



**PRUDENTIAL**

# **Prudential Assurance Company Limited**

PRUDENTIAL ASSURANCE  
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COMPANY LIMITED

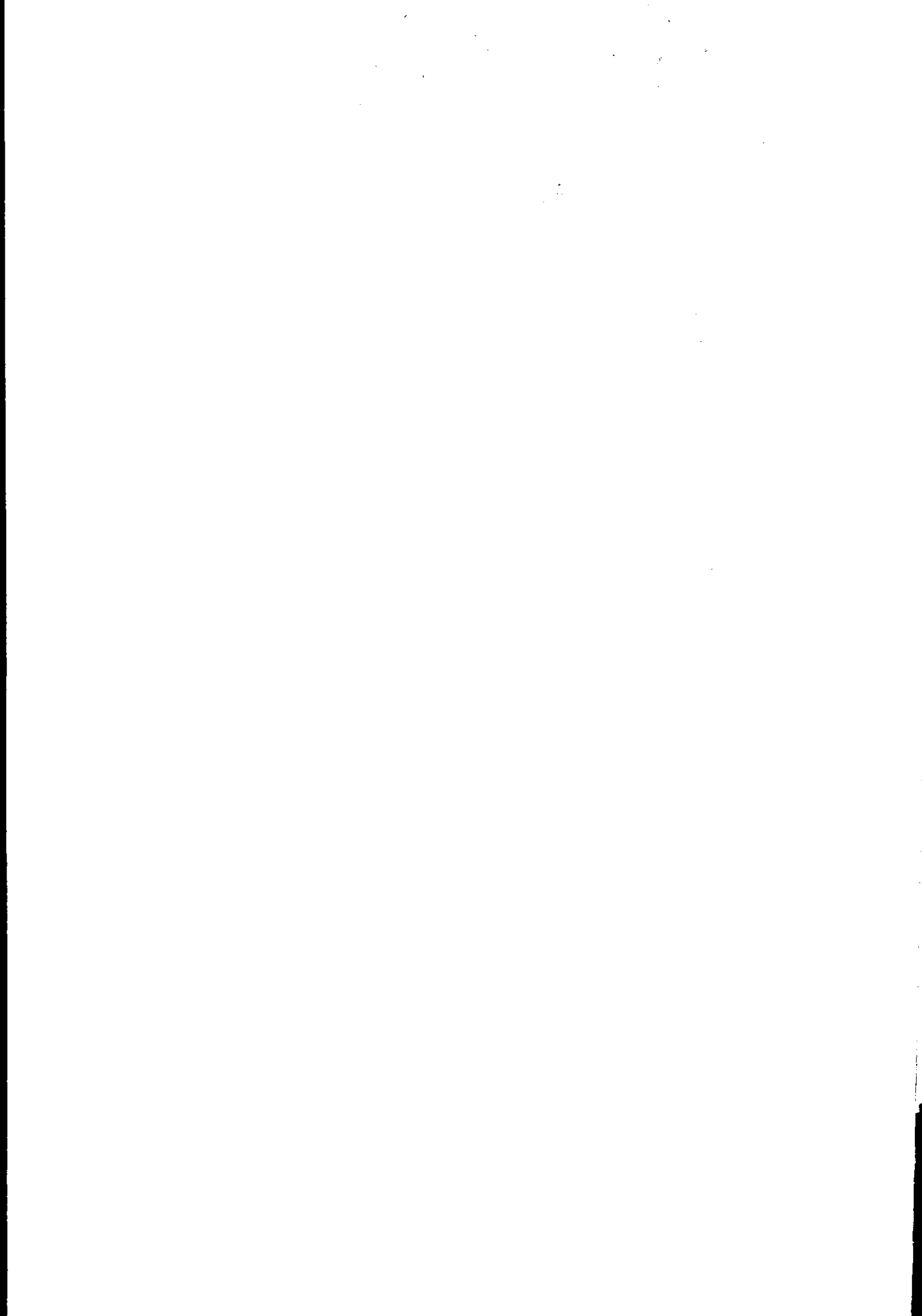
**Annual FSA Insurance Returns for the year ended  
31 December 2001**



Returns under the Accounts and Statements Rules

(Appendices 1, 2, 3, 5 and 6)

Incorporated and Registered in England and Wales Registered number 15454  
Registered office 142 Holborn Bars London EC1N 2NH



# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2001

## Returns under the Accounts and Statements Rules

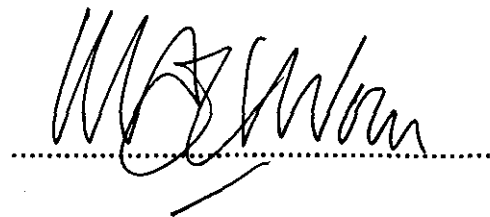
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**Covering sheet to Form 9**

Name of company      **The Prudential Assurance Company Limited**

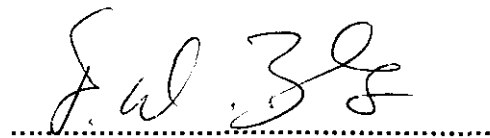
Global business

Financial year ended      **31<sup>st</sup> December 2001**

A handwritten signature in black ink, appearing to read 'Mark Wood', written over a horizontal dotted line.

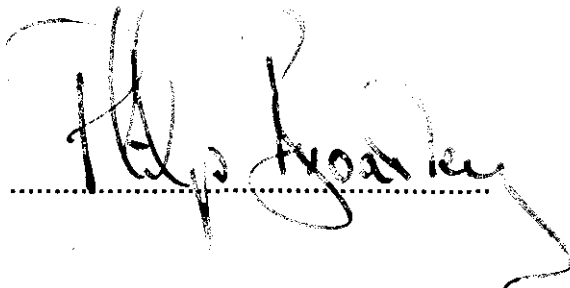
**Mark Wood**

**Chief  
Executive**

A handwritten signature in black ink, appearing to read 'Jonathan Bloomer', written over a horizontal dotted line.

**Jonathan Bloomer**

**Director**

A handwritten signature in black ink, appearing to read 'Philip Broadley', written over a horizontal dotted line.

**Philip Broadley**

**Director**

**24 April 2002**

## Statement of solvency

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**

R9	Company registration number	GL/UK/CM	Period ended			Units
			day	month	year	
	15454	GL	31	12	2001	£000
		As at the end of this financial year	As at the end of the previous year		Source	
		1	2		Form	Line
						Column

## GENERAL INSURANCE BUSINESS

## Available assets

Other than long term insurance business assets allocated towards general insurance business required minimum margin *	11	667324	215381	See instructions 1 and 2
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## Required minimum margin

Required minimum margin for general insurance business	12	33012	54075	12 49
Excess (deficiency) of available assets over the required minimum margin (11-12) *	13	634312	161306	

## LONG TERM INSURANCE BUSINESS

## Available assets

Long term insurance business admissible assets	21	77452450	82700004	10 11
Other than long term insurance business assets allocated towards long term insurance business required minimum margin	22			See instructions 1 and 3
Total mathematical reserves (after distribution of surplus)	23	65882544	66762648	See instruction 4
Other insurance and non-insurance liabilities	24	3127254	3991519	See instruction 5
Available assets for long term insurance business required minimum margin (21+22-23-24)	25	8442652	11945837	

## Implicit Items admitted under Rule 2.10(5) as modified

Future profits	31			
Zillmerising	32			
Hidden reserves	33			

Total of available assets and implicit items (25+31+32+33)	34	8442652	11945837	
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## Required minimum margin

Required minimum margin for long term insurance business	41	2770966	2804400	60 69
Explicit required minimum margin (1/6 x 41, or minimum guarantee fund if greater)	42	461828	467400	
Excess (deficiency) of available assets over explicit required minimum margin (25-42)	43	7980824	11478437	
Excess (deficiency) of available assets and implicit items over the required minimum margin (34-41)	44	5671686	9141437	

## CONTINGENT LIABILITIES

Quantifiable contingent liabilities in respect of other than long term insurance business as shown in a supplementary note to Form 15	51			See instruction 6
Quantifiable contingent liabilities in respect of long term insurance business as shown in a supplementary note to Form 14	52			See instruction 6

\* This form has been prepared on the basis that would have applied had the direction granted effective on 27 March 2002, in relation to paragraphs 11A and 15A of Part I of Appendix 4.2 of IPRU(INS), been effective on 31 December 2001. A full explanation of this direction and its appropriateness as the basis of preparation for these returns is provided in Note 0905 on page 125.

Financial year ended **31st December 2001**3

**General insurance business : Calculation of required margin of solvency - first method**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**

			Company registration number	GL/UK/CM	Period ended			Units	
			R11	15454	GL	31	12	2001	£000
			This financial year			Previous year			
			1			2			
Gross premiums receivable			11	411878			349812		
Premium taxes and levies (included in line 11)			12						
Sub-total A (11-12)			13	411878			349812		
Adjusted Sub-total A if financial year is not a 12 month period to produce an annual figure			14						
Division of Sub-total A (or adjusted Sub-total A if appropriate)	Other than health insurance	Up to and including sterling equivalent of 10M EURO x 18/100	15	1118			1046		
		Excess (if any) over 10M EURO x 16/100	16	64906			55040		
	Health insurance	Up to and including sterling equivalent of 10M EURO x 6/100	17						
		Excess (if any) over 10M EURO x 16/300	18						
Sub-total B (15+16+17+18)			19	66024			56086		
Claims paid			21	246234			207773		
Claims outstanding carried forward at the end of the financial year		For insurance business accounted for on an underwriting year basis	22	96240			100910		
		For insurance business accounted for on an accident year basis	23	222891			253334		
Claims outstanding brought forward at the beginning of the financial year		For insurance business accounted for on an underwriting year basis	24	102552			113609		
		For insurance business accounted for on an accident year basis	25	250280			213605		
Sub-total C (21+22+23-(24+25))			29	212533			234803		
Amounts recoverable from reinsurers in respect of claims included in Sub-total C			30	161935			8418		
Sub-total D (29-30)			39	50598			226385		
First result Sub-total B x Sub-total D (or, if ½ is a greater fraction, x ½) Sub-total C			41	33012			54075		

**General insurance business : Calculation of required margin of solvency - second method, and statement of required minimum margin**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Company  
registration  
number

GL/UK/CM

Period ended

day month year

Units

		R12	15454	GL	31	12	2001	£000
			This financial year	Previous year	Source			
			1	2	Form	Line	Column	
Reference period (No. of financial years) Insert "0" if there is no reference period otherwise insert "3" or "7"		3	11			See Instruction 1		
Claims paid in reference period			21	674078	654997			
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis		22	96240	100910			
	For insurance business accounted for on an accident year basis		23	222891	253334			
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis		24	124850	135128			
	For insurance business accounted for on an accident year basis		25	273206	286435			
Sub-total E (21+22+23-(24+25))			29	595153	587678			
Sub-total F - Conversion of Sub-total E to annual figure (Multiply by 12 and divide by number of months in reference period)			31	198384	195893			
Division of Sub-total F	Other than health insurance	Up to and including sterling equivalent of 7M EURO x 26/100	32	1131	1057			
		Excess (if any) over 7M EURO x 23/100	33	44628	44120			
	Health insurance	Up to and including sterling equivalent of 7M EURO x 26/300	34					
		Excess (if any) over 7M EURO x 23/300	35					
Sub-total G (32 to 35)			39	45759	45177			
Second result Sub-total G x Sub-total D (or, if ½ is a greater fraction, x ½) Sub-total C			41	22880	43557			

First result	42	33012	54075	11	41
Required margin of solvency (the higher of lines 41 and 42)	43	33012	54075		

Minimum guarantee fund	44	249	232		
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Required minimum margin (the higher of lines 43 and 44)	49	33012	54075		
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**Analysis of admissible assets**

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**

Category of assets **Total Other Than Long Term Business Assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	15454	GL	31	12	2001	£000	1
Investments					As at the end of this financial year 1		As at the end of the previous year 2		
Land and buildings					11				
Investments in group undertakings and participating interests	UK insurance business dependants	Shares			21	91418		74980	
		Debt securities issued by, and loans to, dependants			22				
	Other insurance dependants	Shares *			23	69918			
		Debt securities issued by, and loans to, dependants			24				
	Non-insurance dependants	Shares			25	324311		249056	
		Debt securities issued by, and loans to, dependants			26				
	Other group undertakings and participating interests	Shares			27				
		Debt securities issued by, and loans to, group undertakings			28				
		Participating interests			29				
		Debt securities issued by, and loans to, undertakings in which the insurer has a participating interest			30				
Total sheet 1 (11 to 30) *					39	485647		324036	

\* This form has been prepared on the basis that would have applied had the direction granted effective on 27 March 2002, in relation to paragraphs 11A and 15A of Part I of Appendix 4.2 of IPRU(INS), been effective on 31 December 2001. A full explanation of this direction and its appropriateness as the basis of preparation for these returns is provided in Note 0905 on page 125.

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Total Other Than Long Term Business Assets**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R13	15454	GL	31	12	2001	£000	1
Investments (continued) Deposits with ceding undertakings Assets held to cover linked liabilities						As at the end of this financial year 1		As at the end of the previous year 2		
Other financial investments	Equity shares *				41	241272		236750		
	Other shares and other variable yield securities				42					
	Holdings in collective investment schemes *				43	32838		32351		
	Rights under derivative contracts				44	97		732		
	Debt securities and other fixed income securities	Fixed interest	Approved securities		45	123730		118359		
			Other *		46	9263		16816		
		Variable interest	Approved securities		47					
			Other		48					
	Participation in investment pools				49					
	Loans secured by mortgages				50					
	Other loans	Loans to public or local authorities and nationalised industries or undertakings			51					
		Loans secured by policies of insurance issued by the company			52					
		Other			53					
	Deposits with approved credit institutions and approved financial institutions	Withdrawal subject to a time restriction of one month or less *			54	385000		323588		
		Withdrawal subject to a time restriction of more than one month *			55	15441		12912		
	Other				56					
Deposits with ceding undertakings				57						
Assets held to match linked liabilities	Index linked			58						
	Property linked			59						
Reinsurers' share of technical provisions	Provision for unearned premiums			60	163071		4778			
	Claims outstanding			61	203796		45291			
	Provision for unexpired risks			62						
	Other			63						
Total sheet 2 (41 to 63) *				69	1174508		791577			

\* This form has been prepared on the basis that would have applied had the direction granted effective on 27 March 2002, in relation to paragraphs 11A and 15A of Part I of Appendix 4.2 of IPRU(INS), been effective on 31 December 2001. A full explanation of this direction and its appropriateness as the basis of preparation for these returns is provided in Note 0905 on page 125.

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Total Other Than Long Term Business Assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	15454	GL	31	12	2001	£000	1
Debtors					As at the end of this financial year 1		As at the end of the previous year 2		
Other assets									
Debtors arising out of direct insurance operations	Policyholders				71	140547		140372	
	Intermediaries				72	90		94	
Salvage and subrogation recoveries					73				
Debtors arising out of reinsurance operations	Due from ceding insurers and intermediaries under reinsurance business accepted				74	2454		55	
	Due from reinsurers and intermediaries under reinsurance contracts ceded				75	3867		2873	
Other debtors	Due from dependants	Due in 12 months or less after the end of the financial year			76	26369			
		Due more than 12 months after the end of the financial year			77				
	Other	Due in 12 months or less after the end of the financial year *			78	50726		18564	
		Due more than 12 months after the end of the financial year *			79	30704		29464	
Tangible assets					80	161		2105	
Cash at bank and in hand	Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities				81	40448		2615	
	Cash in hand				82				
Other assets (particulars to be specified by way of supplementary note)					83				
Prepayments and accrued income	Accrued interest and rent				84	2906		8398	
	Deferred acquisition costs				85	29495		16799	
	Other prepayments and accrued income				86	10949		3998	
Deductions (under rules 4.14(2)(b) and 4.14(3)) from the aggregate value of assets *					87				
Total sheet 3 (71 to 86 less 87) *					88	338716		225337	
Grand total of admissible assets (39+69+88) *					89	1998871		1340950	
Reconciliation to asset values determined in accordance with the insurance accounts rules									
Total admissible assets (as per line 89 above) *					91	1998871		1340950	
Total assets in excess of the admissibility limits of Appendix 4.2 (as valued in accordance with those Rules before applying admissibility limits) *					92	2297		72572	
Solvency margin deduction for subsidiary undertakings which are insurance undertakings					93	84635		64793	
Other differences in the valuation of assets (other than for assets not valued above)					94	864004		888956	
Assets of a type not valued above, (as valued in accordance with the insurance accounts rules)					95	729		809	
Total assets determined in accordance with the insurance accounts rules (91 to 95) *					99	2950536		2368080	
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance					100	26369		1573	

\* This form has been prepared on the basis that would have applied had the direction granted effective on 27 March 2002, in relation to paragraphs 11A and 15A of Part I of Appendix 4.2 of IPRU(INS), been effective on 31 December 2001. A full explanation of this direction and its appropriateness as the basis of preparation for these returns is provided in Note 0905 on page 125.

## Analysis of admissible assets

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Total Long Term Business Assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	15454	GL	31	12	2001	£000	10
Investments					As at the end of this financial year 1			As at the end of the previous year 2	
Land and buildings					11	9825516			9735747
Investments in group undertakings and participating interests	UK insurance business dependants	Shares			21	130430			121683
		Debt securities issued by, and loans to, dependants			22				
	Other insurance dependants	Shares			23				
		Debt securities issued by, and loans to, dependants			24				
	Non-insurance dependants	Shares			25	278168			281848
		Debt securities issued by, and loans to, dependants			26	176809			192910
	Other group undertakings and participating interests	Shares			27	48250			36250
		Debt securities issued by, and loans to, group undertakings			28				
		Participating interests			29				
		Debt securities issued by, and loans to, undertakings in which the insurer has a participating interest			30				
Total sheet 1 (11 to 30)					39	10459173			10368438

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Total Long Term Business Assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	15454	GL	31	12	2001	£000	10
Investments (continued)					As at the end of this financial year 1		As at the end of the previous year 2		
Deposits with ceding undertakings									
Assets held to cover linked liabilities									
Other financial investments	Equity shares			41	39041641		49108386		
	Other shares and other variable yield securities			42	4611		6024		
	Holdings in collective investment schemes			43	625220		408875		
	Rights under derivative contracts			44	219220		105460		
	Debt securities and other fixed income securities	Fixed interest	Approved securities	45	3563306		5548045		
			Other	46	17823720		11579842		
		Variable interest	Approved securities	47	15685		701001		
			Other	48	1288356		554467		
	Participation in investment pools			49	173756				
	Loans secured by mortgages			50	4262		18199		
	Other loans	Loans to public or local authorities and nationalised industries or undertakings		51					
		Loans secured by policies of insurance issued by the company		52	133435		142973		
		Other		53	581118		455394		
	Deposits with approved credit institutions and approved financial institutions	Withdrawal subject to a time restriction of one month or less		54	1460043		1253771		
		Withdrawal subject to a time restriction of more than one month		55	92144		109267		
	Other			56					
Deposits with ceding undertakings				57					
Assets held to match linked liabilities	Index linked			58	15639		15945		
	Property linked			59	314368		353945		
Reinsurers' share of technical provisions	Provision for unearned premiums			60					
	Claims outstanding			61					
	Provision for unexpired risks			62					
	Other			63					
Total sheet 2 (41 to 63)				69	65356524		70361594		

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Total Long Term Business Assets**

Category of assets		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
				day	month	year			
		R13	15454	GL	31	12	2001	£000	10
Debtors					As at the end of this financial year 1			As at the end of the previous year 2	
Other assets									
Debtors arising out of direct insurance operations	Policyholders			71	66608			62577	
	Intermediaries			72					
Salvage and subrogation recoveries				73					
Debtors arising out of reinsurance operations	Due from ceding insurers and intermediaries under reinsurance business accepted			74	24556			13023	
	Due from reinsurers and intermediaries under reinsurance contracts ceded			75	11525			20293	
Other debtors	Due from dependants	Due in 12 months or less after the end of the financial year		76	2287			241	
		Due more than 12 months after the end of the financial year		77					
	Other	Due in 12 months or less after the end of the financial year		78	404609			559308	
		Due more than 12 months after the end of the financial year		79	79932			78692	
Tangible assets				80	5982			2567	
Cash at bank and in hand	Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities			81	537483			720321	
	Cash in hand			82	4			4	
Other assets (particulars to be specified by way of supplementary note)				83					
Prepayments and accrued income	Accrued interest and rent			84	498225			507408	
	Deferred acquisition costs			85					
	Other prepayments and accrued income			86	5542			5538	
Deductions (under rules 4.14(2)(b) and 4.14(3)) from the aggregate value of assets				87					
Total sheet 3 (71 to 86 less 87)				88	1636753			1969972	
Grand total of admissible assets (39+69+88)				89	77452450			82700004	
Reconciliation to asset values determined in accordance with the insurance accounts rules									
Total admissible assets (as per line 89 above)				91	77452450			82700004	
Total assets in excess of the admissibility limits of Appendix 4.2 (as valued in accordance with those Rules before applying admissibility limits)				92					
Solvency margin deduction for subsidiary undertakings which are insurance undertakings				93	472060			442663	
Other differences in the valuation of assets (other than for assets not valued above)				94	563284			500971	
Assets of a type not valued above, (as valued in accordance with the insurance accounts rules)				95	375205			415719	
Total assets determined in accordance with the insurance accounts rules (91 to 95)				99	78862999			84059357	
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance				100	45058			194220	

## Analysis of admissible assets

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Scottish Amicable Insurance Fund**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R13	15454	GL	31	12	2001	£000	11
Investments						As at the end of this financial year 1		As at the end of the previous year 2		
Land and buildings						11	1481963		1505066	
Investments in group undertakings and participating interests	UK insurance business dependants	Shares				21				
		Debt securities issued by, and loans to, dependants				22				
	Other insurance dependants	Shares				23				
		Debt securities issued by, and loans to, dependants				24				
	Non-insurance dependants	Shares				25			8986	
		Debt securities issued by, and loans to, dependants				26			58468	
	Other group undertakings and participating interests	Shares				27				
		Debt securities issued by, and loans to, group undertakings				28				
		Participating interests				29				
		Debt securities issued by, and loans to, undertakings in which the insurer has a participating interest				30				
Total sheet 1 (11 to 30)						39	1481963		1572520	

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Scottish Amicable Insurance Fund**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	15454	GL	31	12	2001	£000	11
Investments (continued)					As at the end of this financial year 1		As at the end of the previous year 2		
Deposits with ceding undertakings									
Assets held to cover linked liabilities									
Other financial investments	Equity shares			41	6473112		8351912		
	Other shares and other variable yield securities			42					
	Holdings in collective investment schemes			43	159662		127856		
	Rights under derivative contracts			44	27618		9731		
	Debt securities and other fixed income securities	Fixed interest	Approved securities	45	1035685		1596348		
			Other	46	4158025		3037489		
		Variable interest	Approved securities	47			123141		
			Other	48	289364		83002		
	Participation in investment pools			49	8500				
	Loans secured by mortgages			50	150		137		
	Other loans	Loans to public or local authorities and nationalised industries or undertakings		51					
		Loans secured by policies of insurance issued by the company		52	29574		33554		
		Other		53	122881		26695		
	Deposits with approved credit institutions and approved financial institutions	Withdrawal subject to a time restriction of one month or less		54	73330		200152		
		Withdrawal subject to a time restriction of more than one month		55					
	Other			56					
Deposits with ceding undertakings			57						
Assets held to match linked liabilities	Index linked		58						
	Property linked		59						
Reinsurers' share of technical provisions	Provision for unearned premiums		60						
	Claims outstanding		61						
	Provision for unexpired risks		62						
	Other		63						
Total sheet 2 (41 to 63)			69	12377901		13590017			



**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Scottish Amicable Insurance Fund**Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

Category  
of  
assets

R13	15454	GL	31	12	2001	£000	11
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Debtors				As at the end of this financial year 1	As at the end of the previous year 2
Other assets					
Debtors arising out of direct insurance operations	Policyholders		71	4441	315
	Intermediaries		72		
Salvage and subrogation recoveries			73		
Debtors arising out of reinsurance operations	Due from ceding insurers and intermediaries under reinsurance business accepted		74		
	Due from reinsurers and intermediaries under reinsurance contracts ceded		75		
Other debtors	Due from dependants	Due in 12 months or less after the end of the financial year	76		
		Due more than 12 months after the end of the financial year	77		
	Other	Due in 12 months or less after the end of the financial year	78	80190	118066
		Due more than 12 months after the end of the financial year	79	59709	
Tangible assets			80		
Cash at bank and in hand	Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities		81	145552	206788
	Cash in hand		82		
Other assets (particulars to be specified by way of supplementary note)			83		
Prepayments and accrued income	Accrued interest and rent		84	103846	114448
	Deferred acquisition costs		85		
	Other prepayments and accrued income		86	4988	5538
Deductions (under rules 4.14(2)(b) and 4.14(3)) from the aggregate value of assets			87		
Total sheet 3 (71 to 86 less 87)			88	398726	445155
Grand total of admissible assets (39+69+88)			89	14258590	15607692

**Reconciliation to asset values determined in accordance with the insurance accounts rules**

Total admissible assets (as per line 89 above)	91	14258590	15607692
Total assets in excess of the admissibility limits of Appendix 4.2 (as valued in accordance with those Rules before applying admissibility limits)	92		
Solvency margin deduction for subsidiary undertakings which are insurance undertakings	93		
Other differences in the valuation of assets (other than for assets not valued above)	94	22937	8754
Assets of a type not valued above, (as valued in accordance with the insurance accounts rules)	95		
Total assets determined in accordance with the insurance accounts rules (91 to 95)	99	14281527	15616446

Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	100	10003	32995
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## Analysis of admissible assets

