

ADVENT CAPITAL (No. 2) LIMITED

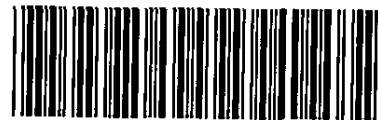
4521289

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2011

THI SATURDAY



A13Y81JS

A17

03/03/2012

#348

COMPANIES HOUSE

A21

23/02/2012

#159

COMPANIES HOUSE

	Page
Directors and Advisors	2
Report of the Directors	3
Statement of Directors' Responsibilities	4
Profit and Loss Account	5
Balance Sheet	6
Accounting Policies	7
Notes to the Accounts	8 - 9

Directors

B F Caudle
K D Thompson Resigned on 31 August 2011
T J Ambridge
P J Green

Company Secretary

N M Ewing ACII

Registered Office

2nd Floor
2 Minster Court
Mincing Lane
London EC3R 7BB

Solicitors

Norton Rose
3 More London Riverside
London
SE1 2AQ

Company Registration Number

4521289

The Directors have pleasure in presenting their Report together with the Accounts for the year ended 31 December 2011

Business review

The Company was a Corporate Member underwriting at Lloyd's. The Company ceased underwriting on 31 December 2005 when the 2003 year of account closed.

The Company did not trade in the period. The Company made a loss in 2010 of £464.

Principal Risks and Uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of Advent Capital (Holdings) PLC, which include those of the Company, are disclosed within the risk management section of the Group's annual report which does not form part of this report.

Key Performance Indicators (KPIs)

The Directors of Advent Capital (Holdings) PLC manage the Group's operations at a syndicate level, rather than via individual corporate members. For this reason, the company's directors believe that analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company. The development, performance and position of the Advent Group, which includes the Company, is discussed in the business review section of Advent Capital (Holdings) PLC's annual report and accounts, which does not form part of these accounts.

Future Outlook

The Company will no longer participate on any syndicates.

Directors

The names of the current directors are listed on page 2. Mr K D Thompson resigned on 31 August 2011. All other directors served throughout the year.

Statement of disclosure of information to auditors

Each of the persons who is a director at the date of this report confirms that

- 1) so far as each of them is aware, there is no information relevant to the audit of the Company's financial statements for the year ended 31 December 2011 of which the auditors are unaware, and
- 2) the director has taken all steps that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The Company has taken advantage of the exemption, under sections 382(1) to (6) of the Companies Act 2006, from the requirement to have its accounts audited.

By Order of the Board


N M Ewing
Secretary
16 February 2012

ADVENT CAPITAL (No. 2) LIMITED

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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 are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The directors confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and 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 2006. 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

ADVENT CAPITAL (No. 2) LIMITED
PROFIT AND LOSS ACCOUNT
Year ended 31 December 2011

	Note	2011 £	2010 £
Operating expenses		-	(645)
Operating Loss		-	(645)
Loss on Ordinary Activities before taxation	1	-	(645)
Tax on loss on ordinary activities	2	-	181
Loss on Ordinary Activities after taxation		-	(464)
Profit and Loss Account brought forward		6,617	7,081
Profit and Loss Account carried forward		6,617	6,617

The result above is from continuing operations

There are no recognised gains or losses other than the result stated above

The Accounting Policies and Notes on pages 8 to 10 form part of these Accounts

ADVENT CAPITAL (No. 2) LIMITED**BALANCE SHEET
As at 31 December 2011**

	Note	2011 £	2010 £
Current Assets			
Debtors	3	260,666	260,728
Creditors			
Creditors - due within one year	4	(204,049)	(204,111)
		<u>56,617</u>	<u>56,617</u>
Capital and Reserves			
Called-up share capital	5	50,000	50,000
Profit and Loss Account		6,617	6,617
Total Shareholders' funds	6	<u>56,617</u>	<u>56,617</u>

For the year ended 31 December 2011 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006



The director's acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts

Approved by the Board on 16 February 2012

P J Green

)
)
) Directors
)
)

T J Ambridge

Basis of Presentation

The Financial Statements are prepared on a going concern basis, under the historical cost basis of accounting, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

In accordance with FRS 1 (revised) the Company is exempt, as a wholly owned subsidiary, from the requirement to prepare a cash flow statement

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 future dates, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the assets, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit those earnings. 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 are not discounted.

1 Loss on Ordinary Activities before taxation

	2011 £	2010 £
This is stated after charging		
Auditors' remuneration in respect of audit of the accounts for the year	-	645
	<hr/>	<hr/>

2. Tax on Loss on ordinary activities

	2011 £	2010 £
Current Tax		
Current tax on loss for the period	-	(181)
	<hr/>	<hr/>

Factors affecting tax charge for the period

Loss on ordinary activities before tax	-	(645)
	<hr/>	<hr/>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010: 28%)	-	(181)
	<hr/>	<hr/>

3 Debtors

	2011 £	2010 £
Amounts due from group undertakings	260,666	260,728
	<hr/>	<hr/>

4. Creditors

	2011 £	2010 £
Amounts falling due within one year		
Corporation tax	202,111	202,111
Amounts due to group undertakings	1,932	-
Accruals	-	2,000
Overdrawn bank account	6	-
	<hr/>	<hr/>
	204,049	204,111
	<hr/>	<hr/>

5. Called-up Share Capital

	2011 £	Authorised 2010 £	2011 £	Allotted, called up and fully paid 2010 £
Ordinary shares of 25p each	250,000	250,000	50,000	50,000
	<hr/>	<hr/>	<hr/>	<hr/>
Number of shares	1,000,000	1,000,000	200,000	200,000
	<hr/>	<hr/>	<hr/>	<hr/>

6. Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Loss for the financial year	-	(464)
Opening shareholders' funds	56,617	57,081
	<hr/>	<hr/>
Closing shareholders' funds	56,617	56,617
	<hr/>	<hr/>

7. Related Parties and Parent Company

The Company is a wholly owned subsidiary of Advent Capital (Holdings) PLC. The Company has taken advantage of the exemption in Financial Reporting Standard 8 not to disclose transactions with entities that are part of the group.

Advent Capital (Holdings) PLC is incorporated and registered in England and Wales. Copies of its group accounts, which include the Company, are available from 2nd Floor, 2 Minster Court, Mincing Lane, London EC3R 7BB.

The ultimate parent company of Advent Capital (Holdings) PLC is Fairfax Financial Holdings Limited, a company incorporated and registered in Canada.

Copies of the consolidated financial statements of Fairfax Financial Holdings Limited are available from 95 Wellington Street West, Suite 800, Toronto, Ontario, Canada, M5J 2N7.