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Registered number
3244792

Kininmonth Special Risks Limited

Report and Accounts

31 December 2000



Kininmonth Special Risks Limited
Report and accounts
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Kininmonth Special Risks Limited

Directors' Report

The directors present their report and accounts for the year ended 31 December 2000.

Principal activities and review of the business

The company's principal activity during the year continued to be as an insurance and reinsurance intermediary under an agency agreement with P.W. Kininmonth Limited, a Lloyd's broker and the company's immediate parent undertaking. During the year all group companies suspended trading and the Lloyd's broker continued to run-off existing business.

Directors

The directors during the year under review were as follows:

P W Kininmonth
P M D Vigors

The directors did not hold any interests in the share capital of the company during the year under review. The interests of the directors in the shares of the ultimate parent undertaking are disclosed in that company's accounts.

Directors' responsibilities

Company law requires the directors to prepare accounts 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 for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

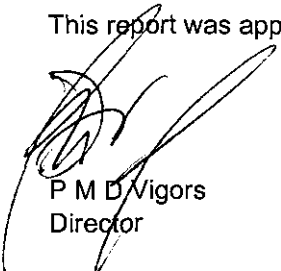
The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to reappoint Linn Maggs & Company as auditors will be put to the forthcoming Annual General Meeting.

This report was approved by the board on

29/01/02



P M D Vigors
Director

Kininmonth Special Risks Limited

Independent auditors' report to the shareholders of Kininmonth Special Risks Limited

We have audited the accounts of Kininmonth Special Risks Limited for the year ended 31 December 2000 which comprise pages 3 to 7. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, 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 with the company is not disclosed.

We read the Directors' Report 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 United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Linn Maggs & Company
Registered auditors

Suite 38-40 London Fruit Exchange
Brushfield Street
London E1 6EU

29 January 2002

Kininmonth Special Risks Limited
Profit and Loss Account
for the year ended 31 December 2000

	Notes	2000 £	1999 £
Turnover	2	-	174,437
Administrative expenses		(40)	(161,253)
Other operating income		48,000	-
Operating profit	3	<u>47,960</u>	<u>13,184</u>
Exceptional items: write back of inter-company loans	4	-	180,184
		<u>47,960</u>	<u>193,368</u>
Profit on ordinary activities before taxation		<u>47,960</u>	<u>193,368</u>
Tax on profit on ordinary activities		-	-
Profit for the financial year		<u>47,960</u>	<u>193,368</u>
Retained profit for the financial year	9	<u>47,960</u>	<u>193,368</u>

Continuing operations

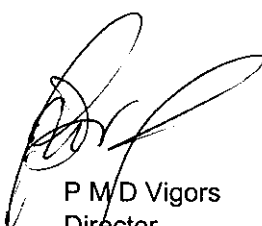
The company's turnover and profit relate to continuing activities which have been calculated on the historical cost basis.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years.

Kininmonth Special Risks Limited
Balance Sheet
as at 31 December 2000

	Notes	2000 £	1999 £
Current assets			
Debtors	6	4	-
Cash at bank and in hand		971	1,000
		<u>975</u>	<u>1,000</u>
Creditors: amounts falling due within one year	7	(15)	(48,000)
Net current assets/(liabilities)		960	(47,000)
		<u>960</u>	<u>(47,000)</u>
Capital and reserves			
Called up share capital	8	200,000	200,000
Profit and loss account	9	(199,040)	(247,000)
Shareholder's funds:			
Equity		<u>960</u>	<u>(47,000)</u>
		<u>960</u>	<u>(47,000)</u>


P M D Vigors
Director

Approved by the board on

22/6/02

Kininmonth Special Risks Limited
Notes to the Accounts
for the year ended 31 December 2000

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

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 taken to the profit and loss account.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Turnover

Turnover represents commissions earned from group undertakings and third parties and is accounted for on an accruals basis.

3 Operating profit

	2000 £	1999 £
This is stated after charging:		
Staff costs:		
Salaries and wages	-	103,048
Social security costs	-	10,054
Other pension costs	-	4,322
Other staff costs	-	1,064
	<u>-</u>	<u>118,488</u>
Intragroup administration and services	<u>-</u>	<u>18,333</u>

Auditors' remuneration has been charged in the accounts of P.W. Kininmonth Limited.

4 Exceptional items

	2000 £	1999 £
Write back of inter-company loans	<u>-</u>	<u>180,184</u>

Kininmonth Special Risks Limited
Notes to the Accounts
for the year ended 31 December 2000

5 Directors' emoluments			2000	1999
			£	£
Emoluments			-	59,181
Company contributions to money purchase pension schemes			-	2,310
			<u>-</u>	<u>61,491</u>
 Number of directors in company pension schemes:			2000	1999
			Number	Number
Money purchase schemes			<u>-</u>	<u>3</u>
 6 Debtors			2000	1999
			£	£
Other debtors			<u>4</u>	<u>-</u>
 7 Creditors: amounts falling due within one year			2000	1999
			£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest			15	-
Other creditors			-	48,000
			<u>15</u>	<u>48,000</u>
 8 Share capital			2000	1999
			£	£
Authorised:				
Ordinary shares of £1 each			<u>200,000</u>	<u>200,000</u>
	2000	1999	2000	1999
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	200,000	200,000	<u>200,000</u>	<u>200,000</u>
 9 Profit and loss account			2000	1999
			£	£
At 1 January 2000			(247,000)	(440,368)
Retained profit			47,960	193,368
			<u>(199,040)</u>	<u>(247,000)</u>
At 31 December 2000				

Kininmonth Special Risks Limited
Notes to the Accounts
for the year ended 31 December 2000

10 Related party transactions

At 31 December 2000 the company owed amounts to group undertakings by way of unsecured, interest free loans as follows:

	£
P.W. Kininmonth Limited	<u>15</u>

11 Controlling party and parent undertaking

P.W. Kininmonth Limited, a company incorporated and registered in England and Wales is the immediate parent undertaking. The ultimate parent undertaking is Ashmore Holdings Limited, a company also incorporated and registered in England and Wales.

P W Kininmonth is the controlling party of Ashmore Holdings Limited.