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Other Long Term PAC Funds**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	15454	GL	31	12	2001	£000	12
Investments					As at the end of this financial year 1		As at the end of the previous year 2		
Land and buildings					11	8343553		8230681	
Investments in group undertakings and participating interests	UK insurance business dependants	Shares			21	130430		121683	
		Debt securities issued by, and loans to, dependants			22				
	Other insurance dependants	Shares			23				
		Debt securities issued by, and loans to, dependants			24				
	Non-insurance dependants	Shares			25	278168		272862	
		Debt securities issued by, and loans to, dependants			26	176809		134442	
	Other group undertakings and participating interests	Shares			27	48250		36250	
		Debt securities issued by, and loans to, group undertakings			28				
		Participating interests			29				
		Debt securities issued by, and loans to, undertakings in which the insurer has a participating interest			30				
Total sheet 1 (11 to 30)					39	8977210		8795918	

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Other Long Term PAC Funds**Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

Category  
of  
assets

R13

15454

GL

31

12

2001

£000

12

**Investments (continued)****Deposits with ceding undertakings****Assets held to cover linked liabilities**As at the end of  
this financial  
year  
1As at the end of  
the previous  
year  
2

Other financial investments	Equity shares		41	32551972	40756474	
	Other shares and other variable yield securities		42	4611	6024	
	Holdings in collective investment schemes		43	465558	281019	
	Rights under derivative contracts		44	191623	95729	
	Debt securities and other fixed income securities	Fixed interest	Approved securities	45	2521236	3951697
			Other	46	13664482	8542353
		Variable interest	Approved securities	47	15685	577860
			Other	48	998992	471465
	Participation in investment pools		49	165256		
	Loans secured by mortgages		50	4112	18062	
	Other loans	Loans to public or local authorities and nationalised industries or undertakings		51		
		Loans secured by policies of insurance issued by the company		52	103861	109419
		Other		53	458237	428699
	Deposits with approved credit institutions and approved financial institutions	Withdrawal subject to a time restriction of one month or less		54	1373636	1053619
		Withdrawal subject to a time restriction of more than one month		55	92144	109267
	Other		56			
Deposits with ceding undertakings			57			
Assets held to match linked liabilities	Index linked		58	15639	15945	
	Property linked		59	310605	353945	
Reinsurers' share of technical provisions	Provision for unearned premiums		60			
	Claims outstanding		61			
	Provision for unexpired risks		62			
	Other		63			
Total sheet 2 (41 to 63)			69	52937649	56771577	

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Other Long Term PAC Funds**

Category of assets		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
				day	month	year			
		R13	15454	GL	31	12	2001	£000	12
Debtors					As at the end of this financial year 1			As at the end of the previous year 2	
Other assets									
Debtors arising out of direct insurance operations	Policyholders			71	61413			62262	
	Intermediaries			72					
Salvage and subrogation recoveries				73					
Debtors arising out of reinsurance operations	Due from ceding insurers and intermediaries under reinsurance business accepted			74	24556			13023	
	Due from reinsurers and intermediaries under reinsurance contracts ceded			75	11525			20293	
Other debtors	Due from dependants	Due in 12 months or less after the end of the financial year		76	2287			241	
		Due more than 12 months after the end of the financial year		77					
	Other	Due in 12 months or less after the end of the financial year		78	324345			441242	
		Due more than 12 months after the end of the financial year		79	20223			78692	
Tangible assets				80	5982			2567	
Cash at bank and in hand	Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities			81	389814			513533	
	Cash in hand			82	4			4	
Other assets (particulars to be specified by way of supplementary note)				83					
Prepayments and accrued income	Accrued interest and rent			84	394293			392960	
	Deferred acquisition costs			85					
	Other prepayments and accrued income			86	554				
Deductions (under rules 4.14(2)(b) and 4.14(3)) from the aggregate value of assets				87					
Total sheet 3 (71 to 86 less 87)				88	1234996			1524817	
Grand total of admissible assets (39+69+88)				89	63149855			67092312	
Reconciliation to asset values determined in accordance with the insurance accounts rules									
Total admissible assets (as per line 89 above)				91	63149855			67092312	
Total assets in excess of the admissibility limits of Appendix 4.2 (as valued in accordance with those Rules before applying admissibility limits)				92					
Solvency margin deduction for susidiary undertakings which are insurance undertakings				93	472060			442663	
Other differences in the valuation of assets (other than for assets not valued above)				94	535468			492217	
Assets of a type not valued above, (as valued in accordance with the insurance accounts rules)				95	375205			415719	
Total assets determined in accordance with the insurance accounts rules (91 to 95)				99	64532588			68442911	
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance				100	35055			161225	

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Ordinary Branch (Europe)**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R13	15454	GL	31	12	2001	£000	13
Investments							As at the end of this financial year 1		As at the end of the previous year 2	
Land and buildings						11				
Investments in group undertakings and participating interests	UK insurance business dependants	Shares	21							
		Debt securities issued by, and loans to, dependants	22							
	Other insurance dependants	Shares	23							
		Debt securities issued by, and loans to, dependants	24							
	Non-insurance dependants	Shares	25							
		Debt securities issued by, and loans to, dependants	26							
	Other group undertakings and participating interests	Shares	27							
		Debt securities issued by, and loans to, group undertakings	28							
		Participating interests	29							
		Debt securities issued by, and loans to, undertakings in which the insurer has a participating interest	30							
Total sheet 1 (11 to 30)						39				

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Ordinary Branch (Europe)**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	15454	GL	31 day	12 month	2001 year	£000	13
Investments (continued)					As at the end of this financial year 1			As at the end of the previous year 2	
Deposits with ceding undertakings									
Assets held to cover linked liabilities									
Other financial investments	Equity shares			41	16557				
	Other shares and other variable yield securities			42					
	Holdings in collective investment schemes			43					
	Rights under derivative contracts			44	(21)				
	Debt securities and other fixed income securities	Fixed interest	Approved securities	45	6385				
			Other	46	1213				
		Variable interest	Approved securities	47					
			Other	48					
	Participation in investment pools			49					
	Loans secured by mortgages			50					
	Other loans	Loans to public or local authorities and nationalised industries or undertakings		51					
		Loans secured by policies of insurance issued by the company		52					
		Other		53					
	Deposits with approved credit institutions and approved financial institutions	Withdrawal subject to a time restriction of one month or less		54	13077				
		Withdrawal subject to a time restriction of more than one month		55					
	Other			56					
Deposits with ceding undertakings			57						
Assets held to match linked liabilities	Index linked		58						
	Property linked		59	3763					
Reinsurers' share of technical provisions	Provision for unearned premiums		60						
	Claims outstanding		61						
	Provision for unexpired risks		62						
	Other		63						
Total sheet 2 (41 to 63)			69	40974					

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Ordinary Branch (Europe)**Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

Category  
of  
assets

R13	15454	GL	31	12	2001	£000	13
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Debtors Other assets			As at the end of this financial year 1	As at the end of the previous year 2	
Debtors arising out of direct insurance operations	Policyholders		71	754	
	Intermediaries		72		
Salvage and subrogation recoveries			73		
Debtors arising out of reinsurance operations	Due from ceding insurers and intermediaries under reinsurance business accepted		74		
	Due from reinsurers and intermediaries under reinsurance contracts ceded		75		
Other debtors	Due from dependants	Due in 12 months or less after the end of the financial year	76		
		Due more than 12 months after the end of the financial year	77		
	Other	Due in 12 months or less after the end of the financial year	78	74	
		Due more than 12 months after the end of the financial year	79		
Tangible assets			80		
Cash at bank and in hand	Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities		81	2117	
	Cash in hand		82		
Other assets (particulars to be specified by way of supplementary note)			83		
Prepayments and accrued income	Accrued interest and rent		84	86	
	Deferred acquisition costs		85		
	Other prepayments and accrued income		86		
Deductions (under rules 4.14(2)(b) and 4.14(3)) from the aggregate value of assets			87		
Total sheet 3 (71 to 86 less 87)			88	3031	
Grand total of admissible assets (39+69+88)			89	44005	

**Reconciliation to asset values determined in accordance with the insurance accounts rules**

Total admissible assets (as per line 89 above)	91	44005	
Total assets in excess of the admissibility limits of Appendix 4.2 (as valued in accordance with those Rules before applying admissibility limits)	92		
Solvency margin deduction for subsidiary undertakings which are insurance undertakings	93		
Other differences in the valuation of assets (other than for assets not valued above)	94	4879	
Assets of a type not valued above, (as valued in accordance with the insurance accounts rules)	95		
Total assets determined in accordance with the insurance accounts rules (91 to 95)	99	48884	

Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	100		
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**Long term insurance business liabilities and margins**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Total Long Term Business Assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R14	15454	GL	31	12	2001	£000	10
				As at the end of this financial year 1	As at the end of the previous year 2		Source		
Mathematical reserves, after distribution of surplus		11	63282544	60062648		See instruction 2			
Cash bonuses which had not been paid to policyholders prior to end of the financial year		12				See instruction 3			
Balance of surplus/(valuation deficit)		13	113611	113611		See instruction 4			
Long term insurance business fund carried forward (11 to 13)		14	63396155	60176259		See instruction 5			
Claims outstanding which had fallen due for payment before the end of the financial year	Gross amount	15	412145	445602					
	Reinsurers' share	16	2413	1254					
	Net (15-16)	17	409732	444348					
Provisions for other risks and charges	Taxation	21	1594238	2269103					
	Other	22							
Deposits received from reinsurers		23							
Creditors and other liabilities	Arising out of insurance operations	Direct insurance business	31	248654	38662				
		Reinsurance accepted	32						
		Reinsurance ceded	33	12223	4061				
	Debenture loans	Secured	34						
		Unsecured	35						
	Amounts owed to credit institutions		36						
	Other creditors	Taxation	37	258592	625667				
		Other	38	466873	462264				
Accruals and deferred income		39	136942	147414					
Provision for adverse changes (calculated in accordance with rule 5.3)		41							
Total other insurance and non-insurance liabilities (17 to 41)		49	3127254	3991519					
Excess of the value of net admissible assets		51	10929041	18532226		See instruction 6			
Total liabilities and margins		59	77452450	82700004					
Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance		61	284374	209809					
Amounts included in line 59 attributable to liabilities in respect of property linked benefits		62	314368	353945					
Amount of any additional mathematical reserves included in line 51 which have been taken into account in the appointed actuary's certificate		63	2600000	6700000		See instruction 7			



## Long term insurance business liabilities and margins

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Scottish Amicable Insurance Fund**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets		
		R14	15454	GL	31	12	2001	£000	11	
			As at the end of this financial year 1	As at the end of the previous year 2			Source			
Mathematical reserves, after distribution of surplus			11	12154211			12066653			See Instruction 2
Cash bonuses which had not been paid to policyholders prior to end of the financial year			12							See Instruction 3
Balance of surplus/(valuation deficit)			13							See Instruction 4
Long term insurance business fund carried forward (11 to 13)			14	12154211			12066653			See Instruction 5
Claims outstanding which had fallen due for payment before the end of the financial year	Gross amount		15	66135			59080			
	Reinsurers' share		16				901			
	Net (15-16)		17	66135			58179			
Provisions for other risks and charges	Taxation		21	130584			229366			
	Other		22							
Deposits received from reinsurers			23							
Creditors and other liabilities	Arising out of insurance operations	Direct insurance business	31	400						
		Reinsurance accepted	32							
		Reinsurance ceded	33							
	Debenture loans	Secured	34							
		Unsecured	35							
	Amounts owed to credit institutions		36							
	Other creditors	Taxation	37	2498			87846			
		Other	38	176350			161905			
Accruals and deferred income			39	2091			3726			
Provision for adverse changes (calculated in accordance with rule 5.3)			41							
Total other insurance and non-insurance liabilities (17 to 41)			49	378058			541022			
Excess of the value of net admissible assets			51	1726321			3000017			See Instruction 6
Total liabilities and margins			59	14258590			15607692			
Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance			61	107539			106239			
Amounts included in line 59 attributable to liabilities in respect of property linked benefits			62							
Amount of any additional mathematical reserves included in line 51 which have been taken into account in the appointed actuary's certificate			63	900000			1200000			See Instruction 7

## Long term insurance business liabilities and margins

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Other Long Term PAC Funds**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R14	15454	GL	31	12	2001	£000	12
				As at the end of this financial year 1	As at the end of the previous year 2		Source		
Mathematical reserves, after distribution of surplus		11	51087582	47995995	See Instruction 2				
Cash bonuses which had not been paid to policyholders prior to end of the financial year		12			See Instruction 3				
Balance of surplus/(valuation deficit)		13	113611	113611	See Instruction 4				
Long term insurance business fund carried forward (11 to 13)		14	51201193	48109606	See Instruction 5				
Claims outstanding which had fallen due for payment before the end of the financial year	Gross amount	15	345968	386522					
	Reinsurers' share	16	2413	353					
	Net (15-16)	17	343555	386169					
Provisions for other risks and charges	Taxation	21	1463654	2039737					
	Other	22							
Deposits received from reinsurers		23							
Creditors and other liabilities	Arising out of insurance operations	Direct insurance business	31	246333	38662				
		Reinsurance accepted	32						
		Reinsurance ceded	33	12223	4061				
	Debenture loans	Secured	34						
		Unsecured	35						
	Amounts owed to credit institutions		36						
	Other creditors	Taxation	37	256094	537821				
		Other	38	289232	300359				
Accruals and deferred income		39	134851	143688					
Provision for adverse changes (calculated in accordance with rule 5.3)		41							
Total other insurance and non-insurance liabilities (17 to 41)		49	2745942	3450497					
Excess of the value of net admissible assets		51	9202720	15532209	See Instruction 6				
Total liabilities and margins		59	63149855	67092312					
Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance		61	175456	103570					
Amounts included in line 59 attributable to liabilities in respect of property linked benefits		62	310605	353945					
Amount of any additional mathematical reserves included in line 51 which have been taken into account in the appointed actuary's certificate		63	1700000	5500000	See Instruction 7				

**Long term insurance business liabilities and margins**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Category of assets **Ordinary Branch (Europe)**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets		
		R14	15454	GL	31	12	2001	£000	13	
				As at the end of this financial year 1	As at the end of the previous year 2		Source			
Mathematical reserves, after distribution of surplus		11	40751				See Instruction 2			
Cash bonuses which had not been paid to policyholders prior to end of the financial year		12					See Instruction 3			
Balance of surplus/(valuation deficit)		13					See Instruction 4			
Long term insurance business fund carried forward (11 to 13)		14	40751				See Instruction 5			
Claims outstanding which had fallen due for payment before the end of the financial year	Gross amount	15	42							
	Reinsurers' share	16								
	Net (15-16)	17	42							
Provisions for other risks and charges	Taxation	21								
	Other	22								
Deposits received from reinsurers		23								
Creditors and other liabilities	Arising out of insurance operations	Direct insurance business	31	1921						
		Reinsurance accepted	32							
		Reinsurance ceded	33							
	Debenture loans	Secured	34							
		Unsecured	35							
	Amounts owed to credit institutions		36							
	Other creditors	Taxation	37							
		Other	38	1291						
Accruals and deferred income		39								
Provision for adverse changes (calculated in accordance with rule 5.3)		41								
Total other insurance and non-insurance liabilities (17 to 41)		49	3254							
Excess of the value of net admissible assets		51					See Instruction 6			
Total liabilities and margins		59	44005							
Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance		61	1379							
Amounts included in line 59 attributable to liabilities in respect of property linked benefits		62	3763							
Amount of any additional mathematical reserves included in line 51 which have been taken into account in the appointed actuary's certificate		63					See Instruction 7			

**Liabilities (other than long term insurance business)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**

		Company registration number	GL/UK/CM	Period ended			Units	
		R15	15454	GL	31 day	12 month	2001 year	£000
				As at the end of this financial year 1		As at the end of the previous year 2		
Technical provisions (gross amount)	Provision for unearned premiums		11	201677		175020		
	Claims outstanding		12	317454		352535		
	Provision for unexpired risks		13			890		
	Equalisation provisions	Credit business	14					
		Other than credit business	15	39934		38208		
	Other		16					
	Total (11 to 16)		19	559065		566653		
Provisions for other risks and charges	Taxation		21	52319				
	Other		22	30125				
Deposits received from reinsurers			31	1435		1412		
Creditors	Arising out of insurance operations	Direct insurance business	41	5676		2446		
		Reinsurance accepted	42	393				
		Reinsurance ceded	43	323419		4740		
	Debenture loans	Secured	44					
		Unsecured	45					
	Amounts owed to credit institutions		46	1473		527		
	Other creditors	Taxation	47			78		
		Recommended dividend	48			307000		
		Other	49	350156		228203		
Accruals and deferred income			51	6486		582		
Total (19 to 51)			59	1330547		1111641		
Provision for adverse changes (calculated in accordance with rule 5.3) [Regulation 61 of the Insurance Companies Regulations 1994]			61			13928		
Cumulative preference share capital			62	1000				
Subordinated loan capital			63					
Total (59 to 63)			69	1331547		1125569		
Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance			71			503486		

**Profit and loss account (non-technical account)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**

		Company registration number		GL/UK/CM		Period ended			Units	
		R16	15454	GL	31	12	2001	£000		
		This financial year		Previous year		Source				
		1		2		Form	Line	Column		
Transfer (to)/from the general insurance business technical account	From Form 20	11	43414	(4183)	20 . 59					
	Equalisation provisions	12	(1636)	(7775)						
Transfer from the long term insurance business revenue account		13	299980	307890	40 . 26					
Investment income	Income	14	38597	107861						
	Value re-adjustments on investments	15	66568	30947						
	Gains on the realisation of investments	16	24190	187769						
Investment charges	Investment management charges, including interest	17	386	2529						
	Value re-adjustments on investments	18		87139						
	Loss on the realisation of investments	19								
Allocated investment return transferred to the general insurance business technical account		20			20 . 51					
Other income and charges (particulars to be specified by way of supplementary note)		21	(34611)	(26758)						
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)		29	436116	506083						
Tax on profit or loss on ordinary activities		31	65877	43200						
Profit or loss on ordinary activities after tax (29-31)		39	370239	462883						
Extraordinary profit or loss (particulars to be specified by way of supplementary note)		41								
Tax on extraordinary profit or loss		42								
Other taxes not shown under the preceding items		43								
Profit or loss for the financial year (39+41-(42+43))		49	370239	462883						
Dividends (paid and proposed)		51		330151						
Profit or loss retained for the financial year (49-51)		59	370239	132732						

**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Insurance Business **Other than long term**Financial year ended **31st December 2001**Category of assets **Total Other Than Long Term Business Assets**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R17	15454	GL	31	12	2001	£000	1
Derivative contracts			As at the end of this financial year				As at the end of the previous year			
			Assets 1		Liabilities 2		Assets 3		Liabilities 4	
Futures contracts	Fixed-interest securities	11								
	Equity shares	12								
	Land	13								
	Currencies	14	97			732				
	Other	15								
Options	Fixed-interest securities	21								
	Equity shares	22							2250	
	Land	23								
	Currencies	24								
	Other	25								
Contracts for differences	Fixed-interest securities	31								
	Equity shares	32					1323		550	
	Land	33								
	Currencies	34								
	Other	35								
Adjustments for variation margin		41					(1323)		(550)	
Total (11 to 41)		49	97			732		2250		

**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Insurance Business **Long term**Financial year ended **31st December 2001**Category of assets **Total Long Term Business Assets**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R17	15454	GL	31	12	2001	£000	10
Derivative contracts			As at the end of this financial year				As at the end of the previous year			
			Assets 1		Liabilities 2		Assets 3		Liabilities 4	
Futures contracts	Fixed-interest securities	11								
	Equity shares	12								
	Land	13								
	Currencies	14	117606			39388				
	Other	15								
Options	Fixed-interest securities	21								
	Equity shares	22	35696	1479		17415				
	Land	23								
	Currencies	24								
	Other	25	26968	23167		14205		20388		
Contracts for differences	Fixed-interest securities	31	8239	9602		16956		1576		
	Equity shares	32	5502	11140		55906		5956		
	Land	33								
	Currencies	34	4658			6626				
	Other	35	22919	993		10870				
Adjustments for variation margin		41	(2368)	(24287)		(55906)		(5956)		
Total (11 to 41)		49	219220	22094		105460		21964		

**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Insurance Business **Long term**Financial year ended **31st December 2001**Category of assets **Scottish Amicable Insurance Fund**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R17	15454	GL	31	12	2001	£000	11
Derivative contracts			As at the end of this financial year				As at the end of the previous year			
			Assets 1		Liabilities 2		Assets 3		Liabilities 4	
Futures contracts	Fixed-interest securities	11								
	Equity shares	12								
	Land	13								
	Currencies	14	20039			8762				
	Other	15								
Options	Fixed-interest securities	21								
	Equity shares	22	4232	271	285					
	Land	23								
	Currencies	24								
	Other	25								
Contracts for differences	Fixed-interest securities	31	295	1254						
	Equity shares	32	2587	124	14547	2597				
	Land	33								
	Currencies	34								
	Other	35	2152	331	684					
Adjustments for variation margin		41	(1687)	(1720)	(14547)	(2597)				
Total (11 to 41)		49	27618	260	9731					



**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Insurance Business **Long term**Financial year ended **31st December 2001**Category of assets **Other Long Term PAC Funds**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R17	15454	GL	31	12	2001	£000	12
Derivative contracts			As at the end of this financial year			As at the end of the previous year				
			Assets 1		Liabilities 2	Assets 3		Liabilities 4		
Futures contracts	Fixed-interest securities	11								
	Equity shares	12								
	Land	13								
	Currencies	14	97567			30626				
	Other	15								
Options	Fixed-interest securities	21								
	Equity shares	22	31464	1208		17130				
	Land	23								
	Currencies	24								
	Other	25	26968	23167		14205		20388		
Contracts for differences	Fixed-interest securities	31	7944	8348		16956		1576		
	Equity shares	32	2861	10731		41359		3359		
	Land	33								
	Currencies	34	4658			6626				
	Other	35	20767	662		10186				
Adjustments for variation margin		41	(606)	(22284)		(41359)		(3359)		
Total (11 to 41)		49	191623	21832		95729		21964		

**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Insurance Business **Long term**Financial year ended **31st December 2001**Category of assets **Ordinary Branch (Europe)**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R17	15454	GL	31	12	2001	£000	13
Derivative contracts			As at the end of this financial year				As at the end of the previous year			
			Assets 1		Liabilities 2		Assets 3		Liabilities 4	
Futures contracts	Fixed-interest securities	11								
	Equity shares	12								
	Land	13								
	Currencies	14								
	Other	15								
Options	Fixed-interest securities	21								
	Equity shares	22								
	Land	23								
	Currencies	24								
	Other	25								
Contracts for differences	Fixed-interest securities	31								
	Equity shares	32	54	285						
	Land	33								
	Currencies	34								
	Other	35								
Adjustments for variation margin		41	(75)	(283)						
Total (11 to 41)		49	(21)	2						

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Summary**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	99
				day		month	year		

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Accident and health**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	1
Items to be shown net of reinsurance				This financial year	Previous year		Source		
				1	2		Form	Line	Column
This year's underwriting (accident year accounting)	Earned premium	11	10104	3308	21 . 19 . 5				
	Claims incurred	12	2652	1696	22 . 17 . 4				
	Claims management costs	13	136	87	22 . 18 . 4				
	Adjustment for discounting	14			22 . 52 . 4				
	Increase in provision for unexpired risks	15			22 . 19 . 4				
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses	17	5486	1315	22 . 42 . 4				
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	1830	210					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21	(1)	(2)	21 . 11 . 5				
	Claims incurred	22	(624)	(351)	22 . 13 . 4				
	Claims management costs	23	(59)	(16)	22 . 14 . 4				
	Adjustment for discounting	24			22 . 51 . 4				
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses	26	(1)		22 . 41 . 4				
	Balance (21-22-23+24+25-26)	29	683	365					
Balance from underwriting year accounting	Per Form 24	31			24 . 69. 99-99				
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49	2513	575					
Allocated investment return		51							
Transfer to non-technical account (49+51)		59	2513	575					

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Motor**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	2
Items to be shown net of reinsurance				This financial year		Previous year		Source	
				1		2		Form	Line
This year's underwriting (accident year accounting)	Earned premium	11	3998	47319	21	19	5		
	Claims incurred	12	27793	40150	22	17	4		
	Claims management costs	13	2815	2723	22	18	4		
	Adjustment for discounting	14			22	52	4		
	Increase in provision for unexpired risks	15	(890)	(860)	22	19	4		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses	17	16316	9958	22	42	4		
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(42036)	(4652)					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21	(118)	(91)	21	11	5		
	Claims incurred	22	(38179)	(675)	22	13	4		
	Claims management costs	23	(1553)	(217)	22	14	4		
	Adjustment for discounting	24			22	51	4		
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses	26	169	676	22	41	4		
	Balance (21-22-23+24+25-26)	29	39445	125					
Balance from underwriting year accounting	Per Form 24	31			24	69	99-99		
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49	(2591)	(4527)					
Allocated investment return		51							
Transfer to non-technical account (49+51)		59	(2591)	(4527)					

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Aviation**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	3
Items to be shown net of reinsurance				This financial year	Previous year		Source		
				1	2		Form	Line	Column
This year's underwriting (accident year accounting)	Earned premium	11						21 . 19 . 5	
	Claims incurred	12						22 . 17 . 4	
	Claims management costs	13						22 . 18 . 4	
	Adjustment for discounting	14						22 . 52 . 4	
	Increase in provision for unexpired risks	15						22 . 19 . 4	
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses	17						22 . 42 . 4	
	Balance of year's underwriting (11-12-13+14-15+16-17)	19							
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21						21 . 11 . 5	
	Claims incurred	22						22 . 13 . 4	
	Claims management costs	23						22 . 14 . 4	
	Adjustment for discounting	24						22 . 51 . 4	
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses	26						22 . 41 . 4	
	Balance (21-22-23+24+25-26)	29							
Balance from underwriting year accounting	Per Form 24	31		(959)		(38)		24 . 69. 99-99	
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39		(959)		(38)			
Balance of all years' underwriting (19+29+39)		49		(959)		(38)			
Allocated investment return		51							
Transfer to non-technical account (49+51)		59		(959)		(38)			

