' agent/licensed adviser) and the direct costs of membership of Lloyd's. Where they relate to the company's underwriting, they are taken into account in calculating the technical provision required under the three year funded basis of accounting.

#### **1.11 Other charges**

Expenses not attributable to underwriting or investment management are recognised when incurred.

#### **1.12 Foreign currencies**

The company's share of syndicate assets, liabilities, income and expenditure expressed in US dollars, Canadian dollars and Euros (where accounted by syndicates under the Lloyd's direct settlement scheme) are translated at rates of exchange ruling at the balance sheet date. Underwriting transactions in Euros (where accounted by syndicates under the Lloyd's conversion scheme) and other foreign currencies are included in the financial statements at historical rates. All exchange differences relating to syndicates are dealt with in the technical account.

#### **1.13 Syndicate participation rights**

Where the company has purchased the right to participate on Syndicates, the cost is capitalised, less any provision for permanent diminution in value, and amortised on a straight line basis over its estimated economic life. It is intended that purchased capacity will be amortised over 5 years. No amortisation is charged until the first year of account in which profits or losses are normally recognised.

#### **1.14 Taxation**

The company is taxed on its share of the underwriting results declared by Syndicates and these are deemed to accrue evenly over the calendar year in which they are declared. The syndicate results (excluding any additional provisions made by the directors) relating to the 2000 account will be declared for tax purposes in the calendar year 2003.

Other profits are assessable to corporation tax in the same period as they are recognised for accounting purposes, after adjustment in accordance with tax legislation.

#### **1.15 Deferred taxation**

Deferred tax is provided in respect of the tax effect of all timing differences to the extent that it is probable that a liability or asset will crystallise in the foreseeable future, at the rates of tax expected to apply when the timing differences reverse.

# **Evedon Enterprises Limited**

## **Notes to the financial statements For the year ended 31 December 2000**

### **2 Basis of preparation of financial statements**

#### **2.1 Basis of preparation**

The financial statements have been prepared in accordance with Section 255 of, and Schedule 9A to, the Companies Act 1985 ("the Act") and in accordance with applicable Accounting Standards.

#### **2.2 Recognition of insurance transactions**

Preparing financial statements in accordance with Section 255 of, and Schedule 9A to, the Act requires the company to recognise its proportion of all the transactions undertaken by the Lloyd's syndicates in which it participates.

The company has delegated sole management and control of its underwriting through each syndicate to the managing agent of the syndicate and it has further undertaken not to interfere with the exercise of such management and control. The managing agents of the syndicates are therefore responsible for determining the insurance transactions to be recognised by the company. The only exception to this rule is the level of provision for outstanding claims. These provisions have been determined by the directors of the company (see 1.5 above).

Accordingly, for each such syndicate, the company's proportion of the underwriting transactions, investment return and operating expenses has been reflected within the company's technical account. Similarly, its proportion of the syndicate's assets and liabilities has been reflected in its balance sheet (under the column heading "Held through Syndicate Participation"). The "syndicate" assets are held subject to trust deeds for the benefit of the company's insurance creditors.

The proportion referred to above is calculated by reference to the company's participation as a percentage of each syndicate's total capacity.

#### **2.3 Sources of data**

The information used to compile the technical account and the "syndicate" balance sheet is based on returns prepared for this purpose by the managing agents of the syndicates. The returns have been subjected to audit by the syndicate auditors and are based on the audited syndicate returns to Lloyd's and the audited annual reports to syndicate members. This base data has been adjusted as necessary so that the returns reflect the differences in preparation between syndicate annual reports and financial statements in accordance with Schedule 9A of the Companies Act 1985.

The format of the returns has been established by Lloyd's and Lloyd's has also been responsible for collating the data at a syndicate level and analysing it into corporate member level results.

The returns cover the 12 months to 31 December 2000.

