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IC Insurance Limited

Directors' report and financial statements

31 December 2003

Registered number 218497



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Directors' report and financial statements

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Directors' report

The directors present their report together with the audited financial statements for the year ended 31 December 2003. These will be laid before the shareholders at the Annual General Meeting to be held on 4 May 2004 at 1 Adam Street, London WC2N 6AW.

Principal activities

The principal activity of the company is the transaction of general insurance and reinsurance business. The company ceased underwriting new business on 31 December 1998.

The ultimate parent undertaking is AstraZeneca PLC.

Business review

Details of the results for the year are set out on pages 5 and 6. It is expected that the Company will continue to run off its insurance and reinsurance business.

The liquidation of Arbil Insurance Company Limited was completed during the year, resulting in a final distribution of £9,418,000 to the Company.

Proposed dividend and transfer from reserves

No dividends were declared for the year ended 31 December 2003 (2002: £nil). The directors recommend that the retained profit for the year of £1,582,000 (2002: £1,057,000) be transferred to reserves.

Directors and directors' interests

The directors of the company in office during the financial year were as follows:

JH Cole	
DJ Gee	
D Taylor	
IN Canham	(alternate to DJ Gee)
ND Campbell	(alternate to JH Cole)

The interest of the directors in office at the end of the year in the shares and debentures of AstraZeneca PLC and its subsidiaries are set out in note 20.

Payment of suppliers

It is the company's policy to agree appropriate terms and conditions with suppliers and, subject to their acceptance, to comply with the agreement.

Directors' report *(continued)*

Auditors

A resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the Annual General Meeting.

By order of the board


D Taylor
Secretary

1 Adam Street
London
WC2N 6AW

29 March, 2004

Statement of directors' responsibilities

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

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of IC Insurance Limited

We have audited the financial statements on pages 5 to 22.

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

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you, if in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the group is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
8 Salisbury Square
London EC4Y 8BB

29 March 2004

Profit and loss account: technical account - general business
for the year ended 31 December 2003

	Note	2003 £000	2002 £000
Written premiums, net of reinsurance			
Gross premiums written	2	2	(588)
Outward reinsurance premiums		-	(2)
Net premiums written		2	(590)
Change in the gross provision for unearned premiums		-	-
Change in the provision for unearned premiums, reinsurers' share		-	-
Change in the net provision for unearned premiums		-	-
Earned premiums, net of reinsurance		2	(590)
Claims incurred, net of reinsurance			
Claims paid:			
Gross amount		(1,481)	(1,418)
Reinsurers' share		715	(8)
		(766)	(1,426)
Change in the provision for claims:			
Gross amount	16	1,987	2,362
Reinsurers' share	16	(801)	(144)
		1,186	2,218
Claims incurred, net of reinsurance		420	792
Net operating expenses	4	(753)	(629)
Balance on the technical account - general business		(331)	(427)

The notes on pages 11 to 22 form part of the financial statements.

Profit and loss account: non-technical account
for the year ended 31 December 2003

	Note	2003 £000	2002 £000
Balance on the technical account - general business		(331)	(427)
Investment income	5	1,833	1,677
Unrealised gains on investments		617	98
		<hr/>	<hr/>
Operating profit	6	2,119	1,348
Realised gain on liquidation of subsidiary undertaking	10	190	-
		<hr/>	<hr/>
Operating profit on ordinary activities before tax	6	2,309	1,348
Tax on profit on ordinary activities	9	(727)	(291)
		<hr/>	<hr/>
Retained profit for the financial year	15	1,582	1,057
		<hr/>	<hr/>

The notes on pages 11 to 22 form part of the financial statements.

Statement of total recognised gains and losses
for the year ended 31 December 2003

	Note	2003 £000	2002 £000
Retained profit for the financial year	15	1,582	1,057
Increase in current value of investment in subsidiary undertaking	15	-	339
Movement in unrealised foreign exchange gains	15	501	283
Total gains recognised since last annual report		2,083	1,679

Reconciliation of movements in shareholder's funds
for the year ended 31 December 2003

	Note	2003 £000	2002 £000
Retained profit for the financial year	15	1,582	1,057
Increase in current value of investment in subsidiary undertaking	15	-	339
Movement in unrealised foreign exchange gains	15	501	283
Net increase in shareholder's funds		2,083	1,679
Shareholder's funds at beginning of year		31,512	29,833
Shareholder's funds at end of year		33,595	31,512

The notes on pages 11 to 22 form part of the financial statements.