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Marine**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	4
Items to be shown net of reinsurance				This financial year		Previous year		Source	
				1		2		Form	Line
This year's underwriting (accident year accounting)	Earned premium		11					21 . 19 . 5	
	Claims incurred		12					22 . 17 . 4	
	Claims management costs		13					22 . 18 . 4	
	Adjustment for discounting		14					22 . 52 . 4	
	Increase in provision for unexpired risks		15					22 . 19 . 4	
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses		17					22 . 42 . 4	
	Balance of year's underwriting (11-12-13+14-15+16-17)		19						
Adjustment for prior years' underwriting (accident year accounting)	Earned premium		21					21 . 11 . 5	
	Claims incurred		22					22 . 13 . 4	
	Claims management costs		23					22 . 14 . 4	
	Adjustment for discounting		24					22 . 51 . 4	
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses		26					22 . 41 . 4	
	Balance (21-22-23+24+25-26)		29						
Balance from underwriting year accounting	Per Form 24		31	(2653)		(1657)		24 . 69. 99-99	
	Other technical income and charges (particulars to be specified by way of supplementary note)		32						
	Total		39	(2653)		(1657)			
Balance of all years' underwriting (19+29+39)			49	(2653)		(1657)			
Allocated investment return			51						
Transfer to non-technical account (49+51)			59	(2653)		(1657)			

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Transport**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	5
Items to be shown net of reinsurance				This financial year	Previous year		Source		
				1	2		Form	Line	Column
This year's underwriting (accident year accounting)	Earned premium	11	366	112	21	19	5		
	Claims incurred	12	316	288	22	17	4		
	Claims management costs	13	47	75	22	18	4		
	Adjustment for discounting	14			22	52	4		
	Increase in provision for unexpired risks	15			22	19	4		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses	17	32	48	22	42	4		
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(29)	(299)					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21			21	11	5		
	Claims incurred	22	(279)	(148)	22	13	4		
	Claims management costs	23	(48)	(29)	22	14	4		
	Adjustment for discounting	24			22	51	4		
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses	26	(1)		22	41	4		
	Balance (21-22-23+24+25-26)	29	328	177					
Balance from underwriting year accounting	Per Form 24	31	31	(608)	24	69	99-99		
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39	31	(608)					
Balance of all years' underwriting (19+29+39)		49	330	(730)					
Allocated investment return		51							
Transfer to non-technical account (49+51)		59	330	(730)					



## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Property**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	6
Items to be shown net of reinsurance				This financial year		Previous year		Source	
				1		2		Form	Line
This year's underwriting (accident year accounting)	Earned premium	11	172884	261059	21	19	5		
	Claims incurred	12	89958	179884	22	17	4		
	Claims management costs	13	7607	9306	22	18	4		
	Adjustment for discounting	14			22	52	4		
	Increase in provision for unexpired risks	15			22	19	4		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses	17	69059	61400	22	42	4		
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	6260	10469					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21	(370)	(210)	21	11	5		
	Claims incurred	22	(34607)	5227	22	13	4		
	Claims management costs	23	(363)	(92)	22	14	4		
	Adjustment for discounting	24			22	51	4		
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses	26	62	261	22	41	4		
	Balance (21-22-23+24+25-26)	29	34538	(5606)					
Balance from underwriting year accounting	Per Form 24	31			24	69	99-99		
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49	40798	4863					
Allocated investment return		51							
Transfer to non-technical account (49+51)		59	40798	4863					

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Third party liability**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	7
Items to be shown net of reinsurance				This financial year		Previous year		Source	
				1		2		Form	Line
This year's underwriting (accident year accounting)	Earned premium		11	1784		1135		21 . 19 . 5	
	Claims incurred		12	2004		1683		22 . 17 . 4	
	Claims management costs		13	133		111		22 . 18 . 4	
	Adjustment for discounting		14					22 . 52 . 4	
	Increase in provision for unexpired risks		15					22 . 19 . 4	
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses		17	1012		666		22 . 42 . 4	
	Balance of year's underwriting (11-12-13+14-15+16-17)		19	(1365)		(1325)			
Adjustment for prior years' underwriting (accident year accounting)	Earned premium		21					21 . 11 . 5	
	Claims incurred		22	869		7519		22 . 13 . 4	
	Claims management costs		23	(440)		957		22 . 14 . 4	
	Adjustment for discounting		24	383		(1818)		22 . 51 . 4	
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses		26	1318		4752		22 . 41 . 4	
	Balance (21-22-23+24+25-26)		29	(1364)		(15046)			
Balance from underwriting year accounting	Per Form 24		31					24 . 69. 99-99	
	Other technical income and charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)			49	(2729)		(16371)			
Allocated investment return			51						
Transfer to non-technical account (49+51)			59	(2729)		(16371)			

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Miscellaneous and pecuniary loss**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	8
Items to be shown net of reinsurance				This financial year		Previous year		Source	
				1		2		Form	Line
This year's underwriting (accident year accounting)	Earned premium	11	11197		5897		21 . 19 . 5		
	Claims incurred	12	1010		1304		22 . 17 . 4		
	Claims management costs	13	95		49		22 . 18 . 4		
	Adjustment for discounting	14					22 . 52 . 4		
	Increase in provision for unexpired risks	15					22 . 19 . 4		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses	17	4400		833		22 . 42 . 4		
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	5692		3711				
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21	(15)		(7)		21 . 11 . 5		
	Claims incurred	22	(1421)		1064		22 . 13 . 4		
	Claims management costs	23	(91)		112		22 . 14 . 4		
	Adjustment for discounting	24					22 . 51 . 4		
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses	26	65		217		22 . 41 . 4		
	Balance (21-22-23+24+25-26)	29	1432		(1400)				
Balance from underwriting year accounting	Per Form 24	31					24 . 69. 99-99		
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49	7124		2311				
Allocated investment return		51							
Transfer to non-technical account (49+51)		59	7124		2311				

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Non-proportional treaty**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	9
Items to be shown net of reinsurance				This financial year		Previous year		Source	
				1		2		Form	Line
This year's underwriting (accident year accounting)	Earned premium	11						21 . 19 . 5	
	Claims incurred	12						22 . 17 . 4	
	Claims management costs	13						22 . 18 . 4	
	Adjustment for discounting	14						22 . 52 . 4	
	Increase in provision for unexpired risks	15						22 . 19 . 4	
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses	17						22 . 42 . 4	
	Balance of year's underwriting (11-12-13+14-15+16-17)	19							
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21						21 . 11 . 5	
	Claims incurred	22						22 . 13 . 4	
	Claims management costs	23						22 . 14 . 4	
	Adjustment for discounting	24						22 . 51 . 4	
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses	26						22 . 41 . 4	
	Balance (21-22-23+24+25-26)	29							
Balance from underwriting year accounting	Per Form 24	31		(1780)		7871		24 . 69. 99-99	
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39		(1780)		7871			
Balance of all years' underwriting (19+29+39)		49		(1780)		7871			
Allocated investment return		51							
Transfer to non-technical account (49+51)		59		(1780)		7871			

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Proportional treaty**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	15454	GL	31	12	2001	£000	10
Items to be shown net of reinsurance				This financial year	Previous year		Source		
				1	2		Form	Line	Column
This year's underwriting (accident year accounting)	Earned premium	11					21	19	5
	Claims incurred	12					22	17	4
	Claims management costs	13					22	18	4
	Adjustment for discounting	14					22	52	4
	Increase in provision for unexpired risks	15					22	19	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses	17					22	42	4
	Balance of year's underwriting (11-12-13+14-15+16-17)	19							
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21					21	11	5
	Claims incurred	22					22	13	4
	Claims management costs	23					22	14	4
	Adjustment for discounting	24					22	51	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses	26					22	41	4
	Balance (21-22-23+24+25-26)	29							
Balance from underwriting year accounting	Per Form 24	31		3361		3520	24	69.99-99	
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39		3361		3520			
Balance of all years' underwriting (19+29+39)		49		3361		3520			
Allocated investment return		51							
Transfer to non-technical account (49+51)		59		3361		3520			

**General insurance business (accident year accounting) : Analysis of premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Accident and health**

		Company registration number	GL/UK/CM		Period ended			Units	Accounting class
			GL	UK	day	month	year		
		R21	15454	GL	31	12	2001	£000	1
Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance			
		Earned in previous financial years 1	Earned in this financial year	Earned in previous financial years 3	Earned in this financial year	Earned in previous financial years 5	Earned in this financial year	Unearned at end of this financial year	Unearned at end of this financial year
In respect of risks incepted in previous financial years		11	(1)			(1)	(1)		
In respect of risks incepted in previous financial years		12	(5)			(5)	(5)		
In respect of risks incepted in this financial year	For periods of less than 12 months	13	6594		1472		5122		
	For periods of 12 months	14	4233	2991	1793	905	2440	2086	
	For periods of more than 12 months	15	1173	10929	303	2186	870	8743	
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		16	2455		778		1677		
Total (12 to 16)		19	14450	13920	4346	3091	10104	10829	

## General Insurance business (accident year accounting) : Analysis of premiums

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended

31st December 2001

Accounting class

Motor

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class
				day	month	year		
R21		15454	GL	31	12	2001	£000	2
Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5		
In respect of risks incepted in previous financial years	11	(118)				(118)		
In respect of risks incepted in previous financial years	12	Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6	
		(434)	(66)			(434)	(66)	
For periods of less than 12 months	13	8	2			8	2	
For periods of 12 months	14	43568	39577	69707	36419	(26139)	3158	
For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	30563	(1)			30563	(1)	
Total (12 to 16)	19	73705	39512	69707	36419	3998	3093	

**General Insurance business (accident year accounting) : Analysis of premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Transport**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class	
				day	month	year			
		R21	15454	GL	31	12	2001	£000	5
Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance			
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years		11							
		Earned in this financial year 1	2	Earned in this financial year 3	4	Earned in this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years		12							
In respect of risks incepted in this financial year	For periods of less than 12 months	13	265	26		239			
	For periods of 12 months	14	216	148	149	68	66		
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		16	154	95		59			
Total (12 to 16)		19	635	269	149	366	66		



## General Insurance business (accident year accounting) : Analysis of premiums

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended

31st December 2001

Accounting class

Property

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class
				day	month	year		
		R21	15454	GL	31	12	2001	£000
		Reinsurers' share			Net of reinsurance			
Premiums receivable during the financial year		Earned in previous financial years 1	Earned in previous financial years 3	Earned in previous financial years 5				
In respect of risks incepted in previous financial years		11	(370)		(370)			
In respect of risks incepted in previous financial years		1	2	4	5	6		
In respect of risks incepted in previous financial years		12	(3612)	(122)	(3612)	(122)		
In respect of risks incepted in this financial year		13	4	4	4	4		
In respect of risks incepted in this financial year		14	140187	134185	96903	116819	43284	17366
In respect of risks incepted in this financial year		15	1	1			1	1
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		16	134003	1	796	133207		1
Total (12 to 16)		19	270583	134069	97699	116819	172884	17250

**Name of insurer**  
**The Prudential Assurance Company Limited**

**The Prudential Assurance Company Limited**

31st December 2001

### Third party liability

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**General Insurance business (accident year accounting) : Analysis of premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Miscellaneous and pecuniary loss**

		Company registration number	GL/UK/CM	Period ended				Units	Accounting class
				day	month	year			
R21		15454	GL	31	12	2001	£000	8	
Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance			
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years	11	(15)				(15)			
In respect of risks incepted in previous financial years	12	(79)		(17)			(17)		
In respect of risks incepted in this financial year	For periods of less than 12 months	5949			1135		4814		
	For periods of 12 months	6345		4715	3946		2399	27	
	For periods of more than 12 months	798		7367	202		596	5666	
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	6597		708	3130		3467	708	
Total (12 to 16)	19	19610		12773	8413		11197	6384	

**General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Accident and health**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class	
		R22	15454	GL	31 day	12 month	2001 year	£000	1
			Amount brought forward from previous financial year	Amount payable/receivable in this financial year	Amount carried forward to next financial year	Amount attributable to this financial year			
			1	2	3	4			
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	1017	135	58	(824)			
	Reinsurers' share	12	258		58	(200)			
	Net (11-12)	13	759	135		(624)			
	Claims management costs	14	31	3	(31)	(59)			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		3193	2440	5633			
	Reinsurers' share	16		1254	1727	2981			
	Net (15-16)	17		1939	713	2652			
	Claims management costs	18		92	44	136			
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	877	2164	1203	1838			
	Other acquisition expenses	22	257	9602	8578	1281			
	Administrative expenses	23		728		728			
	Reinsurance commissions and profit participations	24	401	(1625)	414	(1638)			
	Total (21+22+23-24)	29	733	14119	9367	5485			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41		(1)		(1)			
	This financial year	42	733	14120	9367	5486			
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

**General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Motor**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class	
		R22	15454	GL	31	12	2001	£000	2
			Amount brought forward from previous financial year	Amount payable/receivable in this financial year	Amount carried forward to next financial year	Amount attributable to this financial year			
			1	2	3	4			
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	71358	25198	43116	(3044)			
	Reinsurers' share	12	6533		41668	35135			
	Net (11-12)	13	64825	25198	1448	(38179)			
	Claims management costs	14	2446	713	180	(1553)			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		27153	31555	58708			
	Reinsurers' share	16			30915	30915			
	Net (15-16)	17		27153	640	27793			
	Claims management costs	18		2745	70	2815			
Provision for unexpired risks		19	890			(890)			
Net operating expenses	Commissions	21	1066	1536	408	2194			
	Other acquisition expenses	22	4315	10867	4593	10589			
	Administrative expenses	23		3703		3703			
	Reinsurance commissions and profit participations	24	5	47	51	1			
	Total (21+22+23-24)	29	5376	16059	4950	16485			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41		170	1	169			
	This financial year	42	5376	15889	4949	16316			
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Transport**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class	
		R22	15454	GL	31	12	2001	£000	5
			Amount brought forward from previous financial year	Amount payable/receivable in this financial year	Amount carried forward to next financial year	Amount attributable to this financial year			
			1	2	3	4			
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	657			(657)			
	Reinsurers' share	12	378			(378)			
	Net (11-12)	13	279			(279)			
	Claims management costs	14	48			(48)			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		440	467	907			
	Reinsurers' share	16		290	301	591			
	Net (15-16)	17		150	166	316			
	Claims management costs	18		13	34	47			
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	25	114	38	101			
	Other acquisition expenses	22	7	(3)	6	(2)			
	Administrative expenses	23		21		21			
	Reinsurance commissions and profit participations	24	20	99	30	89			
	Total (21+22+23-24)	29	12	33	14	31			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41		(1)		(1)			
	This financial year	42	12	34	14	32			
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Property**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class	
		R22	15454	GL	31	12	2001	£000	6
			Amount brought forward from previous financial year	Amount payable/receivable in this financial year	Amount carried forward to next financial year	Amount attributable to this financial year			
			1	2	3	4			
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	126179	87170	34326	(4683)			
	Reinsurers' share	12	1930	1181	30673	29924			
	Net (11-12)	13	124249	85989	3653	(34607)			
	Claims management costs	14	2832	2326	143	(363)			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		89779	57581	147360			
	Reinsurers' share	16		199	57203	57402			
	Net (15-16)	17		89580	378	89958			
	Claims management costs	18		7549	58	7607			
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	1413	2566	936	3043			
	Other acquisition expenses	22	8719	18146	8245	18620			
	Administrative expenses	23		48903		48903			
	Reinsurance commissions and profit participations	24	404	1529	488	1445			
	Total (21+22+23-24)	29	9728	68086	8693	69121			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41		61	(1)	62			
	This financial year	42	9728	68025	8694	69059			
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Third party liability**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class	
		R22	15454	GL	31 day	12 month	2001 year	£000	7
			Amount brought forward from previous financial year	Amount payable/receivable in this financial year	Amount carried forward to next financial year	Amount attributable to this financial year			
			1	2	3	4			
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	47520	4408	43935	823			
	Reinsurers' share	12	617	171	400	(46)			
	Net (11-12)	13	46903	4237	43535	869			
	Claims management costs	14	2256		1816	(440)			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		589	1508	2097			
	Reinsurers' share	16		20	73	93			
	Net (15-16)	17		569	1435	2004			
	Claims management costs	18		36	97	133			
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	300	1138	543	895			
	Other acquisition expenses	22	88	(158)	87	(157)			
	Administrative expenses	23		1649		1649			
	Reinsurance commissions and profit participations	24	29	142	114	57			
	Total (21+22+23-24)	29	359	2487	516	2330			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	854		1237	383			
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39	854		1237	383			
Split of line 29	Prior financial years	41		1318		1318			
	This financial year	42	359	1169	516	1012			
Split of line 39	Incidents occurring prior to this financial year	51	854		1237	383			
	Incidents occurring in this financial year	52							



## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**Accounting class **Miscellaneous and pecuniary loss**

		Company registration number	GL/UK/CM	Period ended			Units	Accounting class	
		R22	15454	GL	31	12	2001	£000	8
			Amount brought forward from previous financial year	Amount payable/receivable in this financial year	Amount carried forward to next financial year	Amount attributable to this financial year			
			1	2	3	4			
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	6886	2092	4697	(97)			
	Reinsurers' share	12	2275	1301	2298	1324			
	Net (11-12)	13	4611	791	2399	(1421)			
	Claims management costs	14	181	(8)	98	(91)			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		1422	3208	4630			
	Reinsurers' share	16		559	3061	3620			
	Net (15-16)	17		863	147	1010			
	Claims management costs	18		95		95			
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	570	986	43	1513			
	Other acquisition expenses	22	139	7569	5939	1769			
	Administrative expenses	23		224		224			
	Reinsurance commissions and profit participations	24	31	(963)	27	(959)			
	Total (21+22+23-24)	29	678	9742	5955	4465			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41		65		65			
	This financial year	42	678	9677	5955	4400			
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

## Returns under the Accounts and Statements Rules

Form 23

## General insurance business (accident year accounting) : Analysis of net claims and premiums

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended

31st December 2001

Accounting class

Accident and health

Accounting class		Accident and health												Accounting class																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
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## General Insurance business (accident year accounting) : Analysis of net claims and premiums

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended 31st December 2001

Accounting class

Motor

Accounting class		Motor		Company registration number										Period ended		Units		Accounting class
				GL/JUK/CM		day month year						Units						
						R23	15454	GL	31	12	2001	£000	2					
Accident year ended	Month	Year	1	2	3	4	Claims outstanding carried forward		Claims outstanding brought forward		Balance on each accident year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original reserve %	Claims ratio %			
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)								
12	2001	11				27038	278	127			27443		3393		808.8			
12	2000	12	18631	21105		9842	55	23	20122	984	(11186)		47565	(53.0)	60.0			
12	1999	13	16528	19346	7846	2452	32	11	11393	61	(8959)		38535	(46.5)	69.7			
12	1998	14	15380	19389	9250	2926	33	9	7807	10	(4849)		35890	(37.0)	76.9			
12	1997	15	15343	18174	12117	2478	23	6	4958	6	(2457)		39988	(19.5)	74.9			
12	1996	16	16695	20430	16645	2562			5372		(2810)		47939	(6.0)	74.9			
12	1995	17	18784	23664	17964	872			2783		(1911)		59664	(20.4)	63.1			
12	1994	18	20776	26641	20499	577			3177		(2600)		71530	(20.9)	58.5			
12	1993	19	28301	24391	18768	887			1419		(532)			(19.4)				
12	1992	20	33104	18685	20134	4			1005		(1001)			7.8				
Prior accident years		21				2971	566	467	4220	1028	(1244)							
Reconciliation		22				(259)	448	9	473	9	(284)							
Total (11 to 22)		29				52350	1435	652	62729	2098	(10390)							

**The Prudential Assurance Company Limited**

## Global business

Financial year ended

## Transport

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**General Insurance business (accident year accounting) : Analysis of net claims and premiums**

Name of insurer

**The Prudential Assurance Company Limited**

Global business

Financial year ended

**31st December 2001**

Accounting class

**Property**

Company registration number  
GL/JUK/CM

Period ended  
day month year

Units

Accounting class

Year ending 31 March year														
Accident year ended		1	2	3	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		GL	31 March year		£000	Claims ratio %
						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)		12	2001		
Month	Year	1	2	3	4	5	6	7	8	9	10	11	12	13
12	2001				89510	230	65			89805		171630		52.3
12	2000	89038	90701		69835	31	7	75848	14854	(20829)		260813	(23.0)	60.9
12	1999	98076	56241	40096	6227	24	7	12634	321	(6697)		261143	(17.6)	55.3
12	1998	94170	55009	49249	4313	8	2	6695	27	(2399)		255514	(2.6)	57.8
12	1997	97663	51295	44038	3130	2	1	4731	1	(1599)		248084	(8.0)	58.4
12	1996	85725	67223	44830	1053			1810		(757)		245215	(31.7)	53.7
12	1995	80098	31605	61970	447			999		(552)		251406	97.5	56.7
12	1994	90104	38139	29895	297			772		(475)		253033	(20.8)	47.5
12	1993	92392	36002	30123	298			304		(6)			(15.5)	
12	1992	90023	40732	28251	18			101•		(83)			(30.6)	
Prior accident years					392	335		1523		(796)				
Reconciliation					49	3316	3	3629		(261)				
Total (11 to 22)					175569	3946	85	109046	15203	55351				



## General Insurance business (accident year accounting) : Analysis of net claims and premiums

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended

31st December 2001

Accounting class

Miscellaneous and pecuniary loss

Accounting class		Miscellaneous and pecuniary loss												Accounting class
		Company registration number	GL/JUK/CM		Period ended				Units					
			R23	15454	GL	31	12	2001	£000	8				
Accident year ended	Month	Year	Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward	Balance on each accident year (4+5+6+7+8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original reserve %	Claims ratio %
			1	2	3	4	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	9	10	11	12
2001	12					863	9	135		1007		11166		9.0
2000	12		373	930		508		2	206	(421)		5906	(45.2)	15.0
1999	12		210	621	349	125			1	(34)		4158	(23.7)	16.5
1998	12		309	494	271	49				(86)		2992	(35.2)	21.0
1997	12		229	316	74	21			1	(54)		1895	(69.9)	17.1
1996	12		590	243	37	13				(36)		2056	(79.4)	31.1
1995	12		7067	351	13	6				(23)		5393	(94.6)	131.4
1994	12		4661	443	17	2				(33)		2531	(95.7)	184.9
1993	12		4767	443		(1)				(8)			(100.2)	
1992	12		1921	1044	1042	(1)				(7)			(0.3)	
Prior accident years		21				3	1249	662	1978	(574)				
Reconciliation		22				67	488		1	(144)				
Total (11 to 22)		29				1655	1746	799	2187	(413)				

## General Insurance business (underwriting year accounting) : Analysis of premiums, claims and expenses

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended 31st December 2001

Accounting class Aviation

Financial year ended		31st December 2001		Company registration number		GL/UK/CM		Period ended						Units		Accounting class					
Accounting class		Aviation		R24		15454		GL		31		12		2001		£000		3			
Underwriting year ended		Prior underwriting years		MM		YY		MM		YY		MM		YY		MM		YY		Total all previous columns	
		29 29		12 12		92 92		12 12		93 93		12 12		94 94		12 12		95 95			
Premiums written	Gross amount	11																			
	Reinsurers' share	12																			
	Net (11-12)	19																			
Claims paid	Gross amount	21		900																900	
	Reinsurers' share	22		1302																1302	
	Net (21-22)	29		(402)																(402)	
Claims management costs		39																			
Net operating expenses	Commissions	41																			
	Other acquisition expenses	42																			
	Administrative expenses	43		190																190	
	Reinsurers' commissions and profit participations	44																			
	Payable net (41+42+43-44)	49		190																190	
Technical provisions	Brought forward	51		7309																7309	
	Adjustment for discounting	52		1323																1323	
	Undiscounted	53		7157																7157	
	Adjustment for discounting	54																			
	Increase (decrease) in the financial year (53-54-51+52)	59		1171																1171	
Balance on each underwriting year (19-29-39-49-59)		69		(959)																(959)	



## General insurance business (underwriting year accounting) : Analysis of premiums, claims and expenses

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended 31st December 2001

Accounting class Marine

Financial year ended		31st December 2001		Accounting class		Marine		Company registration number												GL/UK/CM				Period ended				Units		Accounting class	
								15454												GL				day month year				£000		4	
								R24																							

## General insurance business (underwriting year accounting) : Analysis of premiums, claims and expenses

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended

31st December 2001

Accounting class

Transport

Financial year ended		31st December 2001		Accounting class		Transport		Company registration number		GL/UK/CM		Period ended				Units		Accounting class	
												day		month		year			
												R24		15454		GL			
												MM		YY		MM		YY	
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												MM		YY		MM		YY	
												MM		YY		MM		YY	