# Evedon Enterprises Limited

## Notes to the financial statements For the year ended 31 December 2000

3	Segmental information	Gross premiums written £	Gross claims incurred £	Gross operating expenses £	Reinsurance balance £	Total £
	2000					
	<b>Direct business</b>					
	Accident and health	25,928	(32,068)	(6,421)	3,841	(8,720)
	Motor – third party liability	29,083	(28,711)	(6,415)	(1,119)	(7,162)
	Motor – other classes	92,387	(83,897)	(20,682)	(689)	(12,881)
	Marine, aviation and transport	58,649	(69,099)	(11,988)	11,665	(10,773)
	Fire and other damage to property	124,579	(114,463)	(28,923)	14,274	(4,533)
	Third party liability	126,274	(91,291)	(28,937)	7,540	13,586
	Credit and suretyship	21,826	(11,928)	(4,555)	2,490	7,833
	Legal expenses	(303)	(1,535)	26	264	(1,548)
	Assistance	328	(124)	(71)	(122)	11
	Other	8,323	(7,546)	(2,291)	1,810	296
	<b>Total direct</b>	<b>487,074</b>	<b>(440,662)</b>	<b>(110,257)</b>	<b>39,954</b>	<b>(23,891)</b>
	<b>Reinsurance business</b>					
	Other reinsurance acceptances	123,432	(120,118)	(21,600)	20,073	1,787
	Reinsurance to close	306,319	(429,171)	-	147,434	24,582
		<b>916,825</b>	<b>(989,951)</b>	<b>(131,857)</b>	<b>207,461</b>	<b>2,478</b>

### Gross premiums in respect of direct business written in:

	2000 £
United Kingdom	502,795
Other EU Member states	3,276
Rest of the world	(18,997)
	<b>487,074</b>



# Evedon Enterprises Limited

## Notes to the financial statements For the year ended 31 December 2000

### 3 Segmental information (continued)

	Gross premiums written £	Gross claims incurred £	Gross operating expenses £	Reinsurance balance £	Total £
1999					
<b>Direct business</b>					
Accident and health	18,271	(12,725)	(4,715)	(1,112)	(281)
Motor – third party liability	24,592	(19,201)	(4,226)	(170)	995
Motor – other classes	64,372	(51,008)	(11,934)	(751)	679
Marine, aviation and transport	41,572	(33,520)	(9,081)	(2,190)	(3,219)
Fire and other damage to property	69,880	(51,437)	(16,983)	(2,684)	(1,224)
Third party liability	92,978	(59,797)	(21,355)	(3,971)	7,855
Credit and suretyship	5,860	(4,683)	(1,380)	429	226
Legal expenses	2,984	(678)	(630)	85	1,761
Assistance	28	(19)	(6)	(3)	-
Other	8,879	(5,880)	(2,075)	(762)	162
Total direct	329,416	(238,948)	(72,385)	(11,129)	6,954
<b>Reinsurance business</b>					
Other reinsurance acceptances	134,338	(95,541)	(27,843)	(7,782)	3,172
Reinsurance to close	-	-	-	-	-
	463,754	(334,489)	(100,228)	(18,911)	10,126

#### Gross premiums in respect of direct business written in:

	1999 £
United Kingdom	282,349
Other EU Member states	1,775
Rest of the world	45,292
	<u>329,416</u>

# Evedon Enterprises Limited

## Notes to the financial statements For the year ended 31 December 2000

<b>4 Net operating expenses</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Syndicate operating expenses	22,870	16,474
Exchange adjustment	(8,565)	30
Costs of acquisition – commission and brokerage	117,550	83,724
	<hr/>	<hr/>
	131,855	100,228
Members personal expenses on Lloyd's syndicates	12,475	11,907
Other operating expenses	-	-
	<hr/>	<hr/>
	144,330	112,135
	<hr/>	<hr/>

<b>5 Investment income</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Investment income	8,169	1,959
Realised investment gains less losses	2,150	(579)
Unrealised gains less losses on investments	-	-
	<hr/>	<hr/>
	10,319	1,380
	<hr/>	<hr/>

### 6 Profit/(loss) on ordinary activities before taxation

The auditor's remuneration of £120 is charged to Nomina plc and then recharged to the company as part of the Nomina plc management fee included within other charges in the non-technical account.

The company has no employees and no director's fees have been paid in the period.

<b>7 Taxation</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
U.K. corporation tax at 20% ( 1999: 20.5%)	-	-
Prior year	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

# Evedon Enterprises Limited

## Notes to the financial statements For the year ended 31 December 2000

### 8 Intangible assets

Syndicate participation rights	2000 £	1999 £
<b>Cost</b>		
At 1 January 2000	35,568	-
Additions	4,812	35,568
Disposals	(14,129)	-
At 31 December 2000	26,251	35,568
<b>Amortisation</b>		
At 1 January 2000	-	-
Charge for the period	-	-
Disposals	-	-
At 31 December 2000	-	-
<b>Net book value</b>		
At 31 December 2000	26,251	35,568
At 1 January 2000	35,568	-