## General insurance business (underwriting year accounting) : Analysis of premiums, claims and expenses

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended 31st December 2001

Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

Accounting  
class

Accounting class Non-proportional treaty

Accounting class		Non-proportional treaty																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
Underwriting year ended		Prior underwriting years		MM	YY	12	93	MM	YY	12	94	MM	YY	12	95	MM	YY	12	96	MM	YY	12	97	MM	YY	12	98	MM	YY	12	99	MM	YY	12	00	MM	YY	12	01	MM	YY	12	02	MM	YY	12	03	MM	YY	12	04	MM	YY	12	05	MM	YY	12	06	MM	YY	12	07	MM	YY	12	08	MM	YY	12	09	MM	YY	12	10	MM	YY	12	11	MM	YY	12	12	13	MM	YY	12	14	MM	YY	12	15	MM	YY	12	16	MM	YY	12	17	MM	YY	12	18	MM	YY	12	19	MM	YY	12	20	MM	YY	12	21	MM	YY	12	22	MM	YY	12	23	MM	YY	12	24	MM	YY	12	25	MM	YY	12	26	MM	YY	12	27	MM	YY	12	28	MM	YY	12	29	MM	YY	12	30	MM	YY	12	31	MM	YY	12	32	MM	YY	12	33	MM	YY	12	34	MM	YY	12	35	MM	YY	12	36	MM	YY	12	37	MM	YY	12	38	MM	YY	12	39	MM	YY	12	40	MM	YY	12	41	MM	YY	12	42	MM	YY	12	43	MM	YY	12	44	MM	YY	12	45	MM	YY	12	46	MM	YY	12	47	MM	YY	12	48	MM	YY	12	49	MM	YY	12	50	MM	YY	12	51	MM	YY	12	52	MM	YY	12	53	MM	YY	12	54	MM	YY	12	55	MM	YY	12	56	MM	YY	12	57	MM	YY	12	58	MM	YY	12	59	MM	YY	12	60	MM	YY	12	61	MM	YY	12	62	MM	YY	12	63	MM	YY	12	64	MM	YY	12	65	MM	YY	12	66	MM	YY	12	67	MM	YY	12	68	MM	YY	12	69	MM	YY	12	70	MM	YY	12	71	MM	YY	12	72	MM	YY	12	73	MM	YY	12	74	MM	YY	12	75	MM	YY	12	76	MM	YY	12	77	MM	YY	12	78	MM	YY	12	79	MM	YY	12	80	MM	YY	12	81	MM	YY	12	82	MM	YY	12	83	MM	YY	12	84	MM	YY	12	85	MM	YY	12	86	MM	YY	12	87	MM	YY	12	88	MM	YY	12	89	MM	YY	12	90	MM	YY	12	91	MM	YY	12	92	MM	YY	12	93	MM	YY	12	94	MM	YY	12	95	MM	YY	12	96	MM	YY	12	97	MM	YY	12	98	MM	YY	12	99	MM	YY	12	00	MM	YY	12	01	MM	YY	12	02	MM	YY	12	03	MM	YY	12	04	MM	YY	12	05	MM	YY	12	06	MM	YY	12	07	MM	YY	12	08	MM	YY	12	09	MM	YY	12	10	MM	YY	12	11	MM	YY	12	12	MM	YY	12	13	MM	YY	12	14	MM	YY	12	15	MM	YY	12	16	MM	YY	12	17	MM	YY	12	18	MM	YY	12	19	MM	YY	12	20	MM	YY	12	21	MM	YY	12	22	MM	YY	12	23	MM	YY	12	24	MM	YY	12	25	MM	YY	12	26	MM	YY	12	27	MM	YY	12	28	MM	YY	12	29	MM	YY	12	30	MM	YY	12	31	MM	YY	12	32	MM	YY	12	33	MM	YY	12	34	MM	YY	12	35	MM	YY	12	36	MM	YY	12	37	MM	YY	12	38	MM	YY	12	39	MM	YY	12	40	MM	YY	12	41	MM	YY	12	42	MM	YY	12	43	MM	YY	12	44	MM	YY	12	45	MM	YY	12	46	MM	YY	12	47	MM	YY	12	48	MM	YY	12	49	MM	YY	12	50	MM	YY	12	51	MM	YY	12	52	MM	YY	12	53	MM	YY	12	54	MM	YY	12	55	MM	YY	12	56	MM	YY	12	57	MM	YY	12	58	MM	YY	12	59	MM	YY	12	60	MM	YY	12	61	MM	YY	12	62	MM	YY	12	63	MM	YY	12	64	MM	YY	12	65	MM	YY	12	66	MM	YY	12	67	MM	YY	12	68	MM	YY	12	69	MM	YY	12	70	MM	YY	12	71	MM	YY	12	72	MM	YY	12	73	MM	YY	12	74	MM	YY	12	75	MM	YY	12	76	MM	YY	12	77	MM	YY	12	78	MM	YY	12	79	MM	YY	12	80	MM	YY	12	81	MM	YY	12	82	MM	YY	12	83	MM	YY	12	84	MM	YY	12	85	MM	YY	12	86	MM	YY	12	87	MM	YY	12	88	MM	YY	12	89	MM	YY	12	90	MM	YY	12	91	MM	YY	12	92	MM	YY	12	93	MM	YY	12	94	MM	YY	12	95	MM	YY	12	96	MM	YY	12	97	MM	YY	12	98	MM	YY	12	99	MM	YY	12	00	MM	YY	12	01	MM	YY	12	02	MM	YY	12	03	MM	YY	12	04	MM	YY	12	05	MM	YY	12	06	MM	YY	12	07	MM	YY	12	08	MM	YY	12	09	MM	YY	12	10	MM	YY	12	11	MM	YY	12	12	MM	YY	12	13	MM	YY	12	14	MM	YY	12	15	MM	YY	12	16	MM	YY	12	17	MM	YY	12	18	MM	YY	12	19	MM	YY	12	20	MM	YY	12	21	MM	YY	12	22	MM	YY	12	23	MM	YY	12	24	MM	YY	12	25	MM	YY	12	26	MM	YY	12	27	MM	YY	12	28	MM	YY	12	29	MM	YY	12	30	MM	YY	12	31	MM	YY	12	32	MM	YY	12	33	MM	YY	12	34	MM	YY	12	35	MM	YY	12	36	MM	YY	12	37	MM	YY	12	38	MM	YY	12	39	MM	YY	12	40	MM	YY	12	41	MM	YY	12	42	MM	YY	12	43	MM	YY	12	44	MM	YY	12	45	MM	YY	12	46	MM	YY	12	47	MM	YY	12	48	MM	YY	12	49	MM	YY	12	50	MM	YY	12	51	MM	YY	12	52	MM	YY	12	53	MM	YY	12	54	MM	YY	12	55	MM	YY	12	56	MM	YY	12	57	MM	YY	12	58	MM	YY	12	59	MM	YY	12	60	MM	YY	12	61	MM	YY	12	62	MM	YY	12	63	MM	YY	12	64	MM	YY	12	65	MM	YY	12	66	MM	YY	12	67	MM	YY	12	68	MM	YY	12	69	MM	YY	12	70	MM	YY	12	71	MM	YY	12	72	MM	YY	12	73	MM	YY	12	74	MM	YY	12	75	MM	YY	12	76	MM	YY	12	77	MM	YY	12	78	MM	YY	12	79	MM	YY	12	80	MM	YY	12	81	MM	YY	12	82	MM	YY	12	83	MM	YY	12	84	MM	YY	12	85	MM	YY	12	86	MM	YY	12	87	MM	YY	12	88	MM	YY	12	89	MM	YY	12	90	MM	YY	12	91	MM	YY	12	92	MM	YY	12	93	MM	YY	12	94	MM	YY	12	95	MM	YY	12	96	MM	YY	12	97	MM	YY	12	98	MM	YY	12	99	MM	YY	12	00	MM	YY	12	01	MM	YY	12	02	MM	YY	12	03	MM	YY	12	04	MM	YY	12	05	MM	YY	12	06	MM	YY	12	07	MM	YY	12	08	MM	YY	12	09	MM	YY	12	10	MM	YY	12	11	MM	YY	12	12	MM	YY	12	13	MM	YY	12	14	MM	YY	12	15	MM	YY	12	16	MM	YY	12	17	MM	YY	12	18	MM	YY	12	19	MM	YY	12	20	MM	YY	12	21	MM	YY	12	22	MM	YY	12	23	MM	YY	12	24	MM	YY	12	25	MM	YY	12	26	MM	YY	12	27	MM	YY	12	28	MM	YY	12	29	MM	YY	12	30	MM	YY	12	31	MM	YY	12	32	MM	YY	12	33	MM	YY	12	34	MM	YY	12	35	MM	YY	12	36	MM	YY	12	37	MM	YY	12	38	MM	YY	12	39	MM	YY	12	40	MM	YY	12	41	MM	YY	12	42	MM	YY	12	43	MM	YY	12	44	MM	YY	12	45	MM	YY	12	46	MM	YY	12	47	MM	YY	12	48	MM	YY	12	49	MM	YY	12	50	MM	YY	12	51	MM	YY	12	52	MM	YY	12	53	MM	YY	12	54	MM	YY	12	55	MM	YY	12	56	MM	YY	12	57	MM	YY	12	58	MM	YY	12	59	MM	YY	12	60	MM	YY	12	61	MM	YY	12	62	MM	YY	12	63	MM	YY	12	64	MM	YY	12	65	MM	YY	12	66	MM	YY	12	67	MM	YY	12	68	MM	YY	12	69	MM	YY	12	70	MM	YY	12	71	MM	YY	12	72	MM	YY	12	73	MM	YY	12	74	MM	YY	12	75	MM	YY	12	76	MM	YY	12	77	MM	YY	12	78	MM	YY	12	79	MM	YY	12	80	MM	YY	12	81	MM	YY	12	82	MM	YY	12	83	MM	YY	12	84	MM	YY	12	85	MM	YY	12	86	MM	YY	12	87	MM	YY	12	88	MM	YY	12	89	MM	YY	12	90	MM	YY	12	91	MM	YY	12	92	MM	YY	12	93	MM	YY	12	94	MM	YY	12	95	MM	YY	12	96	MM	YY	12	97	MM	YY	12	98	MM	YY	12	99	MM	YY	12	00	MM	YY	12	01	MM	YY	12	02	MM	YY	12	03	MM	YY	12	04	MM	YY	12	05	MM	YY	12	06	MM	YY	12	07	MM	YY	12	08	MM	YY	12	09	MM	YY	12	10	MM	YY	12	11	MM	YY	12	12	MM	YY	12	13	MM	YY	12	14	MM	YY	12	15	MM	YY	12	16	MM	YY	12	17	MM	YY	12	18	MM	YY	12	19	MM	YY	12	20	MM	YY	12	21	MM	YY	12	22	MM	YY	12	23	MM	YY	12	24	MM	YY	12	25	MM	YY	12	26	MM	YY	12	27	MM	YY	12	28	MM	YY	12	29	MM	YY	12	30	MM	YY	12	31	MM	YY	12	32	MM	YY	12	33	MM	YY	12	34	MM	YY	12	35	MM	YY	12	36	MM	YY	12	37	MM	YY	12	38	MM	YY	12	39	MM	YY	12	40	MM	YY	12	41	MM	YY	12	42	MM	YY	12	43	MM	YY	12	44	MM	YY	12	45	MM	YY	12	46	MM	YY	12	47	MM	YY	12	48	MM	YY	12	49	MM	YY	12	50	MM	YY	12	51	MM	YY	12	52	MM	YY	12	53	MM	YY	12	54	MM	YY	12	55	MM	YY	12	56	MM	YY	12	57	MM	YY	12	58	MM	YY	12	59	MM	YY	12	60	MM	YY	12	61	MM	YY	12	62	MM	YY	12	63	MM	YY	12	64	MM	YY	12	65	MM	YY	12	66	MM	YY	12

## General insurance business (underwriting year accounting) : Analysis of premiums, claims and expenses

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended 31st December 2001

Accounting class

Proportional treaty

Financial year ended		31st December 2001		Accounting class		Proportional treaty		Company registration number		GL/UK/CM		Period ended				Units		Accounting class	
												day		month		year			
												R24		15454		GL			
						</													

## General insurance business (underwriting year accounting) : Analysis of technical provisions

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended

31st December 2001

Accounting class

Aviation

Financial year ended		31st December 2001		Accounting class		Aviation								
		Company registration number		GL/UK/CM		Period ended						Units		Accounting class
						day		month		year				
						R25	15454	GL	31	12	2001	£000	3	
Underwriting year ended		Prior underwriting years		MM	YY	MM	YY	MM	YY	MM	YY	MM	YY	Total all previous columns
Reported claims outstanding	Gross amount	11	10979											10979
	Reinsurers' share	12	7418											7418
Claims incurred but not reported	Gross amount	13	5575											5575
	Reinsurers' share	14	1979											1979
Claims management costs		15												
Adjustment for discounting	Gross amount	16												
	Reinsurers' share	17												
	Claims management costs	18												
Allocation to/(from) another accounting class of anticipated surplus		19												
Balance of the fund		20												
Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	7157											7157
Provision for unearned premiums		22												
Provision for unexpired risks		23												
Deferred acquisition costs		24												
Other technical provisions (particulars to be specified by way of supplementary note)		25												
Total (21+22+23-24+25)		29	7157											7157

## General Insurance business (underwriting year accounting) : Analysis of technical provisions

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended 31st December 2001

Accounting class

Marine

Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

Accounting  
class

Accounting class		Marine																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
Underwriting year ended		Prior underwriting years		MM		YY		MM		YY		MM		YY		15454		GL		31 12 2001			£000		4																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
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Reported claims outstanding	Gross amount	29123																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											



## General insurance business (underwriting year accounting) : Analysis of technical provisions

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended 31st December 2001

Accounting class Non-proportional treaty

		Company registration number		GL/UK/CM		Period ended			Units			Accounting class
						day	month	year				
		15454		GL		31	12	2001	£000			9
		R25	YY	MM	YY	MM	YY	MM	YY	MM	YY	Total all previous columns
Underwriting year ended		Prior underwriting years		YY	MM	YY	MM	YY	MM	YY	MM	YY
		29	29	12	12	92	93	94	95	96	97	98
Reported claims outstanding	Gross amount	11	2389									2389
	Reinsurers' share	12										
Claims incurred but not reported	Gross amount	13	4771									4771
	Reinsurers' share	14										
Claims management costs		15	175									175
Adjustment for discounting	Gross amount	16	1951									1951
	Reinsurers' share	17										
	Claims management costs	18										
Allocation to/(from) another accounting class of anticipated surplus		19										
Balance of the fund		20										
Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	5384									5384
Provision for unearned premiums		22										
Provision for unexpired risks		23										
Deferred acquisition costs		24										
Other technical provisions (particulars to be specified by way of supplementary note)		25										
Total (21+22+23-24+25)		29	5384									5384



## General Insurance business (underwriting year accounting) : Analysis of technical provisions

Name of insurer

The Prudential Assurance Company Limited

Global business

Financial year ended

31st December 2001

Accounting class

Proportional treaty

		Company registration number		GL/UK/CM		Period ended			Units			Accounting class
						day	month	year				
		15454		GL		31	12	2001	£000			10
Underwriting year ended		R25										Total all previous columns
						YY	MM	YY	YY	MM	YY	
		Prior underwriting years				YY	MM	YY	YY	MM	YY	
		29	29			12	12	94	12	95	12	
Reported claims outstanding	Gross amount	11	7481									7481
	Reinsurers' share	12	455									455
Claims incurred but not reported	Gross amount	13	1725									1725
	Reinsurers' share	14	1000									1000
Claims management costs		15	280									280
Adjustment for discounting	Gross amount	16	32									32
	Reinsurers' share	17										
	Claims management costs	18										
Allocation to/(from) another accounting class of anticipated surplus		19										
Balance of the fund		20										
Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	7999									7999
Provision for unearned premiums		22										
Provision for unexpired risks		23										
Deferred acquisition costs		24										
Other technical provisions (particulars to be specified by way of supplementary note)		25										
Total (21+22+23-24+25)		29	7999									7999



**General Insurance business (accident year accounting) :** Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

**The Prudential Assurance Company Limited**

Accounting class      Accident and health

Currency  
Sterling

Financial year ended 31st December 2001

**31st December 2001**

Risk group	Personal Accident
1	100
2	100
3	100
4	100
5	100
6	100
7	100
8	100
9	100
10	100
11	100
12	100
13	100
14	100
15	100
16	100
17	100
18	100
19	100
20	100
21	100
22	100
23	100
24	100
25	100
26	100
27	100
28	100
29	100
30	100
31	100
32	100
33	100
34	100
35	100
36	100
37	100
38	100
39	100
40	100
41	100
42	100
43	100
44	100
45	100
46	100
47	100
48	100
49	100
50	100
51	100
52	100
53	100
54	100
55	100
56	100
57	100
58	100
59	100
60	100
61	100
62	100
63	100
64	100
65	100
66	100
67	100
68	100
69	100
70	100
71	100
72	100
73	100
74	100
75	100
76	100
77	100
78	100
79	100
80	100
81	100
82	100
83	100
84	100
85	100
86	100
87	100
88	100
89	100
90	100
91	100
92	100
93	100
94	100
95	100
96	100
97	100
98	100
99	100
100	100

Gross claims paid																		
Accident year ended		Number of claims					Gross claims paid		Gross claims outstanding carried forward				Gross claims outstanding brought forward			Balance for each accident year (4+5+6+7+8)	Gross earned premiums	Claims ratio %
		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year		Reported	Incurred but not reported	Reported	Incurred but not reported	Reported	Incurred but not reported	Reported	Incurred but not reported				
Month	Year	1	2	3	4	5	6	7	8	9	10	11						
12	2001	11	8	39		810	579											
12	2000	12	35	26	47	82	46	114		14	368	47.6						
12	1999	13	90	5	199	54	9	60		3	426	61.5						
12	1998	14	72		136			1		(1)	488	27.9						
12	1997	15	83		144						565	25.5						
12	1996	16	121	1	262						652	40.2						
12	1995	17	165		366						875	41.8						
12	1994	18	639		920						1728	53.2						
12	1993	19	939		1409													
12	1992	20	1326		1930	(1)				(1)								
Prior accident years		21																
Total (11 to 21)		29		71		865	579	175		1743								
Line 29 expressed in sterling		30				865	579	175		1743								

## General Insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class

Transport

Global business

Currency

Sterling

Financial year ended

31st December 2001

Risk group

Goods In Transit

Accident year ended																									
Month		Year		Number of claims		Gross claims paid		Gross claims outstanding carried forward			Gross claims outstanding brought forward			Balance for each accident year (4+5+6-7-8)		Gross earned premiums		Claims ratio %							
				Closed at some cost during this or previous financial years		Reported claims outstanding		In previous financial years		In this financial year		Reported		Incurred but not reported		Reported		Incurred but not reported							
				1		2		3		4		5		6		7		8		9		10		11	
12	2001	11									25		7		13										
12	2000	12																							
12	1999	13																							
12	1998	14																							
12	1997	15																							
12	1996	16																							
12	1995	17				1																			
12	1994	18			245			55														159		34.6	
12	1993	19			514			74																	
12	1992	20			886			97																	
Prior accident years		21																							
Total (11 to 21)		29								25	7	13										45			
Line 29 expressed in sterling		30								25	7	13										45			

## General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class

Property

Global business

Currency

Sterling

Financial year ended

31st December 2001

Risk group

Fire, Trade Risks

Part 3: Accident years													
Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding brought forward			Balance for each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %		
						Gross claims outstanding carried forward		Gross claims outstanding brought forward					
Month	Year	Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported				
		1	2	3	4	5	6	7	8	9	10	11	
12	2001												
12	2000												
12	1999												
12	1998												
12	1997												
12	1996												
12	1995												
12	1994												
12	1993												
12	1992												
Prior accident years			12		145	146		273	(27)	45			
Total (11 to 21)			12		145	146		273	(27)	45			
Line 29 expressed in sterling					145	146		273	(27)	45			

**General Insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance**

Name of insurer

**The Prudential Assurance Company Limited**Accounting class **Property**

Global business

Currency **Sterling**Financial year ended **31st December 2001**Risk group **Burglary, Trade Risks**

Risk group		Burglary, Trade Risks											
		Company registration number		GL/UK/CM	Period ended			Monetary units		Country	Accounting class		
					day	month	year						
		R31	15454	GL	31	12	2001	000	AA	6			
Accident year ended		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance for each accident year (4+5+6-7-8)		Gross earned premiums	Claims ratio %				
		Reported	Incurred but not reported	Reported	Incurred but not reported								
Month	Year	1	2	3	4	5	6	7	8	9	10	11	
		12	2001	11									
		12	2000	12									
		12	1999	13									
		12	1998	14									
		12	1997	15									
		12	1996	16									
		12	1995	17									
		12	1994	18									
		12	1993	19									
		12	1992	20									
Prior accident years		21			(1)	86		328		(243)			
Total (11 to 21)		29			(1)	86		328		(243)			
Line 29 expressed in sterling		30			(1)	86		328		(243)			

## General Insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class

Property

Global business

Currency

Sterling

Financial year ended

31st December 2001

Risk group

Domestic

Company  
registration  
number

GL/UK/CM

Period ended  
day month yearMonetary  
units

Country

Accounting  
class

Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance for each accident year (4+5+6-7-8)		Gross earned premiums		Claims ratio %	
Month	Year	Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported						
		1	2	3	4	5	6	7	8						
12	2001	116904	43215		89072	49336	7526			145934		266534			
12	2000	184498	4751	88789	70627	15455	271	76527	14823	(4997)		267007		65.6	
12	1999	193866	913	131902	6510	5817	4	12900	316	(885)		267500		53.9	
12	1998	223860	351	147511	4288	3030		7223	25	70		265136		58.4	
12	1997	211740	209	137982	3191	2125		4788		528		258663		55.4	
12	1996	202305	87	132415	1053	1272		1810		515		256737		52.5	
12	1995	209810	78	147695	447	932		999		380		259316		57.5	
12	1994	196517	28	112231	297	347		772		(128)		260889		43.3	
12	1993	225427	16	122269	298	192		304		186					
12	1992	236122	9	118602	18	110		101		27					
Prior accident years			7		248	1221		967		502					
Total (11 to 21)			49664		176049	79837	7801	106391	15164	142132					
Line 29 expressed in sterling					176049	79837	7801	106391	15164	142132					

## General Insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class

Third party liability

Global business

Currency

Sterling

Financial year ended

31st December 2001

Risk group

General Liability

Risk group	General Liability										Company registration number	GL/UK/CM	Period ended			Monetary units	Country	Accounting class
	Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward				Balance for each accident year (4+5+6+7+8)					
									day	month				year				
Month	Year	1	2	3	4	5	6	7	8	9	10	11						
12	2001	11																
12	2000	12																
12	1999	13																
12	1998	14																
12	1997	15																
12	1996	16																
12	1995	17																
12	1994	18																
12	1993	19																
12	1992	20																
Prior accident years		21																
Total (11 to 21)		29																
Line 29 expressed in sterling		30																



Name of insurer

The Prudential Assurance Company Limited

Accounting class Third party liability

Global business

Currency

Sterling

Financial year ended

31st December 2001

Risk group

General Liability

General Summary																	
Accident year ended		Number of claims				Gross claims paid		Gross claims outstanding carried forward				Gross claims outstanding brought forward			Balance on each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
		Closed at some cost during this or previous financial years		Reported claims outstanding		In previous financial years		In this financial year		Gross claims outstanding brought forward		Incurred but not reported					
		1	2	3	4	5	6	7	8	9	10	11					
Month	Year																
12	1991																
12	1990	652	146		2465	6389	1004	10176	(136)	(182)							
12	1989																
12	1988																
12	1987																
12	1986																
12	1985																
12	1984																
12	1983																
12	1982																
12	1981																
12	1980																
12	1979																

## General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class

Third party liability

Global business

Currency

Sterling

Financial year ended

31st December 2001

Risk group

Employers Liability

Company registration number														GL/UK/CM			Period ended			Monetary units		Country		Accounting class	
Risk group		Employers Liability														day		month		year					
Accident year ended		R31		15454		GL		31		12		2001		000		AA		7							
		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Gross claims outstanding brought forward		Gross claims outstanding brought forward		Gross claims outstanding brought forward		Gross claims outstanding brought forward		Gross claims outstanding brought forward		Gross claims outstanding brought forward		Gross claims outstanding brought forward							
		Reported		Incurred but not reported		Reported		Incurred but not reported		Reported		Incurred but not reported		Reported		Incurred but not reported		Reported							
		In this financial year		In previous financial years		In this financial year		In previous financial years		In this financial year		In previous financial years		In this financial year		In previous financial years		In this financial year							
		Closed at some cost during this or previous financial years		Reported claims outstanding		Reported claims outstanding		Reported claims outstanding		Reported claims outstanding		Reported claims outstanding		Reported claims outstanding		Reported claims outstanding		Reported claims outstanding							
		1		2		3		4		5		6		7		8		9							
		11		12		13		14		15		16		17		18		19							
		12		13		14		15		16		17		18		19		20							
		21		22		23		24		25		26		27		28		29							
		30		31		32		33		34		35		36		37		38							
		39		40		41		42		43		44		45		46		47							
		48		49		50		51		52		53		54		55		56							
		57		58		59		60		61		62		63		64		65							
		66		67		68		69		70		71		72		73		74							
		75		76		77		78		79		80		81		82		83							
		84		85		86		87		88		89		90		91		92							
		93		94		95		96		97		98		99		100		101							
		102		103		104		105		106		107		108		109		110							
		111		112		113		114		115		116		117		118		119							
		120		121		122		123		124		125		126		127		128							
		129		130		131		132		133		134		135		136		137							
		138		139		140		141		142		143		144		145		146							
		147		148		149		150		151		152		153		154		155							
		156		157		158		159		160		161		162		163		164							
		165		166		167		168		169		170		171		172		173							
		174		175		176		177		178		179		180		181		182							
		183		184		185		186		187		188		189		190		191							
		192		193		194		195		196		197		198		199		200							
		201		202		203		204		205		206		207		208		209							
		210		211		212		213		214		215		216		217		218							
		219		220		221		222		223		224		225		226		227							
		228		229		230		231		232		233		234		235		236							
		237		238		239		240		241		242		243		244		245							
		246		247		248		249		250		251		252		253		254							
		255		256		257		258		259		260		261		262		263							
		264		265		266		267		268		269		270		271		272							
		273		274		275		276		277		278		279		280		281							
		282		283		284		285		286		287		288		289		290							
		291		292		293		294		295		296		297		298		299							
		300		301		302		303		304		305		306		307		308							
		309		310		311		312		313		314		315		316		317							
		318		319		320		321		322		323		324		325		326							
		327		328		329		330		331		332		333		334		335							
		336		337		338		339		340		341		342		343		344							
		345		346		347		348		349		350		351		352		353							
		354		355		356		357		358		359		360		361		362							
		363		364		365		366		367		368		369		370		371							
		372		373		374		375		376		377		378		379		380							
		381		382		383		384		385		386		387		388		389							
		390		391		392		393		394		395		396		397		398							
		399		400		401		402		403		404		405		406		407							
		408		409		410		411		412		413		414		415		416							
		417		418		419		420		421		422		423		424		425							
		426		427		428		429		430		431		432		433		434							
		435		436		437		438		439		440		441		442		443							
		444		445		446		447		448		449		450		451		452							
		453		454		455		456		457		458		459		460		461							
		462		463		464		465		466		467		468		469		470							
		471		472		473		474		475		476		477		478		479							
		480		481		482		483		484		485		486		487		488							
		489		490		491		492		493		494		495		496		497							
		498		499		500		501		502		503		504		505		506							
		507		508		509		510		511		512		513		514		515							
		516		517		518		519		520		521		522		523		524							
		525		526		527		528		529		530		531		532		533							
		534		535		536		537		538		539		540		541		542							
		543		544		545		546		547		548		549		550		551							
		552		553		554		555		556		557		558		559		560							
		561		562		563		564		565		566		567		568		569							
		570		571		572		573		574		575		576		577		578							
		579		580		581		582		583		584		585		586		587							
		588		589		590		591		592		593		594		595		596							
		597		598		599		600		601		602		603		604		605							
		606		607		608		609		610		611		612		613		614							
		615		616		617		618		619		620		621		622		623							
		624		625		626		627		628		629		630		631		632							
		633		634		635		636		637		638		639		640		641							
		642		643		644		645		646		647		648		649		650							
		651		652		653		654		655		656		657		658		659							
		660		661		662		663		664		665		666		667		668							
		669		670		671		672		673		674		675		676		677							
		678		679		680		681		682		683		684		685		686							
		687		688		689		690		691		692		693		694		695							
		696		697		698		699		700		701		702		703		704							
		705		706		707		708		709		710		711		712		713							
		714		715		716		717		718		719		720		721		722							
		723		724		725		726		727		728		729		730		731							
		732		733		734		735		736		737		738		739		740							
		741		742		743		744		745		746		747		748		749							
		750		751		752		753		754		755		756		757		758							
		759		760		761		762		763		764		765		766		767							
		768		769		770		771		772		773		774		775		776							
		777		778		779		780		781		782		783		784		785							
		786		787		788		789		790		791		792		793		794							
		795		796		797		798		799		800		801		802		803							
		804		805		806		807		808		809		810		811		812							
		813		814		815		816		817		818		819		820		821							
		822		823		824		825		826		827		828		829		830							
		831		832		833		834		835		836		837		838		839							
		840		841		842		843		844		845		846		847		848							
		849		850		851		852		853		854		855		856		857							
		858		859		860		861		862		863		864		865		866							
		867		868		869		870		871		872		873		874		875							
		876		877		878		879		880		881		882		883		884							
		885		886		887		888		889		890		891		892		893							
		894		895		896		897		898		899		900		901		902							
		903		904		905		906		907		908		909		910		911							
		912		913		914		915		916		917		918		919		920							
		921		922		923		924		925		926		927		928		929							
		930		931		932		933		934		935		936		937		938							
		939		940		941		942		943		944		945		946		947							
		948		949		950		951		952		953		954		955									

Name of insurer

The Prudential Assurance Company Limited

Accounting class Third party liability

Global business

Currency

Sterling

Financial year ended

31st December 2001

Risk group

Employers Liability

Company  
registration  
number

15454

GL/UK/CM

GL

Period ended  
day month year

31 12 2001

Monetary  
units

000

Country

AA

Accounting  
class

7

Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward			Gross claims outstanding brought forward			Balance on each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year	Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Reported	Incurred but not reported	Reported			
		1	2	3	4	5	6	7	8	9	10	11		
12	1991													
12	1990		185		616	2337	10834	2918	10643	226				
12	1989													
12	1988													
12	1987													
12	1986													
12	1985													
12	1984													
12	1983													
12	1982													
12	1981													
12	1980													
12	1979													

**General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance**

Name of insurer

**The Prudential Assurance Company Limited**Accounting class **Miscellaneous and pecuniary loss**

Global business

Currency

**Sterling**Financial year ended **31st December 2001****Risk group Consequential Loss Following Fire**

Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward			Gross claims outstanding brought forward			Balance for each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
						In previous financial years		In this financial year	Reported	Incurred but not reported	Reported			
Month	Year	1	2	3	4	5	6	7	8	9	10	11		
12	2001													
12	2000													
12	1999													
12	1998													
12	1997													
12	1996													
12	1995													
12	1994													
12	1993													
12	1992													
Prior accident years			1		(1)	2		1						
Total (11 to 21)			1		(1)	2		1						
Line 29 expressed in sterling					(1)	2		1						

## General Insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class Miscellaneous and pecuniary loss

Global business

Currency

Sterling

Financial year ended

31st December 2001

Risk group

Miscellaneous

Insurance company																	
Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward			Gross claims outstanding brought forward			Balance for each accident year (4+5+6+7+8)		Gross earned premiums	Claims ratio %		
						Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported		Incurred but not reported					
Month	Year	1	2	3	4					5	6	7	8	9	10	11	
12	2001	11	5057	5142			1330	2307	855				4492	17935	25.0		
12	2000	12	10257	1294	849	1263	860	1350		203		570	8035	37.0			
12	1999	13	8507	449	1400	430	510	806				134	6131	38.2			
12	1998	14	12732	211	1704	167	361	487				41	4510	49.5			
12	1997	15	9562	70	1125	84	226	295				15	3197	44.9			
12	1996	16	10809	33	1422	50	148	195				3	3187	50.8			
12	1995	17	11091	22	7463	24	91	118				(3)	5882	128.8			
12	1994	18	6186	11	537	9	60	141				(72)	3457	17.5			
12	1993	19	349	3	3888	(1)	28	28				(1)					
12	1992	20	201	1	2967	(4)	8	22				(18)					
Prior accident years		21		13			1253	662	515	1978	(575)						
Total (11 to 21)		29		7249			3355	5852	1517	3957	2181	4586					
Line 29 expressed in sterling		30					3355	5852	1517	3957	2181	4586					

## General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class Accident and health

Global business

Currency

Hong Kong Dollars

Financial year ended

31st December 2001

Risk group

Personal Accident

Risk group		Personal Accident												Company registration number	GL/UK/CM	Period ended				Monetary units	Country	Accounting class
		Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance for each accident year (4+5+6-7-8)				Gross earned premiums	Claims ratio %					
																		day	month			
Month	Year	1	2	3	4	5	6	7	31	12	2001	000	QE	1								
12	2001	11	6458	1940	30152	4010	5111					9	10	11								
12	2000	12	8806	1050	1599	193	79	1677	4961			(4767)	56613	40.3								
12	1999	13	2024	56	293	1425	394	1696	463			(47)	44597	38.5								
12	1998	14	1375	18	11	428	118	442	120			(5)	34501	35.1								
12	1997	15	1008	7	5449	36	10	36	10				13279	41.4								
		16																				
		17																				
		18																				
		19																				
		20																				
Prior accident years		21																				
Total (11 to 21)		29		3071	32055	6092	5712	3851	5554			34454										
Line 29 expressed in sterling		30			2854	542	509	343	495			3068										

## General Insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class Transport

Global business

Currency Hong Kong Dollars

Financial year ended

31st December 2001

Risk group

Goods In Transit

Risk group	Goods In Transit										Company registration number	GL/UK/CM	Period ended			Monetary units	Country	Accounting class
	Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward				Balance for each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %			
Month	Year	1	2	3	4	5	6	7	8	9	10	11						
12	2001	11	29	15	338	548	379											
12	2000	12	34	4	4256	20	137	2643	757	1013	3409	180.7						
12	1999	13	35	8	44	113	34	113	43	35	3474	14.9						
12	1998	14	77	3	3009	13	4	13	11	(7)	4066	74.4						
12	1997	15	90	3	748	9		20	6	(17)	2265	33.4						
		16																
		17																
		18																
		19																
		20																
Prior accident years		21																
Total (11 to 21)		29		33	4647	694	554	2789	817	2289								
Line 29 expressed in sterling		30			414	62	49	248	73	204								

## General Insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class

Property

Global business

Currency

Hong Kong Dollars

Financial year ended

31st December 2001

Risk group

Property

Risk group		Accident year ended	Month	Year	Property														
					Company registration number		GL/UK/CM	Period ended			Monetary units		Country	Accounting class					
								day	month	year									
					R31	15454	GL	31	12	2001	000	QE	6						
					Gross claims outstanding carried forward			Gross claims outstanding brought forward			Balance for each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %						
					Reported	Incurred but not reported	Reported	Incurred but not reported											
					Gross claims paid		Gross claims outstanding		Gross claims paid		Gross claims outstanding								
					1	2	3	4	5	6	7	8	9	10	11				
					Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported							



## General Insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class

Third party liability

Global business

Currency

Hong Kong Dollars

Financial year ended

31st December 2001

Risk group

General Liability

Risk group		General Liability												Accounting class
		Company registration number	GL/UK/CM	Period ended				Monetary units	Country					
				day	month	year								
		R31	15454	GL	31	12	2001	000	QE	7				
Accident year ended	Month	Year	Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance for each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	
			Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported				
12	2001	11	24	38	3	4	5	6	7	8	9	10	11	
12	2000	12	351	194	1266	3579	1733	574	3474	3186	(774)	15455	46.3	
12	1999	13	1080	118	3476	1515	1471	405	3449	1011	(1069)	13488	50.9	
12	1998	14	825	10	3118	437	440	121	829	226	(57)	14685	28.0	
12	1997	15	412	5	3332	(161)	232	64	452	123	(440)	9201	37.7	
		16												
		17												
		18												
		19												
		20												
Prior accident years		21												
Total (11 to 21)		29		365		6496	9407	5801	8204	4546	8954			
Line 29 expressed in sterling		30				578	838	517	730	405	797			

## General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Accounting class Miscellaneous and pecuniary loss

Global business

Currency Hong Kong Dollars

Financial year ended 31st December 2001

## Risk group Consequential Loss Following Fire

Schedule of Claims Outstanding at 31 December 2001																	
Accident year ended		31 December 2001															
		R31		15454		GL		31		12		2001		000		QE	
Month	Year	Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance for each accident year (4+5+6+7+8)		Gross earned premiums		Claims ratio %			
		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported	Reported	Incurred but not reported	Reported	Incurred but not reported	Reported	Incurred but not reported		
12	2001	11	7	2	3	4	5	6	7	8	9	10	11				
12	2000	12	121	30	517	1029	191	155	175	175	1375	18650	7.4				
12	1999	13	1		90			31		52	(21)	2022	6.0				
12	1998	14	4	1	2		9	9	9	16	(7)	740	2.7				
12	1997	15	9		129					55	(55)	515	25.0				
		16															
		17															
		18															
		19															
		20															
Prior accident years		21															
Total (11 to 21)		29		31		1030	200	311	184	298	1059						
Line 29 expressed in sterling		30				92	18	28	16	27	94						

## General Insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Currency

Sterling

Global business

Financial year ended

31st December 2001

Risk group

Private Comprehensive

Financial year ended		Risk group		31st December 2001										Country		
				Private Comprehensive												
				Company registration number		GL/UK/CM		Period ended			Monetary units					
Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims brought forward		Balance on each accident year (4+5+6+7-8)		Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %	
																Gross claims outstanding
Month	Year	Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported	Reported	Incurred but not reported	Reported	Incurred but not reported	Reported	Incurred but not reported	
12	2001	11	24385	15068		26570	27958	1523				56051	70393	79.6	227	17.4
12	2000	12	25089	2522	18009	9286	9884	27		18473	835	(111)	45366	82.0	198	13.9
12	1999	13	23841	617	22580	2042	6702			9065	16	(337)	34798	90.0	169	14.5
12	1998	14	20899	158	21121	1928	2397			4749		(424)	30498	83.4	145	14.5
12	1997	15	21248	49	22116	1574	640			2326		(112)	32437	75.0	144	14.8
12	1996	16	22587	22	24867	621	1413			1957		77	37519	71.7	151	15.0
12	1995	17	24996	10	24324	213	379			697		(105)	44506	56.0	166	15.1
12	1994	18	27193	6	26857	140	121			463		(202)	51573	52.6	176	15.5
12	1993	19	34465	4	30496	834	761			897		698			180	19.1
12	1992	20	45788	3	36225	2	992			994					201	22.8
Prior accident years		21		15		1270	4834	66		6145	187	(162)				
Total (11 to 21)		29		18474		44480	56081	1616		45766	1038	55373				
Line 29 expressed in sterling		30				44480	56081	1616		45766	1038	55373				

## General Insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Currency

Sterling

Global business

Financial year ended

31st December 2001

Risk group

Private Non-Comprehensive

Financial year ended		31st December 2001																											
Risk group		Private Non-Comprehensive																											
		Company registration number		GL/UK/CM		Period ended			Monetary units		Country																		
		R32		15454		GL		31			12		2001		000		AA												
Accident year ended				Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance on each accident year (4+5+6+7+8)		Gross earned premiums		Claims ratio %		Vehicle years (000's)		Claims frequency %									
				Closed at some cost during this or previous years		In previous financial years		In this financial year		Reported		Incurred but not reported		Reported		Incurred but not reported													
Month		Year		1		2		3		4		5		6		7		8		9		10		11		12		13	
12	2001	11	236	254			276	1051	76			1403	2065	67.9	11	4.5													
12	2000	12	565	115	411	533	1177	5	1559	119	37	2915	72.9	16	4.3														
12	1999	13	1007	69	1452	313	1965		2198	8	72	4007	93.1	22	4.9														
12	1998	14	1801	51	3321	996	1544		3022		(482)	5558	105.5	30	6.2														
12	1997	15	2563	20	5255	906	1632		2609		(71)	7616	102.3	41	6.3														
12	1996	16	3734	16	8461	1941	1882		3505		318	10610	115.8	53	7.1														
12	1995	17	4954	13	12432	659	1189		2086		(238)	15097	94.6	68	7.3														
12	1994	18	5895	9	13850	437	1884		2714		(393)	18877	85.7	80	7.4														
12	1993	19	5183	2	10397	53	485		522		16			76	6.8														
12	1992	20	4602	1	7539	2	4		11		(5)			68	6.8														
Prior accident years		21		10		119	1415		1539		(5)																		
Total ('11 to 21)		29		560		6235	14228	81	19765	127	652																		
Line 29 expressed in sterling		30				6235	14228	81	19765	127	652																		

## General Insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Currency Sterling

Global business

Financial year ended

31st December 2001

Risk group

Commercial Vehicle

Company  
registration  
number

GL/UK/CM

Period ended  
day month yearMonetary  
units

Country

Accident year ended		R32		15454		GL		31		12		2001		000		AA	
		Gross claims brought forward		Incurred but not reported		Gross claims outstanding carried forward		Reported		Incurred but not reported		Gross claims paid		Reported		In this financial year	
Month	Year	Number of claims		Gross claims paid		Gross claims outstanding carried forward		Reported		Incurred but not reported		In previous financial years		In this financial year		Balance on each accident year (4+5+6+7+8)	
		Closed at some cost during this or previous years	Reported claims outstanding	1	2	3	4	5	6	7	8	9	10	11	12	13	14
12	2001	11															
12	2000	12															
12	1999	13															
12	1998	14															
12	1997	15															
12	1996	16															
12	1995	17															
12	1994	18															
12	1993	19															
12	1992	20															
Prior accident years		21			18		1563	901	401	2953	841	(929)					
Total (11 to 21)		29			18		1563	901	401	2953	841	(929)					
Line 29 expressed in sterling		30					1563	901	401	2953	841	(929)					

## General Insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Currency

Sterling

Global business

Financial year ended

31st December 2001

Risk group

Motorcycle

Financial year ended 31st December 2001										Country								
Risk group										Monetary units								
Motorcycle																		
Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		GL/UK/CM		Period ended			Vehicle years (000's)	Claims frequency %		
										day		month		year				
Month	Year	1	2	3	4	5	6	Reported	Incurred but not reported	7	8	9	10	11	12	2001	000	AA
12	2001	11	16	11	7	5						12	44	27.3		2	2	1.4
12	2000	12	25	3	4	1		5					46	39.1		2	2	1.4
12	1999	13	24										44	27.3		3	0.8	
12	1998	14	34										36	63.9		3	1.1	
12	1997	15	36										30	56.7		2	1.8	
12	1996	16	31										24	54.2		2	1.6	
12	1995	17	22										29	24.1		2	1.1	
12	1994	18	6										25	8.0		1	0.6	
12	1993	19	120													3	4.0	
12	1992	20	995													11	9.0	
Prior accident years		21			19			23				(4)						
Total (11 to 21)		29		14	30	6		28				8						
Line 29 expressed in sterling		30			30	6		28				8						

## General insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance

Name of insurer

The Prudential Assurance Company Limited

Currency Hong Kong Dollars

Global business

Financial year ended 31st December 2001

Risk group Motor

Company  
registration  
number

GL/UK/CM

Period ended  
day month yearMonetary  
units

Country

Risk group		Motor														day month year				units	
		R32		15454		GL		31		12		2001		000		QE					
Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance on each accident year (4+5+6-7-8)		Gross earned premiums		Claims ratio %		Vehicle years (000's)		Claims frequency %			
Month	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
12	2001	47	65		2081	5826	2100			10007	12189	82.1		1	11.2						
12	2000	52	46	2244	218	626	267	967	335	(191)	9885	33.9		1	9.8						
12	1999	61	30	3705	1090	362	129	1456	422	(297)	9417	56.1		1	9.1						
12	1998	71	22	1886	24	372	102	408	115	(25)	7791	30.6		1	9.3						
12	1997	100	13	857	(26)	258	71	257	70	(24)	3397	34.1		1	11.3						
Prior accident years																					
Total ('11 to 21)			176		3387	7444	2669	3088	942	9470											
Line 29 expressed in sterling					302	663	238	275	84	843											

## General Insurance business (accident year accounting) : Reconciliation of gross claims and premiums for direct insurance and facultative reinsurance

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**

Accounting Class	Claims paid in this financial year	Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance for this financial year (1+2+3-4-5)	Gross earned premiums
		Reported	Incurred but not reported	Reported	Incurred but not reported		
	1	2	3	4	5	6	7
11 Accident and health				1		(1)	
12 Motor	(259)	448	9	473	9	(284)	
13 Aviation							
14 Marine							
15 Transport	2	275	61	275	60	3	
16 Property	49	3317	3	3630	1	(262)	
17 Third party liability	1337	9814	13710	11150	11634	2077	
18 Miscellaneous and pecuniary loss	67	488	2	698	6	(147)	

Company registration number **R33**      GL/UK/CM **15454**      GL **GL**      Period ended day **31** month **12** year **2001**      Units **£000**





## Equalisation provisions

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**

		Company registration number	GL/UK/CM	Period ended			Units		
				day	month	year			
		R37	15454	GL	31	12	2001	£000	
Calculation of the maximum provision		Business group A (property)	Business group B (business interruption)	Business group C (marine and aviation)	Business group D (nuclear)	Business group E (non-proportional treaty)	All business groups	Credit insurance business	
		1	2	3	4	5	6	7	
		11	1029092	455					
		12	56535	790					
	13	43425	50				43475		

## Calculation of the transfer to/from the provision

Equalisation provision brought forward	21						38214	
Transfers in	22	1696	24				1720	
Total abnormal loss	23							
Provisional transfers out	24							39
Excess of provisional transfer out over fund available	25							39
Provisional amount carried forward (21+22-24+25)	26					39934		
Excess, if any, of 26 over 13	27							
Equalisation provision carried forward (26-27)	28					39934		
Transfer in/(out) for financial year (28-21)	29					1720		

## Equalisation provisions technical account : Accident year accounting

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31st December 2001**

		Company registration number		GL/UK/CM		Period ended		Units	
		R38	15454	GL	31	day	month	year	£000
		Business group A (property)	Business group B (business interruption)	Business group C (marine and aviation)	Business group D (nuclear)	Business group E (non-proportional treaty)			
Other than credit business		1	2	3	4	5			
Net premiums earned	11	172494	783						
Claims incurred net of reinsurance	12	48529	215						
Trigger claims value	13	125058	568						
Abnormal loss	19								
Trigger claims ratio		72.5%	72.5%	95%	25%	100%			

## Credit business

Net premiums earned	21	177
Claims incurred net of reinsurance	22	1
Claims management costs	23	
Net operating expenditure	24	215
Technical surplus/(deficit) (21-22-23-24)	29	(39)

**Long term insurance business : Revenue account**Name of insurer **The Prudential Assurance Company Limited**

Global business

Industrial insurance business

Financial year ended **31st December 2000**Name and number of fund/Summary **Industrial Branch 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R40	15454	GL	31	12	2000	£000	IB	1	0
Items to be shown net of reinsurance ceded							The financial year 1	Previous year 2		
Earned premiums							11	57053	79225	
Investment income receivable before deduction of tax							12	113924	123319	
Increase (decrease) in the value of non-linked assets brought into account							13	100968	272053	
Increase (decrease) in the value of linked assets							14			
Other income							15	929	941	
Total income (11 to 15)							19	272874	475538	
Claims incurred							21	456398	520462	
Expenses payable							22	42570	41631	
Interest payable before deduction of tax							23	2134	2835	
Taxation							24	11539	19414	
Other expenditure							25			
Transfer to (from) non technical account							26	19161	29699	
Total expenditure (21 to 26)							29	531802	614041	
Increase (decrease) in fund in financial year (19-29)							39	(258928)	(138503)	
Fund brought forward							49	2157482	2295985	
Fund carried forward (39+49)							59	1898554	2157482	

**Long term insurance business : Revenue account**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Summary**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R40	15454	GL	31	12	2001	£000	OB	99	0
Items to be shown net of reinsurance ceded							The financial year 1	Previous year 2		
Earned premiums							11	5424864	5018248	
Investment income receivable before deduction of tax							12	3335446	3199134	
Increase (decrease) in the value of non-linked assets brought into account							13	2200219	2565989	
Increase (decrease) in the value of linked assets							14	(34474)	(11792)	
Other income							15	92246	138602	
Total income (11 to 15)							19	11018301	10910181	
Claims incurred							21	5538767	5029022	
Expenses payable							22	1455556	1088291	
Interest payable before deduction of tax							23	60377	53267	
Taxation							24	177856	241907	
Other expenditure							25	39249	88344	
Transfer to (from) non technical account							26	280819	278191	
Total expenditure (21 to 26)							29	7552624	6779022	
Increase (decrease) in fund in financial year (19-29)							39	3465677	4131159	
Fund brought forward							49	58031924	53887618	
Fund carried forward (39+49)							59	61497601	58018777	

**Long term insurance business : Revenue account**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (other) 2**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R40	15454	GL	31	12	2001	£000	OB	2	1
Items to be shown net of reinsurance ceded							The financial year 1	Previous year 2		
Earned premiums							11	3004664	2779070	
Investment income receivable before deduction of tax							12	1247032	1169253	
Increase (decrease) in the value of non-linked assets brought into account							13	978507	888157	
Increase (decrease) in the value of linked assets							14			
Other income							15	59392	113734	
Total income (11 to 15)							19	5289595	4950214	
Claims incurred							21	2463327	2405043	
Expenses payable							22	578257	494744	
Interest payable before deduction of tax							23	24226	20351	
Taxation							24	156550	161786	
Other expenditure							25	242	361	
Transfer to (from) non technical account							26	154738	151036	
Total expenditure (21 to 26)							29	3377340	3233321	
Increase (decrease) in fund in financial year (19-29)							39	1912255	1716893	
Fund brought forward							49	21182180	19453360	
Fund carried forward (39+49)							59	23094435	21170253	

**Long term insurance business : Revenue account**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (linked business only) 2**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R40	15454	GL	31	12	2001	£000	OB	2	2
Items to be shown net of reinsurance ceded							The financial year 1	Previous year 2		
Earned premiums							11	236721	40818	
Investment income receivable before deduction of tax							12	20953	24039	
Increase (decrease) in the value of non-linked assets brought into account							13	3439	(3119)	
Increase (decrease) in the value of linked assets							14	(34170)	(11792)	
Other income							15	254		
Total income (11 to 15)							19	227197	49946	
Claims incurred							21	66431	64269	
Expenses payable							22	188615	32089	
Interest payable before deduction of tax							23	29	989	
Taxation							24	(27633)	4665	
Other expenditure							25			
Transfer to (from) non technical account							26	(1522)	(8395)	
Total expenditure (21 to 26)							29	225920	93617	
Increase (decrease) in fund in financial year (19-29)							39	1277	(43671)	
Fund brought forward							49	504081	546686	
Fund carried forward (39+49)							59	505358	503015	

**Long term insurance business : Revenue account**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (long-term accident and sickness business only) 2**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R40	15454	GL	31	12	2001	£000	OB	2	3
Items to be shown net of reinsurance ceded							The financial year  1	Previous year  2		
Earned premiums							11	28864	19241	
Investment income receivable before deduction of tax							12	3766	2735	
Increase (decrease) in the value of non-linked assets brought into account							13	(1275)	14	
Increase (decrease) in the value of linked assets							14			
Other income							15			
Total income (11 to 15)							19	31355	21990	
Claims incurred							21	6995	3670	
Expenses payable							22	20010	10994	
Interest payable before deduction of tax							23			
Taxation							24	(70)	(2153)	
Other expenditure							25			
Transfer to (from) non technical account							26	1907	7158	
Total expenditure (21 to 26)							29	28842	19669	
Increase (decrease) in fund in financial year (19-29)							39	2513	2321	
Fund brought forward							49	28189	25714	
Fund carried forward (39+49)							59	30702	28035	



**Long term insurance business : Revenue account**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (non-linked pension business only) 2**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R40	15454	GL	31	12	2001	£000	OB	2	4
Items to be shown net of reinsurance ceded							The financial year 1	Previous year 2		
Earned premiums							11	1731753	1731905	
Investment income receivable before deduction of tax							12	1405488	1320693	
Increase (decrease) in the value of non-linked assets brought into account							13	905944	1249541	
Increase (decrease) in the value of linked assets							14			
Other income							15	11696	11394	
Total income (11 to 15)							19	4054881	4313533	
Claims incurred							21	1881152	1600244	
Expenses payable							22	575808	476445	
Interest payable before deduction of tax							23	27979	21812	
Taxation							24	12957	10576	
Other expenditure							25			
Transfer to (from) non technical account							26	135662	128392	
Total expenditure (21 to 26)							29	2633558	2237469	
Increase (decrease) in fund in financial year (19-29)							39	1421323	2076064	
Fund brought forward							49	24250821	22174757	
Fund carried forward (39+49)							59	25672144	24250821	