### 9 Financial investments

	2000 Historic cost £	2000 Market Value £	1999 Historic cost £	1999 Market Value £
<b>Syndicate participations</b>				
Shares and other variable yield securities	6,922	17,378	1,529	1,143
Debt securities and other fixed income securities	138,416	122,462	42,965	46,510
Participation in investment pools	6,497	6,558	1,828	1,804
Loans guaranteed by mortgage	2,248	1,220	479	477
Other loans	-	-	-	111
Deposits with credit institutions	19,566	21,762	3,572	10,281
Other	194	364	77	77
	173,843	169,744	50,450	60,403
<b>Other</b>				
Shares and other variable yield securities	-	-	-	-

# Evedon Enterprises Limited

## Notes to the financial statements For the year ended 31 December 2000

### 9 Financial Investments (continued)

Analysis of market value	2000 £	1999 £
<b>Syndicate participations</b>		
Listed on the stock exchange	127,077	40,376
Other listed	37,082	7,177
Unlisted	5,585	12,850
	<u>169,744</u>	<u>60,403</u>
<b>Other</b>		
Listed on the stock exchange	-	-
Unlisted	-	-
	<u>-</u>	<u>-</u>

10 Share capital	2000 £	1999 £
<b>Authorised</b>		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called up and fully paid</b>		
290 Ordinary shares of £1 each	<u>290</u>	<u>290</u>

11 Statement of movements on reserves	2000 £	1999 £
Balance at 1 January 2000	(38,601)	-
Retained profit/(loss) for the year	(9,469)	(38,601)
Balance at 31 December 2000	<u>(48,070)</u>	<u>(38,601)</u>

# Evedon Enterprises Limited

## Notes to the financial statements

For the year ended 31 December 2000

<b>12 Reconciliation of movements in shareholders' funds</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Loss for the financial year	(9,469)	(38,601)
Proceeds from issue of shares	-	290
Share premium on new share capital	-	2,601
Expenses paid in connection with share issue	-	(2,601)
Net addition to shareholders' funds	(9,469)	(38,311)
Opening shareholders' funds	(38,311)	-
Closing shareholders' funds	(47,780)	(38,311)
<b>13 Other creditors including taxation and social security</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Corporation tax	-	-
Proprietors' loan accounts	50,438	36,423
Other creditors	-	3,231
	50,438	39,654
<b>14 Cash flow statement</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
<b>Reconciliation of profit or loss on ordinary activities before tax to net cash inflow from operating activities:</b>		
Profit/(loss) on ordinary activities before tax	(9,469)	(38,601)
(Profit)/loss attributable to syndicate transactions	-	-
(Increase)/decrease in debtors	(11,329)	(2,668)
Increase/(decrease) in creditors and technical provisions	11,309	76,719
(Profit)/loss on disposal of intangible assets	5,395	(1,812)
Amortisation of syndicate capacity	-	-
Unrealised (gain)/loss on revaluation of investments	-	-
Net cash inflow/(outflow) from operating activities	(4,094)	33,638

# **Evedon Enterprises Limited**

## **Notes to the financial statements For the year ended 31 December 2000**

### **15 Related party disclosure**

The company's 1999 and 2000 underwriting is supported by the assets of or guarantees made interavailable to it by D R Dickinson. These assets or guarantees are also available to Lloyd's to meet the personal underwriting liabilities of D R Dickinson for underwriting years in run-off commencing prior to 1 January 1999, where applicable.

## **Evedon Enterprises Limited**

### **Notes to the financial statements For the year ended 31 December 2000**

#### **16 Syndicates**

The principal syndicates or members' agent pooling arrangements ("MAPA") in which the company participates as an underwriting member are as follows:

<b>Syndicate or MAPA Number:</b>	<b>Managing Agent</b>	<b>2001 Allocated Capacity £</b>	<b>2000 Allocated Capacity £</b>	<b>1999 Allocated capacity £</b>	<b>1998 Allocated Capacity £</b>
218	Cox Syndicate Management Ltd		16,055	16,055	
2010	Cathedral Underwriting Ltd.	20,000			
2020	Wellington U/W Agencies Ltd.		11,424	10,627	
2791	Managing Agency Partners Ltd.	25,000			
7039	Members' Agents Pooling Arrangement			367,518	
7071	Members' Agents Pooling Arrangement	404,269	367,518		
7105	Members' Agents Pooling Arrangement		100,000	100,000	