**Long term insurance business : Revenue account**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (SAIF) 2**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R40	15454	GL	31	12	2001	£000	OB	2	5
Items to be shown net of reinsurance ceded							The financial year 1	Previous year 2		
Earned premiums							11	379626	447214	
Investment income receivable before deduction of tax							12	657824	682414	
Increase (decrease) in the value of non-linked assets brought into account							13	314565	431396	
Increase (decrease) in the value of linked assets							14			
Other income							15	20784	13474	
Total income (11 to 15)							19	1372799	1574498	
Claims incurred							21	1120547	955796	
Expenses payable							22	81512	74019	
Interest payable before deduction of tax							23	8143	10115	
Taxation							24	36032	67033	
Other expenditure							25	39007	87983	
Transfer to (from) non technical account							26			
Total expenditure (21 to 26)							29	1285241	1194946	
Increase (decrease) in fund in financial year (19-29)							39	87558	379552	
Fund brought forward							49	12066653	11687101	
Fund carried forward (39+49)							59	12154211	12066653	

**Long term insurance business : Revenue account**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (Europe) 2**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R40	15454	GL	31	12	2001	£000	OB	2	6
Items to be shown net of reinsurance ceded							The financial year 1	Previous year 2		
Earned premiums							11	43236		
Investment income receivable before deduction of tax							12	383		
Increase (decrease) in the value of non-linked assets brought into account							13	(961)		
Increase (decrease) in the value of linked assets							14	(304)		
Other income							15	120		
Total income (11 to 15)							19	42474		
Claims incurred							21	315		
Expenses payable							22	11354		
Interest payable before deduction of tax							23			
Taxation							24	20		
Other expenditure							25			
Transfer to (from) non technical account							26	(9966)		
Total expenditure (21 to 26)							29	1723		
Increase (decrease) in fund in financial year (19-29)							39	40751		
Fund brought forward							49			
Fund carried forward (39+49)							59	40751		

**Long term insurance business : Analysis of premiums and expenses**Name of insurer **The Prudential Assurance Company Limited**

Global business

Industrial insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Industrial Branch 1**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R41	15454	GL	31	12	2001	£000	IB	1	0
					Gross		Payable to or recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Earned premiums in the financial year	Life assurance and general annuity contracts	Single premium		11							
		Regular premium		12	57053				57053		
	Pension business contracts	Single premium		13							
		Regular premium		14							
	Permanent health contracts	Single premium		15							
		Regular premium		16							
	Other contracts	Single premium		17							
		Regular premium		18							
	Total premiums	Single premium		19							
		Regular premium		29	57053				57053		
Total premiums at lines 19 and 29 attributable to	UK contracts		31	57053				57053			
	Overseas contracts		32								
Expenses payable in the financial year	Commission payable in connection with acquisition of business			41							
	Other commission payable			42							
	Management expenses in connection with acquisition of business			43							
	Management expenses in connection with maintenance of business			44	36916				36916		
	Other management expenses			45	5654				5654		
	Total expenses (41 to 45)			49	42570				42570		
	Total expenses at line 49 attributable to	UK contracts		51	42570				42570		
		Overseas contracts		52							

**Long term insurance business : Analysis of premiums and expenses**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Summary**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R41	15454	GL	31	12	2001	£000	OB	99	0
					Gross		Payable to or recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Earned premiums in the financial year	Life assurance and general annuity contracts	Single premium		11	2524590		24428		2500162		
		Regular premium		12	1216242		85418		1130824		
	Pension business contracts	Single premium		13	1417435		802724		614711		
		Regular premium		14	1293699		143774		1149925		
	Permanent health contracts	Single premium		15							
		Regular premium		16	29605		2115		27490		
	Other contracts	Single premium		17	106				106		
		Regular premium		18	1646				1646		
	Total premiums	Single premium		19	3942131		827152		3114979		
		Regular premium		29	2541192		231307		2309885		
Total premiums at lines 19 and 29 attributable to	UK contracts		31	6130669		1050129		5080540			
	Overseas contracts		32	352654		8330		344324			
Expenses payable in the financial year	Commission payable in connection with acquisition of business			41	362632		1172		361460		
	Other commission payable			42	29521		1485		28036		
	Management expenses in connection with acquisition of business			43	197674				197674		
	Management expenses in connection with maintenance of business			44	637310				637310		
	Other management expenses			45	231076				231076		
	Total expenses (41 to 45)			49	1458213		2657		1455556		
	Total expenses at line 49 attributable to	UK contracts		51	1318808				1318808		
		Overseas contracts		52	139405		2657		136748		

**Long term insurance business : Analysis of premiums and expenses**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (other) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R41	15454	GL	31	12	2001	£000	OB	2	1
					Gross		Payable to or recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Earned premiums in the financial year	Life assurance and general annuity contracts	Single premium		11	2265530		2384		2263146		
		Regular premium		12	825225		84085		741140		
	Pension business contracts	Single premium		13							
		Regular premium		14							
	Permanent health contracts	Single premium		15							
		Regular premium		16							
	Other contracts	Single premium		17	106				106		
		Regular premium		18	272				272		
	Total premiums	Single premium		19	2265636		2384		2263252		
		Regular premium		29	825497		84085		741412		
Total premiums at lines 19 and 29 attributable to	UK contracts		31	2855593		81281		2774312			
	Overseas contracts		32	235540		5188		230352			
Expenses payable in the financial year	Commission payable in connection with acquisition of business			41	168315		582		167733		
	Other commission payable			42	15284		1196		14088		
	Management expenses in connection with acquisition of business			43	114604				114604		
	Management expenses in connection with maintenance of business			44	187391				187391		
	Other management expenses			45	94441				94441		
	Total expenses (41 to 45)			49	580035		1778		578257		
	Total expenses at line 49 attributable to	UK contracts		51	495551				495551		
		Overseas contracts		52	84484		1778		82706		

**Long term insurance business : Analysis of premiums and expenses**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (linked business only) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R41	15454	GL	31	12	2001	£000	OB	2	2
					Gross		Payable to or recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Earned premiums in the financial year	Life assurance and general annuity contracts	Single premium			11	215410		22044		193366	
		Regular premium			12	43805		1092		42713	
	Pension business contracts	Single premium			13	35846		35206		640	
		Regular premium			14	10034		10032		2	
	Permanent health contracts	Single premium			15						
		Regular premium			16						
	Other contracts	Single premium			17						
		Regular premium			18						
	Total premiums	Single premium			19	251256		57250		194006	
		Regular premium			29	53839		11124		42715	
Total premiums at lines 19 and 29 attributable to	UK contracts			31	256390		67282		189108		
	Overseas contracts			32	48705		1092		47613		
Expenses payable in the financial year	Commission payable in connection with acquisition of business				41	163375		204		163171	
	Other commission payable				42	3533		226		3307	
	Management expenses in connection with acquisition of business				43	11799				11799	
	Management expenses in connection with maintenance of business				44	5242				5242	
	Other management expenses				45	5096				5096	
	Total expenses (41 to 45)				49	189045		430		188615	
	Total expenses at line 49 attributable to	UK contracts			51	162752				162752	
		Overseas contracts			52	26293		430		25863	

**Long term insurance business : Analysis of premiums and expenses**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (long-term accident and sickness business only) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R41	15454	GL	31	12	2001	£000	OB	2	3
					Gross		Payable to or recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Earned premiums in the financial year	Life assurance and general annuity contracts	Single premium		11							
		Regular premium		12							
	Pension business contracts	Single premium		13							
		Regular premium		14							
	Permanent health contracts	Single premium		15							
		Regular premium		16	29605		2115		27490		
	Other contracts	Single premium		17							
		Regular premium		18	1374				1374		
	Total premiums	Single premium		19							
		Regular premium		29	30979		2115		28864		
Total premiums at lines 19 and 29 attributable to	UK contracts		31	5806		65		5741			
	Overseas contracts		32	25173		2050		23123			
Expenses payable in the financial year	Commission payable in connection with acquisition of business			41	11485		386		11099		
	Other commission payable			42	1830		63		1767		
	Management expenses in connection with acquisition of business			43	4706				4706		
	Management expenses in connection with maintenance of business			44	1634				1634		
	Other management expenses			45	804				804		
	Total expenses (41 to 45)			49	20459		449		20010		
	Total expenses at line 49 attributable to	UK contracts		51	3185				3185		
		Overseas contracts		52	17274		449		16825		



## Long term insurance business : Analysis of premiums and expenses

Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (non-linked pension business only) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R41	15454	GL	31	12	2001	£000	OB	2	4
					Gross		Payable to or recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Earned premiums in the financial year	Life assurance and general annuity contracts	Single premium			11						
		Regular premium			12						
	Pension business contracts	Single premium			13	1310714		612691		698023	
		Regular premium			14	1091060		57330		1033730	
	Permanent health contracts	Single premium			15						
		Regular premium			16						
	Other contracts	Single premium			17						
		Regular premium			18						
	Total premiums	Single premium			19	1310714		612691		698023	
		Regular premium			29	1091060		57330		1033730	
Total premiums at lines 19 and 29 attributable to	UK contracts			31	2401774		670021		1731753		
	Overseas contracts			32							
Expenses payable in the financial year	Commission payable in connection with acquisition of business				41	14342				14342	
	Other commission payable				42	97				97	
	Management expenses in connection with acquisition of business				43	60192				60192	
	Management expenses in connection with maintenance of business				44	383695				383695	
	Other management expenses				45	117482				117482	
	Total expenses (41 to 45)				49	575808				575808	
	Total expenses at line 49 attributable to	UK contracts			51	575808				575808	
		Overseas contracts			52						

**Long term insurance business : Analysis of premiums and expenses**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (SAIF) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R41	15454	GL	31	12	2001	£000	OB	2	5
					Gross		Payable to or recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Earned premiums in the financial year	Life assurance and general annuity contracts	Single premium		11	414				414		
		Regular premium		12	347212		241		346971		
	Pension business contracts	Single premium		13	70875		154827		(83952)		
		Regular premium		14	192605		76412		116193		
	Permanent health contracts	Single premium		15							
		Regular premium		16							
	Other contracts	Single premium		17							
		Regular premium		18							
	Total premiums	Single premium		19	71289		154827		(83538)		
		Regular premium		29	539817		76653		463164		
Total premiums at lines 19 and 29 attributable to	UK contracts		31	611106		231480		379626			
	Overseas contracts		32								
Expenses payable in the financial year	Commission payable in connection with acquisition of business			41	3937				3937		
	Other commission payable			42	8702				8702		
	Management expenses in connection with acquisition of business			43	795				795		
	Management expenses in connection with maintenance of business			44	54825				54825		
	Other management expenses			45	13253				13253		
	Total expenses (41 to 45)			49	81512				81512		
	Total expenses at line 49 attributable to	UK contracts		51	81512				81512		
		Overseas contracts		52							

**Long term insurance business : Analysis of premiums and expenses**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (Europe) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R41	15454	GL	31	12	2001	£000	OB	2	6
					Gross		Payable to or recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Earned premiums in the financial year	Life assurance and general annuity contracts	Single premium		11	43236				43236		
		Regular premium		12							
	Pension business contracts	Single premium		13							
		Regular premium		14							
	Permanent health contracts	Single premium		15							
		Regular premium		16							
	Other contracts	Single premium		17							
		Regular premium		18							
	Total premiums	Single premium		19	43236				43236		
		Regular premium		29							
Total premiums at lines 19 and 29 attributable to	UK contracts		31								
	Overseas contracts		32	43236				43236			
Expenses payable in the financial year	Commission payable in connection with acquisition of business			41	1178				1178		
	Other commission payable			42	75				75		
	Management expenses in connection with acquisition of business			43	5578				5578		
	Management expenses in connection with maintenance of business			44	4523				4523		
	Other management expenses			45							
	Total expenses (41 to 45)			49	11354				11354		
	Total expenses at line 49 attributable to	UK contracts		51							
		Overseas contracts		52	11354				11354		

**Long term insurance business : Analysis of claims**Name of insurer **The Prudential Assurance Company Limited**

Global business

Industrial insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Industrial Branch 1**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R42	15454	GL	31	12	2001	£000	IB	1	0
Claims incurred in the financial year					Gross		Recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Life assurance and annuity contracts	On death			11	158026				158026		
	By way of lump sums on maturity			12	271154				271154		
	By way of annuity payments			13							
	By way of payments arising from other insured events			14							
	On surrender or partial surrender			15	27218				27218		
	Total life assurance and annuity claims (11 to 15)			19	456398				456398		
Pension business contracts	On death			21							
	By way of lump sums on vesting			22							
	By way of vested annuity payments			23							
	On surrender or partial surrender			24							
	Total pension business claims (21 to 24)			29							
Permanent health contracts	By way of lump sums			31							
	By way of periodical payments			32							
	Total permanent health claims (31+32)			39							
Other contracts	By way of lump sums			41							
	By way of periodical payments			42							
	Total claims (41+42)			49							
Total claims (19+29+39+49)				59	456398				456398		
Total claims at line 59 attributable to	UK contracts			61	456398				456398		
	Overseas contracts			62							

**Long term insurance business : Analysis of claims**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Summary**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R42	15454	GL	31	12	2001	£000	OB	99	0
Claims incurred in the financial year					Gross		Recoverable from reinsurers		Net of reinsurance (1-2) 3		
					1		2				
Life assurance and annuity contracts	On death				11	298119		41408		256711	
	By way of lump sums on maturity				12	1547585		18633		1528952	
	By way of annuity payments				13	4446				4446	
	By way of payments arising from other insured events				14	849		392		457	
	On surrender or partial surrender				15	1469861		94928		1374933	
	Total life assurance and annuity claims (11 to 15)				19	3320860		155361		3165499	
Pension business contracts	On death				21	80705		5405		75300	
	By way of lump sums on vesting				22	1340454		154485		1185969	
	By way of vested annuity payments				23	619066		505896		113170	
	On surrender or partial surrender				24	1099280		107544		991736	
	Total pension business claims (21 to 24)				29	3139505		773330		2366175	
Permanent health contracts	By way of lump sums				31	678		7		671	
	By way of periodical payments				32	7005		681		6324	
	Total permanent health claims (31+32)				39	7683		688		6995	
Other contracts	By way of lump sums				41	98				98	
	By way of periodical payments				42						
	Total claims (41+42)				49	98				98	
Total claims (19+29+39+49)					59	6468146		929379		5538767	
Total claims at line 59 attributable to		UK contracts			61	6381483		924037		5457446	
		Overseas contracts			62	86663		5342		81321	

**Long term insurance business : Analysis of claims**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (other) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R42	15454	GL	31	12	2001	£000	OB	2	1
Claims incurred in the financial year					Gross		Recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Life assurance and annuity contracts	On death				11	226997		37752		189245	
	By way of lump sums on maturity				12	1138132		18070		1120062	
	By way of annuity payments				13	4446				4446	
	By way of payments arising from other insured events				14	849		392		457	
	On surrender or partial surrender				15	1207825		58806		1149019	
	Total life assurance and annuity claims (11 to 15)				19	2578249		115020		2463229	
Pension business contracts	On death				21						
	By way of lump sums on vesting				22						
	By way of vested annuity payments				23						
	On surrender or partial surrender				24						
	Total pension business claims (21 to 24)				29						
Permanent health contracts	By way of lump sums				31						
	By way of periodical payments				32						
	Total permanent health claims (31+32)				39						
Other contracts	By way of lump sums				41	98				98	
	By way of periodical payments				42						
	Total claims (41+42)				49	98				98	
Total claims (19+29+39+49)					59	2578347		115020		2463327	
Total claims at line 59 attributable to		UK contracts			61	2518627		110325		2408302	
		Overseas contracts			62	59720		4695		55025	

**Long term insurance business : Analysis of claims**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (linked business only) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R42	15454	GL	31	12	2001	£000	OB	2	2
Claims incurred in the financial year					Gross		Recoverable from reinsurers		Net of reinsurance (1-2) 3		
					1		2				
Life assurance and annuity contracts	On death				11	26689		2880		23809	
	By way of lump sums on maturity				12	3935				3935	
	By way of annuity payments				13						
	By way of payments arising from other insured events				14						
	On surrender or partial surrender				15	74805		36118		38687	
	Total life assurance and annuity claims (11 to 15)				19	105429		38998		66431	
Pension business contracts	On death				21	188		188			
	By way of lump sums on vesting				22	137		137			
	By way of vested annuity payments				23	568		568			
	On surrender or partial surrender				24	20189		20189			
	Total pension business claims (21 to 24)				29	21082		21082			
Permanent health contracts	By way of lump sums				31						
	By way of periodical payments				32						
	Total permanent health claims (31+32)				39						
Other contracts	By way of lump sums				41						
	By way of periodical payments				42						
	Total claims (41+42)				49						
Total claims (19+29+39+49)					59	126511		60080		66431	
Total claims at line 59 attributable to		UK contracts			61	104843		59696		45147	
		Overseas contracts			62	21668		384		21284	

**Long term insurance business : Analysis of claims**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (long-term accident and sickness business only) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund		
		R42	15454	GL	31	12	2001	£000	OB	2	3	
Claims incurred in the financial year					Gross		Recoverable from reinsurers		Net of reinsurance (1-2)			
					1		2		3			
Life assurance and annuity contracts	On death			11								
	By way of lump sums on maturity			12								
	By way of annuity payments			13								
	By way of payments arising from other insured events			14								
	On surrender or partial surrender			15								
	Total life assurance and annuity claims (11 to 15)			19								
Pension business contracts	On death			21								
	By way of lump sums on vesting			22								
	By way of vested annuity payments			23								
	On surrender or partial surrender			24								
	Total pension business claims (21 to 24)			29								
Permanent health contracts	By way of lump sums			31		678		7		671		
	By way of periodical payments			32		7005		681		6324		
	Total permanent health claims (31+32)			39		7683		688		6995		
Other contracts	By way of lump sums			41								
	By way of periodical payments			42								
	Total claims (41+42)			49								
Total claims (19+29+39+49)				59		7683		688		6995		
Total claims at line 59 attributable to		UK contracts			61		2723		425		2298	
		Overseas contracts			62		4960		263		4697	



**Long term insurance business : Analysis of claims**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (non-linked pension business only) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R42	15454	GL	31	12	2001	£000	OB	2	4
Claims incurred in the financial year					Gross		Recoverable from reinsurers		Net of reinsurance (1-2) 3		
					1		2		3		
Life assurance and annuity contracts	On death				11						
	By way of lump sums on maturity				12						
	By way of annuity payments				13						
	By way of payments arising from other insured events				14						
	On surrender or partial surrender				15						
	Total life assurance and annuity claims (11 to 15)				19						
Pension business contracts	On death				21	55529		731		54798	
	By way of lump sums on vesting				22	952290		9678		942612	
	By way of vested annuity payments				23	563018		505312		57706	
	On surrender or partial surrender				24	848076		22040		826036	
	Total pension business claims (21 to 24)				29	2418913		537761		1881152	
Permanent health contracts	By way of lump sums				31						
	By way of periodical payments				32						
	Total permanent health claims (31+32)				39						
Other contracts	By way of lump sums				41						
	By way of periodical payments				42						
	Total claims (41+42)				49						
Total claims (19+29+39+49)					59	2418913		537761		1881152	
Total claims at line 59 attributable to	UK contracts				61	2418913		537761		1881152	
	Overseas contracts				62						

**Long term insurance business : Analysis of claims**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (SAIF) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R42	15454	GL	31	12	2001	£000	OB	2	5
Claims incurred in the financial year					Gross		Recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Life assurance and annuity contracts	On death			11	44387		776		43611		
	By way of lump sums on maturity			12	405518		563		404955		
	By way of annuity payments			13							
	By way of payments arising from other insured events			14							
	On surrender or partial surrender			15	186962		4		186958		
	Total life assurance and annuity claims (11 to 15)			19	636867		1343		635524		
Pension business contracts	On death			21	24988		4486		20502		
	By way of lump sums on vesting			22	388027		144670		243357		
	By way of vested annuity payments			23	55480		16		55464		
	On surrender or partial surrender			24	231015		65315		165700		
	Total pension business claims (21 to 24)			29	699510		214487		485023		
Permanent health contracts	By way of lump sums			31							
	By way of periodical payments			32							
	Total permanent health claims (31+32)			39							
Other contracts	By way of lump sums			41							
	By way of periodical payments			42							
	Total claims (41+42)			49							
Total claims (19+29+39+49)				59	1336377		215830		1120547		
Total claims at line 59 attributable to		UK contracts		61	1336377		215830		1120547		
		Overseas contracts		62							

**Long term insurance business : Analysis of claims**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (Europe) 2**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R42	15454	GL	31	12	2001	£000	OB	2	6
Claims incurred in the financial year					Gross		Recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Life assurance and annuity contracts	On death				11	46			46		
	By way of lump sums on maturity				12						
	By way of annuity payments				13						
	By way of payments arising from other insured events				14						
	On surrender or partial surrender				15	269			269		
	Total life assurance and annuity claims (11 to 15)				19	315			315		
Pension business contracts	On death				21						
	By way of lump sums on vesting				22						
	By way of vested annuity payments				23						
	On surrender or partial surrender				24						
	Total pension business claims (21 to 24)				29						
Permanent health contracts	By way of lump sums				31						
	By way of periodical payments				32						
	Total permanent health claims (31+32)				39						
Other contracts	By way of lump sums				41						
	By way of periodical payments				42						
	Total claims (41+42)				49						
Total claims (19+29+39+49)					59	315			315		
Total claims at line 59 attributable to	UK contracts				61						
	Overseas contracts				62	315			315		



**Long term Insurance business : Aggregate revenue account for internal linked funds**Name of insurer **The Prudential Assurance Company Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2001**Name and number of fund/Summary **Ordinary Branch (linked business only) 2**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R44	15454	GL	31	12	2001	£000	OB	2	2
Value of total creation of units						11	20402			
Investment income attributable to the funds before deduction of tax						12	9404			
Increase (decrease) in the value of investments in the financial year						13	(36290)			
Other income						14				
Total income (11 to 14)						19	(6484)			
Value of total cancellation of units						21	22631			
Charges for management						22	2466			
Charges in respect of tax on investment income						23	1561			
Taxation on realised capital gains						24	3517			
Increase (decrease) in amount set aside for tax on capital gains not yet realised						25	(8962)			
Other expenditure						26				
Total expenditure (21 to 26)						29	21213			
Increase (decrease) in funds in financial year (19-29)						39	(27697)			
Internal linked funds brought forward						49	304150			
Internal linked funds carried forward (39+49)						59	276453			

**Long term insurance business : Supplementary information for internal linked funds**

Name of insurer **The Prudential Assurance Company Limited**

Global business

### Ordinary insurance business

Financial year ended **31st December 2001**

Name and number of fund **Ordinary Branch (linked business only) 2**

[illegible]

# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2001

## Supplementary Notes to the Forms

### APPENDIX 9.1

#### 0901 Section 68 (Insurance Companies Act 1982) Orders modifying 1996 Regulation provisions continued under transitional arrangements

The Financial Services Authority has used its powers under section 156(2) of the Financial Services and Markets Act 2000 to allow waivers granted under section 68 of the Insurance Companies Act 1982 to continue without the need for companies to request a waiver under the Financial Services and Markets Act 2000.

(906) An Order modifying The Insurance Companies (Accounts and Statements) Regulations 1996 was issued on 16 January 1997 by the Secretary of State with the consent of the Company. The Order permits the Company when completing Forms 20 to 35 to include premiums relating to business accepted in the Netherlands net of local cessions for accident or underwriting years from 1984 to 1995. The section 68 Order under the Insurance Companies Act 1982 continues to have effect under the transitional arrangements set out in the Supervision manual. The Insurance Companies (Accounts and Statements) Regulations 1996 has now been replaced by the Interim Prudential Sourcebook for Insurers.

(826) The Treasury issued to the Company in February 1999 an Order under section 68 of the Insurance Companies Act 1982 modifying the provisions of Regulation 13 of The Insurance Companies (Accounts and Statements) Regulations 1996 so that the Company is not required to submit a Form 31 in respect of the business written through its Dutch branch in the years 1976 to 1979. The section 68 Order under the Insurance Companies Act 1982 continues to have effect under the transitional arrangements set out in the Supervision manual. Regulation 13 of The Insurance Companies (Accounts and Statements) Regulation 1996 has been replaced by Rule 9.19 of the Interim Prudential Sourcebook for Insurers.

The Treasury, on the application of the Company, issued to the Company in January 2001 an Order under section 68 of the Insurance Companies Act 1982. The effect of the Order was to allow the Company various reporting concessions in respect of its annual returns for the financial years ended 31 December 2000 and 2001. The section 68 order under the Insurance Companies Act 1982 continues to have effect under the transitional arrangements set out in the Supervision manual.

#### 0903 Section 68 (Insurance Companies Act 1982) orders continued under transitional arrangements

The Secretary of State, on the application of a related company, Prudential Holborn Pensions Limited, issued to the related company on 15 December 1989 an Order under section 68 of the Insurance Companies Act 1982 (as amended) directing that section 31(2)(c) of the Insurance Companies Act 1982 (as amended) shall not apply to the related company's reinsurance agreement with the Company. The section 68 Order under the Insurance Companies Act 1982 continues to have effect under the transitional arrangements set out in the supervision manual. Section 31(2)(c) of the Insurance Companies Act 1982 has been replaced by Rule 3.4 of the Interim Prudential Sourcebook for Insurers.

The Secretary of State, on the application of a related company, Prudential Holborn Life Limited, issued to the related company on 11 April 1991 an Order under section 68 of the Insurance Companies Act 1982 (as amended) directing that section 31(2)(c) of the Insurance Companies Act 1982 (as amended) shall not apply to the related company's reinsurance agreement with the Company. The section 68 Order under the Insurance Companies Act 1982 continues to have effect under the transitional arrangements set out in the supervision manual. Section 31(2)(c) of the Insurance Companies Act 1982 has been replaced by Rule 3.4 of the Interim Prudential Sourcebook for Insurers.

The Secretary of State, on the application of the Company, made an Order on 1 August 1992 pursuant to section 68 of the Insurance Companies Act 1982 (as amended) directing that section 31 of the Insurance Companies Act 1982 (as amended) should not apply to the Company in respect of transactions entered into by the Company with Prudential Annuities Limited pursuant to a reinsurance agreement dated 1 August 1992. The section 68 Order under the Insurance Companies Act 1982 continues to have effect under the transitional arrangements set out in the supervision manual. Section 31 of the Insurance Companies Act 1982 has been replaced by Rule 3.4 of the Interim Prudential Sourcebook of Insurers.

#### 0904 Application of Section 68 order related to commercial lines general business

The reporting concession issued to the Company in January 2001 (see 0901) applies to the Company's commercial lines general business which the Company ceased writing in or before 1992. This results in the exclusion of information in respect of that business from Forms 28, 29, 34, 35, 37, 38 and 39 and the summarisation of information in respect of that business on Forms 23, 24, 25, 31 and 32 as 'Prior accident years' or 'Prior underwriting years' as applicable.

#### 0905 Application of Section 148 Waiver related to admissibility limits

The FSA, on the application of the firm, made a direction under section 148 of the Financial Services and Markets Act 2000 in March 2002. The effect of the direction is to increase the admissibility limits for certain assets affected by IPRU(INS) Appendix 4.2 Part 1 paragraphs 11A and 15A.

The FSA, on the application of the firm, made a direction under section 148 of the Financial Services and Markets Act 2000 in April 2002. The effect of the direction is to enable the firm to report on the basis that would have applied had the direction granted to the firm on 27 March 2002, in relation to admissible assets under paragraphs 11A and 15A of Part I of Appendix 4.2 of IPRU(INS) been effective at 31 December 2001. It also allowed the firm to deposit its return (and accordingly the declaration required under rule 10.2 (parent undertaking solvency margin calculation)) with the FSA within 4 months after the year end.

This direction is consistent with the proposals for changes to the Valuation of Asset Rules included in the FSA Consultative Paper 116. This paper proposed amendments to the rules included in IPRU(INS) which state that in calculating an insurers' permitted assets and counterparty admissibility limits, the total exposure of a dependant to a particular asset or counterparty must be added to the insurer's exposure to assets of the same description or same counterparty.

The FSA recognised within CP116 that the introduction of the rules in IPRU(INS) on 1 December 2001 could potentially be unduly burdensome to some companies. Accordingly, CP116 proposes an amendment to the rules so as to limit the aggregation of dependants' asset exposures to surplus assets rather than total assets.

The IPRU(INS) limits on aggregation have the effect of deducting an amount from the available assets allocated towards the general business minimum margin for investment assets of overseas, in



particular Asian, subsidiaries which are dependants of the Company, whose assets are substantially inadmissible on the FSA basis of reporting.

This inadmissibility arises despite the fact that the particular assets held by these dependants are necessary to meet local asset-liability matching requirements, local regulatory requirements and appropriate credit risk diversification. The assets are wholly appropriate for the respective local businesses, all of which meet their local regulatory solvency requirements.

In contrast to the local requirements the application of the admissibility requirements as included in IPRU (INS) has the effect of the general business being in a temporary technical breach of IPRU (INS) rule 2.1(1).

This breach arises solely from the mechanics of applying the FSA admissibility and exposure limits included in IPRU (INS) which, as noted above, are accepted by FSA as being potentially unduly burdensome. On this basis the deficit of available assets over the required minimum margin for general business is £347m.

In contrast, applying the admissibility limits only to surplus assets of these dependants, as recommended by CP116, whilst still maintaining compliance with local regulatory requirements for the solvency of these businesses, results in an excess of available assets over the required minimum margin, as reported at line 13 on Form 9, of £634m.

The Company's long-term business funds are completely unaffected by this issue. The Company's available assets for long-term business margin as reported at line 25 of Form 9 is the same on both the IPRU (INS) basis of admissibility and the basis applied under the waiver direction granted on 27 March and the reporting waiver direction previously mentioned.

#### 1001 Reconciliation of net assets to the accounts

	2001 £000	2000 £000
Total assets per Form 13 line 99	2,950,536	2,368,080
Total liabilities per Form 15 line 59	<u>1,330,547</u>	<u>1,111,641</u>
Net assets per Return	1,619,989	1,256,439
Net assets held within the long-term business fund included in Form 14	547,355	569,791
Deficit on valuation of certain overseas insurance subsidiaries included at line 22 in Form 15	<u>30,125</u>	<u>-</u>
Total	<u>2,197,469</u>	<u>1,826,230</u>
Net assets per Companies Act accounts	<u>£2,197m</u>	<u>£1,826m</u>

#### 1002 Net assets - other movements

	2001 £000	2000 £000
Other movements shown at line 65 relate to:		
Adjustment for movement in net assets held within the long-term business fund	22,436	2,752
Deficit on valuation of certain overseas insurance subsidiaries included at line 22 of Form 15.	<u>(30,125)</u>	<u>-</u>
Total	<u>(7,689)</u>	<u>2,752</u>

### 1102 Reinsurance recoverable

The amount on line 30 differs from the corresponding amounts on the Appendix 9.2 Forms by £563k due to brought forward balances being retranslated at 2001 rates of exchange.

### 1202 Claims paid

The amount on line 21 differs from the corresponding amounts on the Appendix 9.2 Forms by £1,669k due to prior years' claims being retranslated at 2001 rates of exchange.

### 1301 and 1308 Aggregate value of certain investments

The long-term business fund held unlisted investments with an aggregate value of £2,393m and units of beneficial interest in collective investment schemes with an aggregate value of £430m. The other than long-term business fund held unlisted investments with an aggregate value of £3m and units of beneficial interest in collective investment schemes with an aggregate value of £5m. There are no listed investments, which are not readily realisable and no reversionary interests or remainders in property other than land or buildings in either the long-term or other than long-term funds.

### 1302 and 1309 Aggregate value of hybrid securities

The aggregate value of hybrid securities is £2,689m for the long-term business fund and nil for the other than long-term business fund.

### 1304 and 1310 Use of set off

Amounts have been set off to the extent permitted by generally accepted accounting principles.

### 1305 and 1311 Counterparty limits

Under the Company's investment guidelines, the maximum permitted exposure to any one counterparty is set at 5% of the business amount, with the exception of short-term deposits with approved credit institutions, where the limit for any one institution is 20%. During the year the 5% limit for the long-term fund was exceeded in respect of holding in Vodafone Group (£3,215m). The 5% limit for the other than long-term fund has been exceeded on the following occasions.

Month	Counterparty	Exposure £m	Month	Counterparty	Exposure £m
Jan	Glaxo Smithkline	34.6	May	Glaxo Smithkline	34.4
	HSBC Hldgs	29.4		Shell T&T	32.7
	BP/Amoco	28.0		Vodafone Group	28.5
	Shell T&T	27.9			
Feb	Glaxo Smithkline	37.3	Jun	Glaxo Smithkline	41.1
	Shell T&T	28.5		Shell T&T	31.6
	BP/Amoco	27.4			
Mar	Glaxo Smithkline	37.8	Jul	Glaxo Smithkline	41.7
	Shell T&T	29.1		Shell T&T	31.8
Apr	Glaxo Smithkline	38.0	Aug	Shell T&T	30.4
	Shell T&T	31.2			

### 1306 and 1312 Exposure at the year end to large counterparties

There were no exposures in excess of 5% of the relevant business amount within the long-term business fund at the year end. In respect of the other than long-term business fund, the following exposure in excess of 5% of the relevant business amount existed at the year end.

Counterparty	Exposure (£m)	Counterparty	Exposure (£m)
Singapore Government	93.6	Development Bank of Singapore	74.7
Capita Land	86.8	United Overseas Bank	69.4
Keppel Corp	63.8	Overseas Chinese Banking Corp	47.7
Hong Leong Group	58.4	Singapore Airlines	39.6
Malaysian Government	40.9	Singapore Government	60.6

### 1307 and 1313 Secured Obligations

At the year end the company's long-term business fund had £6,086k of secured obligations to which Para 14 of part 1 of Appendix 4.2 applies. No secured obligations were held by the other than long-term fund.

### 1314 and 1316 Tangible lease assets

There were tangible lease assets of £2.2m included within line 80 for the long-term business fund. No tangible lease assets are included for the other than long-term business fund.

### 1318 Admissibility limits

The FSA on the application of the Firm, issued in December 2001 a direction under section 148 of the Financial Services and Markets Act 2000. The effect of the direction was to modify the provisions of Appendix 4.2 of the Interim Prudential Sourcebook for Insurers in its application to the firm by increasing the permitted asset exposure limit in respect of the Firm's holdings in certain FTSE/share companies.

### 1319 Acquisition of Scottish Amicable Life Assurance Society

In 1997 the business of Scottish Amicable Life Assurance Society (SALAS) was transferred to the Company. In effecting the transfer, a separate sub-fund, the Scottish Amicable Insurance Fund (SAIF) was established within the Company's long-term fund. This sub-fund contains all the with-profits business and all other pension business that was transferred from SALAS and is closed to new business. As separate assets are managed for SAIF, separate Forms 13, 14 and 17 have been prepared for that fund.

The other long-term PAC funds contributed £185m to the purchase cost of SALAS in respect of expected expense synergies which was treated as an asset of a type not valued and included in Form 13 line 95 of the 1997 Return. £160m of this amount represented the value of an agreement with a fellow subsidiary company for the use of Scottish Amicable trademarks which is being amortised in the shareholder accounts over a period of 20 years to 30 September 2017 on a basis consistent with the revenue stream from the agreement. Under this basis, the amortisation commenced in the year 2000, when the benefits from the agreement first arose. The remaining £25m related to the estimated net present value of income from current service agreements and is being amortised in the shareholder accounts from 1 January 1998 over a period of 10 years. Accordingly in the 2001 Return, Form 13 line 95 includes the unamortised balance of £166m.

The other than long-term business fund contributed £489.3m to the purchase cost via the Ordinary Branch (linked business only) fund. Admissible assets, after revaluation, of £113.6m were treated as surplus carried forward in the fund and the balance of £375.7m was written off in Form 40 in 1997. In the shareholder accounts, £13.8m of the contribution related to the value of a service agreement which is being amortised on the same basis as the trademarks agreement above. In addition, goodwill of £328m was recognised which is being amortised from 1 January 1998 over a period of 10 years. Accordingly Form 16, which corresponds to the Company's non-technical account, includes £32.8m in respect of this amortisation (although in the admissible assets reconciliation, this is reversed within Form 10 line 65) and Form 13 line 95 of the 2001 Return includes the unamortised balance of £210m.

### 1320 Europe

In 2001 the Company commenced trading in France via a local branch. Separate Forms 13,14 and 17 have been prepared.

### 1401 Provision for adverse changes

No provision has been made for adverse changes as all contracts are strictly covered by assets.

### 1402 Long-term charges, contingent liabilities and guarantees

- a) There were no charges over assets.  
The company has adopted the provisions of Financial Reporting Standard 19 - Deferred Tax. Full provision has been made.
- b) The ordinary long-term business fund held a provision of £2m for potential tax on capital gains in respect of linked business in the ordinary long-term business fund, in line 11 of Form 14. Provision of £1,791m for tax on capital gains in respect of other long-term business has been included in line 21 of Form 14, including £134m in respect of SAIF. These provisions have been determined in accordance with the procedures outlined in section 6 of the Valuation Report for the Ordinary and Industrial Branches in Appendix 9.4 of this Return. The actual provisions and the maximum potential tax are the same.
- c) The Company has contingent liabilities in respect of insurance and other agreements entered into in the normal course of business and in respect of litigation arising therefrom.
- d) A provision of £42m has been established for the FSAVC business review.
- e) The Company (excluding the Scottish Amicable Insurance Fund (SAIF)) did not sell significant volumes of guaranteed annuity products but has established a provision £34m to honour the guarantees on these products. The main exposure to guaranteed annuities is through SAIF and a provision of £758m is held in SAIF. SAIF is a separate sub-fund of the Company's long-term business fund and has no impact on shareholders.
- f) In 2000 proceedings were issued against the Company by a policyholder. The proceedings relate to the inherited estate in the Company's main with-profits fund and they essentially ask the Court to decide whether and, if so, to what extent the inherited estate should be distributed or applied for the benefit of policyholders and/or shareholders. Further details on the issue are given in the paragraph on Inherited Estate in the Company's main with-profits fund below.
- g) The inherited estate is the assets in the main with-profits fund in excess of what is expected to be paid to policyholders. The Company is currently discussing the attribution of its estate with the Financial Services Authority (FSA), which may or may not result in a portion of the inherited estate being attributed solely to shareholders. The amount and timing of any attribution to shareholders is sufficiently uncertain that it is not possible to accurately estimate any potential attribution.
- h) There are no other fundamental uncertainties.
- i) There are no other guarantees, indemnities or other contractual commitments effected, other than in the ordinary course of its insurance business, or in respect of related companies.

#### 1403 Disposal of St James's Place Capital Plc

During 2000 the Company disposed of the Ordinary Branch linked fund's holding in St James's Place Capital plc. The sale proceeds, net of capital gains tax, were £195.4m, of which £113.6m is included in line 13 and the balance in line 51 of Form 14 in respect of both 2001 and 2000.

#### 1501 Provision for adverse changes

No provision has been made for adverse changes as all contracts are strictly covered by assets.

#### 1502 Other than long-term charges, contingent liabilities and guarantees

- a) There were no charges over assets.
- b) The potential tax on capital gains in respect of the other than long-term business assets shown on Form 13 is £52m. Full provision has been made for this tax as a consequence of the adoption of FRS19 - Deferred Tax.
- c) Under the terms of the Company's arrangements with the Prudential Group's main UK bank, the bank has a right of set-off between credit balances (other than those of long-term business funds) and all overdrawn balances of those group undertakings with similar arrangements. The Company also has contingent liabilities in respect of insurance and other agreements entered into in the normal course of business and in respect of litigation arising therefrom.
- d) The costs associated with the review of personal pension mis-selling in the UK have been met from the free assets of the Company's long-term fund. Given the strength of the fund, the directors are of the opinion that charging the costs of compensation to the free assets of the fund will not have an adverse effect on the levels of bonuses paid to policyholders or their reasonable expectations. In the unlikely event of this proving not to be the case, the directors' intention would be that an appropriate contribution to the long-term fund be made from shareholders' funds. In view of the uncertainty, it is not practicable to estimate the level of this potential contribution. There are no other guarantees, indemnities or other contractual commitments effected, other than in the ordinary course of its insurance business, or in respect of related companies.
- e) There are no other fundamental uncertainties.

#### 1503 Dividend on Cumulative Preference Shares

A dividend on cumulative preference shares of £21,957 had accrued at 31 December 2001.

#### 1504 Deficit in valuation of insurance undertakings

An amount of £30,125k has been included in line 22 of Form 15 in respect of a deficit on the valuation of certain overseas insurance undertakings.

#### 1601 Basis of foreign currency conversion

Foreign currency revenue transactions have generally been translated at average exchange rates for the year.

#### 1602 Restatement of brought forward balances

Brought forward balances in the Return denominated in foreign currencies have been retranslated at 2001 rates of exchange.

1603 Other income and charges

	2001 £000	2000 £000
Other long-term business profits/(losses)	6,586	(1,304)
Amortisation of goodwill	(32,800)	(32,800)
Amortisation of licence fee	(414)	(414)
Transfer in respect of closure provision for discontinued operations	(6,445)	7,983
Corporate expenditure	(2,000)	(1,665)
Other items	<u>462</u>	<u>1,442</u>
Total	<u>(34,611)</u>	<u>(26,758)</u>

Other long-term business losses/profits relate to losses/profits that are retained within the long-term business fund. Goodwill of £328m arose on the purchase of Scottish Amicable Life Assurance Society and is being amortised from 1 January 1998 over a period of 10 years. Discontinued operations relate to the former UK general insurance broker and commercial, London Market, marine and aviation and overseas agencies business which the Company ceased writing between 1990 and 1992. There is a contingency within other creditors in respect of these operations.

1701 Variation margins

No excess variation margin has been received. A variation margin of £22m has been included in line 38 of Form 14 of the long-term business fund. No variation margin is included in respect of the other than long-term business fund.

## APPENDIX 9.2

### 2002 Analysis of premiums by accounting class

#### Accident year accounting

Class	Gross premiums Written (£000)			Reinsurers' share of gross premiums written (£000)		
	UK	Overseas	Total	UK	Overseas	Total
1	19,004	6,910	25,914	4,275	2,384	6,659
2	81,317	1,220	82,537	105,994	132	106,126
5	265	431	696	26	297	323
6	266,317	3,961	270,278	211,788	1,934	213,722
7	-	2,464	2,464	-	365	365
8	23,406	1,657	25,063	10,812	860	11,672
Total	390,309	16,643	406,952	332,895	5,972	338,867

#### Underwriting year accounting

Class	Gross premiums Written (£000)			Reinsurers' share of gross premiums written (£000)		
	UK	Overseas	Total	UK	Overseas	Total
4	51	-	51	130	-	130
5	2	-	2	-	-	-
10	35	-	35	60	-	60
Total	88	-	88	190	-	190

### 2007 Material connected party transactions

- (i) The payment of the 2000 dividend of £307m and a loan of £80m to the holding company (Prudential Plc).
- (ii) An increase in share capital of the wholly owned subsidiary Scottish Amicable Life plc (£130m) and a loan of £26m to the same company.
- (iii) The transfer of a subsidiary company Prudential Life Assurance Company Limited of Taiwan to a fellow subsidiary Prudential Corporation Holdings Limited for £102m.

### 2008 Post balance sheet event

In November 2001, the Company agreed to transfer its UK general business operations to Winterthur Swiss Insurance Company and Churchill Management Limited, its UK subsidiary. On 31 December 2001 the insurance liabilities of the business were almost wholly reassured with related cash transfer, to Winterthur. The sale of the business was completed on 4 January 2002 for a consideration of £353m. After allowing for the costs of the sale and other related items, it is anticipated that the profit on sale recorded in the 2002 results will be approximately £360m before tax.

#### 2102 Provision for unearned premiums

Unearned premiums continue to be calculated on a daily basis to give a strict day by day apportionment.

#### 2202 Claims management expenses

Claims management expenses comprise internal and external costs directly attributable to claims negotiation and settlement and indirect costs incurred in respect of maintaining a claims settlement function. Other costs are included in operating expenses. Claims management expenses carried forward are based on the level of outstanding claims. The expense ratios applied to outstanding claims are determined separately for motor and non-motor accounting classes. Lower ratios are applied to the reported outstanding claims to allow for claims expenses, which have already been paid on these claims.

#### 2204 Acquisition expenses

Acquisition costs comprise fixed and variable costs arising from the completion of an insurance contract including commission, sales related bonuses, initial processing costs, underwriting costs, marketing costs and a proportion of customer servicing costs based on time allocation. Other overhead costs are included in administrative expenses. Acquisition costs are deferred and released on a 24th's basis to approximate the method used to recognise earned premiums.

#### 2407 and 2506 Analysis of MAT classes

Advantage has been taken of the concession set out in Guidance Note 9.1 not to provide analysis by underwriting year for the MAT classes.

#### 2600 Analysis of net claims and premiums

This Form has been omitted because all entries would be blank.

#### 2700 Analysis of gross claims and premiums

This Form has been omitted because all entries would be blank.

#### 3001 Basis for determining yield from admissible assets covering discounted provisions

The yield is calculated in accordance with instruction 4 to the Form. Where a stock has two redemption dates and the price at the year end is greater than the early redemption value, the earlier redemption date is used to calculate the gross redemption yield.

#### 3003 Adjustment for discounting

To take account of the extended settlement period, discounting has been applied to asbestosis and pollution claims of discontinued general business operations reported in the marine, aviation and London Market funds. The discount rate is 4% per annum and the average period of settlement is 12 years for marine business, 7 years for aviation business and 5 years for London Market operations.



## APPENDIX 9.3

### 4002 Other income and expenditure in the long-term business revenue accounts (£000)

	Industrial Branch	Ordinary Branch					Ordinary Branch Summary
		Other	Non-linked pensions	Linked	SAIF	Europe	
<b>Other income</b>							
Transfer in respect of support assets	929	8,362	9,291				17,653
Income from licence fee		16,145	660	254			17,059
Payment from reinsurer on deallocation of units		34,885	1,745		20,784		57,414
Contribution from ordinary branch other						120	120
<b>Total</b>	<b>929</b>	<b>59,392</b>	<b>11,696</b>	<b>254</b>	<b>20,784</b>	<b>120</b>	<b>92,246</b>
<b>Other expenditure</b>							
Transfer in respect of support assets					18,582		18,582
Payment to reinsurer on deallocation of accumulating with profits units		122			20,425		20,547
Contribution to Europe		120					120
<b>Total</b>		<b>242</b>			<b>39,007</b>		<b>39,249</b>

#### Notes:

1. Income from licence fee represents the income from a fellow subsidiary company for the use of Scottish Amicable trademarks as described in note 1319.
2. The transfer in respect of support assets reflect the increase in the value of assets plus an underaccrual in respect of 2000.

### 4006 and 4007 Apportionment of income and expenses of the long-term business

The Company's long-term business fund comprises three separately managed sub-funds, namely the Scottish Amicable Insurance Fund (SAIF), Europe and Other Long-Term PAC Funds, with separate pools of assets.

#### 1 Scottish Amicable Insurance Fund

- a) Investment income is determined by the assets held.
- b) The increase or decrease in the value of assets is determined by the assets held.
- c) Expenses are charged in accordance with the provisions under the Scheme of Transfer.
- d) The tax charge is determined on the equivalent of a mutual office basis as provided under the Scheme of Transfer.

#### 2 Europe

- a) Investment income is determined by the assets held
- b) The increase or decrease in the value of assets is determined by the assets held
- c) Expenses are incurred directly and charged to the revenue accounts.
- d) The tax charge is incurred directly and charged to the revenue account.

### 3 Other Long-Term PAC Funds

- a) A single pool of assets is maintained in respect of other long-term PAC funds. Investment income and investment expenses are apportioned between the ordinary (other), ordinary (non-linked pensions) and industrial business revenue accounts on a mean fund basis, after allowing for the specific allocation of amounts relating to ordinary (linked) and ordinary (long-term sickness and accident) business.
- b) The increase or decrease in value of non-linked assets brought into account by way of transfer from investment and revaluation reserves and allocated to the ordinary (other), ordinary (non-linked pensions) and industrial business funds is apportioned so as to maintain reasonable compatibility in the amounts payable to the respective policyholders.
- c) Expenses (except investment expenses which are apportioned on a mean fund basis) which are incurred directly for the purpose of a fund are allocated to that fund. Other expenses are allocated to funds having regard to such measures as business volumes or time spent as considered appropriate.
- d) The tax charge is allocated directly to the ordinary and industrial revenue accounts to the extent that the charge can be separately identified. The balance of the charge is apportioned using a mean fund basis or a derivative thereof.

### 4008 Statement on provision of management services

- a) The Company was provided with management services by Craigforth Services Limited, M&G Investment Management Limited, PPM Ventures Limited, Prudential Services Limited, Prudential Financial Services Limited, PruTech Limited and St Helen's Trust Limited. Prudential Property Investments Managers Limited, PPM America Inc and PPM Singapore.
- b) The Company seconded employees to provide management and other services throughout the year to Prudential Pensions Limited, Prudential Holborn Life Limited, Prudential Holborn Pensions Limited, Prudential Annuities Limited, Prudential Pensions Administration Limited, Prudential Staff Pension Scheme, Prudential Financial Services Limited, PruTech Limited, Prudential Unit Trusts Limited, Prudential Logistics Limited, Prudential Leasing Services Limited, Prudential Retirement Income Limited and Prudential Group Pensions Limited.

All the companies mentioned above are subsidiaries or fellow subsidiaries of the Company.

### 4009 Material Connected Party Transactions

There were no material connected party transactions in respect of long term business.

### 4101 Individual Savings Account (ISA) Business

Earned premiums arising from ISA business of £378,000 is included in lines 17 and 18 of Form 41.

### 4201 Individual Savings Accounts (ISA) Business

Claims arising from ISA to insurers of £98,000 is included in line 41 of Form 42.

### 4301 Basis of valuation of assets

The assets have been valued on a bid basis.

# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2001

## Statements of information pursuant to Rules 9.25, 9.26, 9.27 and 9.30 of the Interim Prudential Sourcebook for Insurers

### Rule 9.25: Additional information on general insurance business major treaty reinsurers

<u>Name of Reinsurer</u>	<u>Type of Reinsurance</u>	<u>Premiums Payable (£000)</u>	<u>Amount due to Company (£000)</u>	<u>Anticipated Recovery from Reinsurer (£000)</u>
St Paul Reinsurance Co 52 Lime Street London EC3M 7BS	Non-proportional	881	-	-
General & Cologne Re - Comprises	Non-proportional			
General Re Europe Ltd Corn Exchange 55 Mark Lane London EC3R 7NE		183	-	-
The Cologne Reinsurance Co New London House London Street London EC3R 7QL		163	-	-
D P Mann Ltd New London House London Street London EC3R 7QL		365	-	-
GE Frankona Re London Underwriting Centre 3 Minster Court Mincing Lane London EC3R 7DD	Non-proportional	520	-	-
Wellington Underwriting plc 2 Minster Court London EC3R 7FB	Non-proportional	677	-	-

Munich Re – Comprises	Non-proportional			
Munich Reinsurance Company UK General Branch 154 Fenchurch Street London EC3M 6JJ		286	-	-
American Reinsurance Co 77 Gracechurch Street London EC3V 0AS		532	-	-
Great Lakes Reinsurance Co 1 Minster Court Mincing Lane London EC2R 7YH		30	-	-
Transatlantic Re Corn Exchange 55 Mark Lane London EC3R 7NE	Non-proportional	581	-	-
Winterthur Swiss Insurance Co Ltd General Grisarm Strasse 40 PO Box 357 CH-8401, Parsifal Switzerland	(see note 5)	314,000	-	158,200

Notes:

1. Premiums include amounts payable to companies connected with the reinsurer.
2. The Company was not connected at any time in the year with any of the above reinsurers.
3. No information has been given in respect of general business ceded under proportional reinsurance treaties as premiums payable amounted to less than two per cent of the Company's gross premiums receivable.
4. No deposits were received from any of the above reinsurers.
5. On 31 December 2001 the Company reassured almost all of its General Insurance liabilities represented by its outstanding claims reserves and unearned premium reserves to Winterthur via a reinsurance premium (see note 2008).

Rule 9.26: Additional information on general insurance business major facultative reinsurers

The Company had no major facultative reinsurers in the year.

Rule 9.27: Information on general insurance business major reinsurance cedants

The Company had no major cedants in the year.

Rule 9.30 of the Interim Sourcebook for Insurers: Additional information on shareholder controllers

Throughout the year Prudential plc held all the shares of the Company and controlled the whole of the voting power.

## THE PRUDENTIAL ASSURANCE COMPANY LIMITED

### Returns for the year ended 31 December 2001

#### Statement required by Rule 9.29 of the Interim Prudential Sourcebook for Insurers

##### (a) Investment guidelines

As requested by Rule 9.29 of the Interim Prudential Sourcebook for Insurers the investment guidelines for the use of derivative contracts for both long term and other than long term funds are set out below. These are fully explained in the Company's Investment Management Agreements with its fund managers and are consistent with the investment strategy.

- (i) Derivatives are used for the purpose of efficient portfolio management or to reduce risk, specific examples being to implement tactical asset allocation changes around the strategic benchmark, hedge cash flows, or control the risk profile of an identified strategy.
- (ii) A number of restrictions on the use of derivatives have been agreed with the Company's fund managers and can only be overruled by prior agreement between the two parties:
  - all derivatives that impose obligations on the fund must be strictly covered.
  - all derivative contracts must satisfy the definition of approved under Rule 4.12 of the Interim Prudential Sourcebook for Insurers
  - the maximum allowable exposure to counterparties should not be exceeded.
  - only certain permitted exchanges and contracts can be used.
- (iii) The Company has used a number of derivative instruments principally exchange traded futures and options, over the counter options and swaptions, warrants and currency forwards. The company has also used redeemable convertible corporate bonds. These bonds have not been categorised as derivative contracts as the derivative element is minimal and have therefore not been reported on Form 17. The total value of these bonds on the long-term Form 13 is £53m. There is no exposure to convertible bonds in the other than long term funds at the year end.

##### (b) Derivatives where exercise is unlikely.

There are no specific guidelines for the use of contracts not reasonably likely to be exercised. However the Investment Management Agreement only allows the use of derivatives for the purpose of efficient portfolio management or to reduce risk and the Company's investment managers work within these constraints.

##### Long-term funds

The fund continues to hold short call swaptions due to high short term interest rates in comparison to very low long dated rates. Over 15 years the rates are expected to rise and exercise against the fund is expected to be unlikely.

The fund holds a series of short equity index and single stock options for the purpose of taking views on implied volatility of equities relative to their actual expected volatility. The fund is designed to achieve a high absolute return with modest volatility and low correlation to other

assets in the fund. Each option is covered, traded on a permitted exchange, and is highly liquid.

Other than long-term funds

During 2001, the Company held several traded option positions that has the impact of reducing the Company's exposure to particular equities and correspondingly increasing it to others. These positions have been implemented via options because of the adverse tax cost associated with selling the underlying equities and we would therefore seek to avoid assignment on the options.

- (c) Quantification of derivatives in (b) above.

Long-term funds

The largest exposure during the year to put options was £69m and to call options was (£67m)

Other than long-term funds

The largest exposure during the year to put options was £19m and to call options was (£28m)

- (d) Effect on form 13 at 31 December 2001 of exercising derivatives where it would be prudent to assume options would be exercised. Decreases are shown in brackets.

Long-term funds

Form 13 line 41;	(£986m)
Form 13 line 44;	(£206m)
Form 13 line 45;	£722m
Form 13 line 46;	£372m
Form 13 line 54;	£72m
Form 13 line 78;	£14m

Other than long-term funds

There were no exposures to derivatives at 31 December 2001 for other than long term funds.

- (e) Effect on form 13 at 31 December 2001 of exercising all derivatives. Decreases are shown in brackets.

Long-term funds

Form 13 line 41;	(£989m)
Form 13 line 44;	(£206m)
Form 13 line 45;	£722m
Form 13 line 46;	£372m
Form 13 line 54;	£90m
Form 13 line 78;	£14m

Other than long-term funds

There were no exposures to derivatives at 31 December 2001 for other than long term funds.

- (f) Effect on form 13 under the conditions noted in (d) and (e) above at any other time during the year. Decreases are shown in brackets.

Conditions noted in (d)

Long-term funds		Other than long-term funds	
Form 13 line 41	(£2,490m)	Form 13 line 41	(£93m)
Form 13 line 44	(£44m)	Form 13 line 44	£6m
Form 13 line 45	£15m	Form 13 line 54	£92m
Form 13 line 46	£311m	Form 13 Line 78	(£5m)
Form 13 line 54	£2,519m		
Form 13 line 78	£38m		

Conditions noted in (e)

Long-term funds		Other than long-term funds	
Form 13 line 41	(£2,496m)	Form 13 line 41	(£100m)
Form 13 line 44	(£35m)	Form 13 line 44	£6m
Form 13 line 45	£15m	Form 13 line 54	£105m
Form 13 line 46	£311m	Form 13 Line 78	(£5m)
Form 13 line 54	£2,520m		
Form 13 line 78	(£38m)		

The above figures are the maximum impact on the individual line items of exercising derivatives at any time during the year. The maximum impacts for each line will not necessarily occur on the same day.

- (g) Maximum exposure.

Long-term funds

The maximum loss which would have been incurred by the Company on the failure by any one other person to fulfil its obligations under derivative contracts at the end of the year was £190m.

Under foreseeable market conditions this would increase to £305m. The maximum loss at any other time during the year would have been £323m.

Other than long-term funds

No loss would have been incurred by the Company on the failure by any one other person to fulfil its obligations under derivative contracts at the end of the financial year.

The maximum loss at any other time during the year would have been £20m.

- (h) Derivatives not covered by Paragraph (2) of Rule 4.12 or the definition of a permitted derivative contract in the Interim Prudential Sourcebook for Insurers.

Long-term funds

No such derivatives were held.

Other than long-term funds

During the year there was an uncovered short FT-SE 100 future which had the result of creating a provision for adverse change. There was no exposure at year end.

- (i) Consideration for granting rights under derivative contracts

Long-term funds

The total consideration received for granting rights under derivative contracts totalled £19m.

Other than long-term funds

The total consideration received for granting rights under derivative contracts totalled £2m.



# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2001

## Statement of additional information on general insurance business ceded pursuant to Rule 9.32 of the Interim Prudential Sourcebook for Insurers

The objective of the Company's general business reinsurance strategy is to minimise the risk of significant adverse movements in the general business result and hence to protect shareholder value. This is achieved by the transfer of exposure risk to reinsurers at cost-effective rates. Cover is purchased in excess of a retention level that is set as low as is economically attainable and, where appropriate, in programme sizes above that level. Cover is placed across worldwide markets with reinsurers whose selection and capacity allocations are determined by security ratings supplemented by market knowledge and input from reinsurance brokers. There is no co-reinsurance.

The Company's main reinsurance policy in 2001 continued to be protection of its UK property account against catastrophe risk, the major exposure being to a combined North Sea flood and windstorm. Policies were also purchased to protect the exposures of its other UK personal lines business and its small Hong Kong branch operation. Details of these policies are set out below.

There has been no change to the policy to cover until expiry the major risks of its discontinued Marine and London Market business. No policies are expected to be exhausted by claims that have been incurred. At the end of 2001, there were no reinsurers that had ceased to pay claims.

Type of business	Type of cover	Period of cover	Policy limits
1. Accident and health 5. Transport 6. Property 8. Miscellaneous and Pecuniary loss	Hong Kong Accident Surplus	1/1/01 - 31/12/01	Reinsurers' potential liability: £1,322,000 in excess of £88,000
1. Accident and health	Hong Kong Accident Catastrophe (Event) Excess 1st Layer 2nd Layer	1/1/01 - 31/12/01	Reinsurers' potential liability:  £1,234,000 in excess of £88,000 £2,203,000 in excess of £1,322,000
2. Motor 7. Third party liability	United Kingdom Motor and Liability Excess of Loss 1st Layer 2nd Layer 3rd Layer 4th Layer	1/1/01 - 31/12/01	Reinsurers' potential liability:  £1.5m in excess of £1.0m £2.5m in excess of £2.5m £5.0m in excess of £5.0m Unlimited in excess of £10m For layers 1-3 unlimited free reinstatements except accidental damage to motor vehicles for which one free applies For layer 4 unlimited free reinstatements

Type of business	Type of cover	Period of cover	Policy limits
2. Motor 7. Third party liability	Hong Kong Motor and Liability Excess of Loss 1st Layer 2nd Layer 3rd Layer 4th Layer 5th Layer	1/1/01 - 31/12/01	Reinsurers' potential liability: £282,000 in excess of £159,000 £881,000 in excess of £441,000 £1,322,000 in excess of £1,322,000 £6,168,000 in excess of £2,643,000 Unlimited in excess of £8,811,000
5. Transport	Hong Kong Marine Cargo Combined Quota Share And Surplus	1/1/01 - 31/12/01	Reinsurers' potential liability: Quota share £35,000 in excess of £52,000 Surplus £881,000 in excess of £52,000
6. Property	United Kingdom Catastrophe (Event Excess of Loss) 1st Layer 2nd Layer 3rd Layer	1/1/01 - 31/12/01	Reinsurers' potential liability: £50m in excess of £50m £100m in excess of £100m £50m in excess of £200m All layers have one Reinstatement at 100% Additional Premium. Retention Drops to £35m in the event of two Catastrophes in one year
6. Property 8. Miscellaneous and Pecuniary loss	Hong Kong Fire Surplus	1/1/01 - 31/12/01	Reinsurers' potential liability: £2,643,000 in excess of £264,000
6. Property	Hong Kong Property Combined Quota Share  And Surplus	1/1/01 - 31/12/01	Reinsurers' potential liability: Quota share £423,000 in excess of £106,000 Surplus £1,586,000 in excess of £106,000
6. Property	Hong Kong Fire Catastrophe Excess of Loss 1st Layer 2nd Layer 3rd Layer	1/1/01 - 31/12/01	Reinsurers' potential liability: £617,000 in excess of £264,000 £881,000 in excess of £881,000 £2,643,000 in excess of £1,762,000
8. Miscellaneous and Pecuniary loss	Hong Kong Bond Quota Share	1/1/01 - 31/12/01	Reinsurers' potential liability: £225,000 in excess of £40,000
8. Miscellaneous and Pecuniary loss	United Kingdom Motor And Household Legal Expenses Quota Share (75%)	1/1/01 - 31/12/01	Reinsurers' potential liability: £50,000 per insured case

8. Miscellaneous and Pecuniary loss	United Kingdom Domestic Mortgage Indemnity Quota Share (90%)	1/1/01 - 31/12/01	90% of original policy limit not to exceed £750,000 without prior approval
8. Miscellaneous and Pecuniary loss	United Kingdom Annual Travel Quota Share (75%) Excess of loss (for 25%) 1st Layer 2nd Layer 3rd Layer 4th Layer 5th Layer	1/1/01 - 31/12/01 1/8/00 - 31/12/01 1/8/00 - 31/12/01 1/8/00 - 31/12/01 1/8/00 - 31/12/01 1/8/00 - 31/12/01	Reinsurers' potential liability: 75% of original policy limits £31,250 in excess of £6,250 £87,500 in excess of £37,500 £125,000 in excess of £125,000 £1m in excess of £250,000 £1.25m in excess of £1.25m (All limits are for 25%)
1. Accident & Health 8. Miscellaneous and Pecuniary loss	United Kingdom Quota Share Creditor business	1/2/01-31/12/01	2.5% of business written

Note:

On 31 December 2001 the company transferred almost all of its General Insurance liabilities to Winterthur Swiss Insurance Company. The policies transferred left no net retention to the Company. Policies renewing in 2002 will continue to be underwritten by the Prudential but will be 100% reinsured with Winterthur. From April 2002, Prudential branded new business policies will be underwritten by Winterthur/Churchill. Prudential policies renewing in 2003 will be underwritten in the name of Winterthur/Churchill. For further details see note 2008 and additional information given under Rule 9.25.

Details of the Company's maximum probable loss (net of reinsurance) for each business category are set out below:

<u>Business category</u>	From any one contract £000	From all such contracts £000
Accident and health	85	85
Motor	1,000	1,000
Marine	500	500
Transport	51	51
Property	1,500	57,350
Third party liability	500	500
Miscellaneous and pecuniary loss	11	105

The split of reinsurance premiums (as shown on Forms 21 and 24) for each accounting class by facultative and non-facultative reinsurance is set out below:

<u>Accounting class</u>	Facultative £000	Non- facultative £000	Total £000
1 Accident and health	158	6,501	6,659
2 Motor	4	106,122	106,126
4 Marine	-	130	130
5 Transport	156	167	323
6 Property	406	213,316	213,722
7 Third party liability	106	259	365
8 Miscellaneous and pecuniary loss	806	10,866	11,672
10 Proportional treaty	-	60	60
Total	1,636	337,421	339,057

# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2001

## Statement of information on the appointed actuary pursuant to Rule 9.36 of the Interim Prudential Sourcebook for Insurers

In accordance with rule 9.36 of the above sourcebook, David Belsham, the appointed actuary of the Company, was requested to furnish and has provided the following information:

- (a) (i) He had an interest in 24,957 and 53,918 shares in the share capital of the holding company, Prudential plc, at the beginning and at the end of the year respectively.
- (ii) He had an interest under the Prudential Restricted Share Plan in shares in Prudential plc held in trust, representing the maximum award that could be made if performance requirements of the Plan were met, of 30,625 and 28,921 shares at the beginning and at the end of the year respectively. During the year 9,812 shares were released to him under the 1998 Scheme and 9,840 shares were conditionally awarded to him under the 2001 Scheme.
- (iii) He exercised the following options granted under the Prudential Savings Related Share Option Scheme to acquire shares in Prudential plc:

<u>Number of Shares</u>	<u>Exercise Price</u>	<u>Exercise Dates</u>
2,005	344p	2 June 2001
1,922	359p	3 December 2001

He held the following options granted under the Prudential Savings-Related Share Option Scheme to subscribe for shares in Prudential plc:

<u>Number of Shares</u>	<u>Exercise Price</u>	<u>Exercise Dates</u>
454	759p	Between June 2003 and December 2003
1,110	608p	Between June 2006 and December 2006

- (iv) He exercised 25,000 options held under the Prudential Executive Share Options Scheme at a price of 256p on 19 December 2001 to acquire 25,000 shares in Prudential plc.
- (v) He also had an interest in 1,410 shares in Egg plc, a subsidiary of Prudential plc, at the beginning and the end of the year.
- (b) He was interested in the following life and general insurance policies issued by the Company:
- (i) Three endowment assurance with-profits policies maturing between 2009 and 2011 with participating sums assured totalling £18,720, non-participating minimum death benefits of £48,000 and annual premiums of £776.
- (ii) Two temporary assurance without-profits policies expiring in 2011 with sums assured totalling £202,000 and annual premiums of £457.
- (iii) A home insurance policy covering buildings, household contents and personal effects and a motor insurance policy.
- (c) His total remuneration for the year was £252,850.
- (d) He is a member of the Prudential Staff Pension Scheme and contributions in respect of the year were paid by the Company.

**THE PRUDENTIAL ASSURANCE COMPANY LIMITED**

**Year ended 31 December 2001**

**Appointed Actuary's Certificate pursuant of Rule 9.34(b) of the Interim Prudential Sourcebook for Insurers**

I certify that:

- (a) (i) In my opinion, proper records have been kept by the Company adequate for the purpose of the valuation of the liabilities of its long-term insurance business;
  - (ii) The mathematical reserves as shown in Form 14, together with a provision of £2,600m for mismatching also shown in Form 14 (such provision being part of the excess of the value of admissible assets representing the long-term insurance business funds over the amounts of those funds shown in that Form) and a provision of £1,791m, for potential tax on capital gains as mentioned in note 1402 on page 129, constitute proper provision at 31 December 2001 for the liabilities (other than liabilities which had fallen due before 31 December 2001) arising under or in connection with contracts for long-term insurance business, including the increase in those liabilities arising from the distribution of surplus as a result of the investigation as at 31 December 2001 into the financial condition of the long-term insurance business;
  - (iii) For the purposes of sub-paragraph (ii) above, the liabilities have been assessed in accordance with the Determination of Liabilities Rules in the context of assets valued in accordance with the Valuation of Assets Rules, as shown in Form 13;
  - (iv) The valuation complies with the guidance notes issued by the Faculty and Institute of Actuaries "GN1: The Prudential Supervision in the UK Long-Term Insurance Business" dated 1 December 2001 and "GN8: Additional Guidance for Appointed Actuaries and Appropriate Actuaries on Valuation of Long-Term Insurance Business" dated 1 December 2001; and
  - (v) In my opinion, premiums for contracts entered into during the financial year and the income earned thereon are sufficient, on reasonable actuarial assumptions and taking into account the other financial resources of the Company that are available for the purpose, to enable the Company to meet its commitments in respect of those contracts and, in particular, to establish adequate mathematical reserves; and
- (b) The amount of the required minimum margin applicable to the Company's long-term insurance business immediately following 31 December 2001 (including the amount resulting from the increase in liabilities arising from the distribution of surplus as a result of the investigation into the financial condition of the long-term insurance business) is £2,771m.

24 April 2002



David Belsham  
Appointed Actuary

# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2001

## Directors' Certificate pursuant to Rule 9.34(a) of the Interim Prudential Sourcebook for Insurers

We certify that:


1. (a) In relation to the part of the Return comprising Forms 9 to 17, 20 to 25, 30 to 33, 36 to 38, 40 to 45 (and the supplementary notes thereto) and the statements required by rules 9.25 to 9.27, 9.29, 9.30 and 9.32 that
  - (i) the Return has been prepared in accordance with the Accounts and Statements Rules as modified by the waivers issued under section 148 of the Financial Services and Markets Act 2000 and Section 68 of the Insurance Companies Act 1982, which continue to have effect, as referred to in supplementary notes 0901, 0903, 0905 and 1318 on pages 124, 125 and 128.
  - (ii) proper accounting records have been maintained and adequate information has been obtained by the insurer; and
  - (iii) an appropriate system of control has been established and maintained by the insurer over its transactions and records;
- (b) Reasonable enquiries have been made by the insurer for the purpose of determining whether any person and any body corporate are connected for the purposes of rules 9.25, 9.26 and 9.27.
- (c) In respect of the insurers business which is not excluded by rule 7.6, the assets held throughout the financial year enabled the insurer to comply with rules 7.1 to 7.5 (matching and localisation) and
- (d) In relation to the statement required by rule 9.36
  - (i) that for the purpose of preparing the statement, proper accounts and records have been maintained; and
  - (ii) that the information given has been ascertained in conformity with that rule.
2. The margin of solvency for long term business required by rule 2.1 has been maintained throughout the financial year. The margin of solvency required for general business by rule 2.1 has been maintained throughout the financial year apart from the temporary technical breach in respect of Asian subsidiaries which existed during December 2001. Details of the technical breach as at 31 December are disclosed in note 0905.
3. (a) The requirements of rules 3.1 to 3.4 have been fully complied with and in particular that, subject to the provisions of rule 3.2(2) to (4) and rule 3.3, assets attributable to long-term insurance business, the income arising therefrom, the proceeds of any realisation of such assets and any other income or proceeds allocated to the long-term insurance business fund have not been applied otherwise than for the purpose of the long-term insurance business.

- (b) Any amount payable from or receivable by the long-term business fund in respect of services rendered by or to any other business carried on by the insurer or by a person who, for the purposes of rule 3.4, is connected with it or is a subordinate company of it has been determined and where appropriate apportioned on terms which are believed to be no less than fair to the fund, and any exchange of assets representing the fund for other assets of the insurer has been made at fair market value;
  - (c) No guarantees have been given by the insurer of the performance by a related company of a contract binding on the related company which would fall to be met by the long-term business fund;
  - (d) The investment policy and practice of the insurer in respect of internal linked funds maintained during the financial year was consistent with representations made to policyholders and potential policyholders of the Insurer;
  - (e) The Return in respect of long-term business is not distorted by agreements with any other company carrying on insurance business with which the insurer has financial, commercial or administrative links or by any arrangements which could affect the apportionment of expenses and income; and
  - (f) The insurer has complied fully with the requirements of rule 3.5.
4. (a) The systems of control established and maintained by the insurer in respect of its business complied at the end of the financial year with the following published guidance:
- (i) Guidance Note P1 - Systems and controls over investments (and counterparty exposure) of insurance companies with particular reference to the use of derivatives; subject to the issue noted in note 0905.
  - (ii) Guidance Note P2 - Controls over general business claims provisions; and
  - (iii) Guidance Notes for the Financial Sector (revised February 2001) issued by the Joint Money Laundering Steering Group;

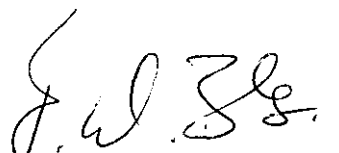
and it is reasonable to believe that those systems continued to so comply subsequently and will continue to so comply in future; and



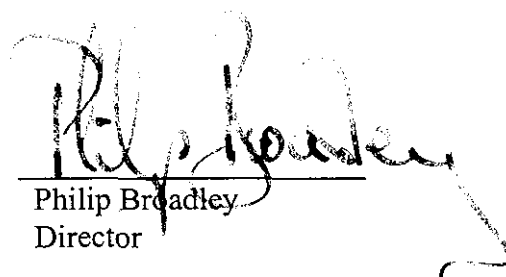
- (b) The Return has been prepared in accordance with the following published guidance:
- (i) Guidance Note 4.1 - Guidance for insurance companies and auditors on the Valuation of Assets Regulations;
  - (ii) Guidance Note 4.2 - The use of derivatives in insurance funds; and
  - (iii) Guidance Note 9.1 - The preparation of annual returns.



Mark Wood  
Chief Executive



Jonathan Bloomer  
Director



Philip Bradley  
Director

24 April 2002

# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2001

## Report of the auditors to the directors pursuant to Rule 9.35 of the Interim Prudential Sourcebook for Insurers

We have examined the following documents prepared by the Company pursuant to the Accounts and Statements Rules set out in part 1 of chapter 9 to the FSA's Interim Prudential Sourcebook for Insurers (the Rules) made by The Financial Services Authority under section 138 of the Financial Services and Markets Act 2000.

- Forms 9 to 17, 20 to 25, 30 to 33, 36 to 38 and 40 to 45, including the supplementary notes thereto ('the Forms');
- The statements required by rules 9.25, 9.26, 9.27 and 9.29 on pages 136 to 141 ('the Statements'); and
- The certificate signed in accordance with rule 9.34(a) on pages 148 to 150 ('the Certificate').

In the case of the Certificate, our examination did not extend to:

- (a) Paragraph 1 in relation to the statements required by rules 9.30, 9.32 and 9.36 concerning shareholder controllers, general business ceded and information on the Appointed Actuary;
- (b) Paragraph 3(d) concerning the investment policy and practice of internal linked funds, required by paragraph 4 (d) of Appendix 9.6; and
- (c) Paragraph 4(a) in so far as it relates to controls with respect to Money Laundering.

### Respective responsibilities of the Company and its auditors

The Company is responsible for the preparation of an annual return (including the Forms, Statements and Certificate) under the provisions of the Rules. The requirements of the Rules have been modified by waivers issued under section 148 of the Financial Services and Markets Act 2000 and orders granted under Section 68 of the Insurance Companies Act 1982 which continue to have effect as referred to in supplementary notes 0901, 0903, 0905 and 1318 on pages 124, 125 and 128. Under Rule 9.11, the Forms and Statements are required to be prepared in the manner specified by the Regulations and to state fairly the information provided on the basis required by the Rules.

It is our responsibility to form an independent opinion as to whether the Forms and Statements meet these requirements and, in the case of the Certificate, whether it was or was not unreasonable for the persons giving the Certificate to have made the statements therein, and to report our opinions to you. Our responsibilities as independent auditors, are established in the United Kingdom, by statute, the Auditing Practices Board and by our profession's ethical guidance.

### Bases of opinions

We conducted our work in accordance with Practice Note 20 'The audit of Insurers in the United Kingdom' issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Forms and Statements. The evidence included that previously obtained by us relating to the audit of the financial statements of the Company for the financial year on which we reported on 14 March 2002. It also included an assessment of the significant estimates and judgements made by the Company in the preparation of the Forms and Statements.

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 Forms and Statements are free from material misstatement, whether caused by fraud or other irregularity or error, and comply with rule 9.11.

In the case of the Certificate, the work performed involved a review of the procedures undertaken by the

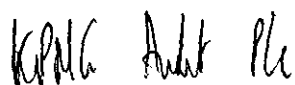
signatories to enable them to make the statements therein, and does not extend to an evaluation of the effectiveness of the Company's internal control systems.

In giving our opinion we have relied on the certificate of the Appointed Actuary on page 147 with respect to the mathematical reserves and the required minimum margin.

#### Opinions

In our opinion:

- (a) The Forms and Statements fairly state the information provided on the basis required by the Rules, as modified, and have been properly prepared in accordance with the provisions of those Rules; and
- (b) According to the information and explanations received by us:
  - (i) The Certificate has been properly prepared in accordance with the provisions of the Rules; and
  - (ii) It was not unreasonable for the persons giving the Certificate to have made the statements therein.



KPMG Audit Plc  
Registered Auditor  
London

24 April 2002