Balance sheet
at 31 December 2003

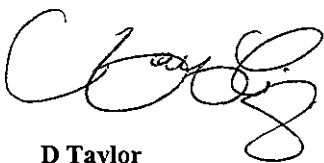
	Note	2003 £000	2002 £000
Assets			
<i>Investments</i>			
Investment in subsidiary undertaking	10	-	9,228
Other financial investments	11	46,061	40,754
		<hr/>	<hr/>
		46,061	49,982
<i>Reinsurers' share of technical provisions</i>			
Claims outstanding	16	1,104	1,906
		<hr/>	<hr/>
		1,104	1,906
<i>Debtors</i>			
Debtors arising out of direct insurance operations	12	42	23
Debtors arising out of reinsurance operations		5,090	5,592
		<hr/>	<hr/>
		5,132	5,615
<i>Other assets</i>			
Cash at bank and in hand	13	723	1,187
<i>Prepayments and accrued income</i>			
Accrued interest		90	45
		<hr/>	<hr/>
Total Assets		53,110	58,735
		<hr/>	<hr/>

The notes on pages 11 to 22 form part of the financial statements.

Balance sheet (continued)
 at 31 December 2003

	Note	2003 £000	2002 £000
Liabilities			
<i>Capital and reserves</i>			
Called up share capital	14	20,000	20,000
Revaluation reserve	15	-	2,302
Exchange reserve	15	-	(501)
Profit and loss account	15	13,595	9,711
		<hr/>	<hr/>
Shareholder's funds attributable to equity interests		33,595	31,512
<i>Technical provisions</i>			
Claims outstanding	16	18,467	21,248
<i>Creditors falling due within 12 months</i>			
Creditors arising out of direct insurance operations	17	91	211
Creditors arising out of reinsurance operations		169	142
Other creditors including taxation and social security	18	549	5,390
		<hr/>	<hr/>
		809	5,743
Accruals and deferred income		239	232
		<hr/>	<hr/>
Total Liabilities		53,110	58,735
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 29 March 2004 and were signed on its behalf by:



D Taylor
 Director

The notes on pages 11 to 22 form part of the financial statements.

Cash flow statement
for the year ended 31 December 2003

	Note	2003 £000	2002 £000
Net cash outflow from operating activities	19	367	(1,427)
Taxation paid		(5,559)	(391)
Proceeds of liquidation of subsidiary undertaking		9,418	-
		<u>4,226</u>	<u>(1,818)</u>
Cash flows were invested as follows			
Decrease in cash holdings		(464)	(291)
Net portfolio investment			
Deposits with credit institutions		4,690	(1,527)
		<u>4,690</u>	<u>(1,527)</u>
Net investment of cash flows	13	<u>4,226</u>	<u>(1,818)</u>
Movement in opening and closing portfolio investments net of financing			
Net cash outflow for the period		(464)	(291)
Cash flow from net portfolio investment		4,690	(1,527)
		<u>4,226</u>	<u>(1,818)</u>
Movement arising from cash flows		617	98
Changes in market values and exchange rate effects			
Total movements in portfolio investments net of financing		4,843	(1,720)
Portfolio investments net of financing			
At 1 January 2003		41,941	43,661
Portfolio investments net of financing			
At 31 December 2003	13	<u>46,784</u>	<u>41,941</u>

The notes on pages 11 to 22 form part of the financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the provisions of Section 255 of, and Schedule 9A to, the Companies Act 1985 and comply with the Statement of Recommended Practice issued by the Association of British Insurers ("ABI SORP"), dated November 2003. No changes to the presentation of these financial statements have been required as a consequence of the amendments to the ABI SORP.

The accounts have also been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost accounting rules, modified to include the revaluation of investments.

The financial statements present information about the company as an individual undertaking and not about its group. The company is exempt from the preparation of group accounts under Section 228(1)(b) of the Companies Act 1985.

Further information regarding the parent undertaking in whose consolidated accounts the company is included is shown in note 23.

Investments and investment income

Listed investments are stated at mid-market value. Unlisted investments are valued by the directors on a prudent basis with regard to their likely realisable values.

Realised and unrealised gains and losses on financial investments are included in the profit and loss account non-technical account.

Realised gains and losses represent the difference between net sale proceeds and purchase price. Unrealised gains and losses on investments represent the difference between the valuation of investments at the balance sheet date and their purchase price or if they have been previously valued, their valuation at the last balance sheet date.

Investment income, expenses and charges (excluding dividends received and receivable from subsidiary undertakings) are reported in the non-technical account.

Basis of accounting for underwriting activities

The annual basis of accounting is applied to all classes of insurance business.

Premiums

Written premiums comprise the total premiums receivable for the whole period of cover provided by contracts entered into during the financial year and include adjustments arising during the financial year to premiums in respect of business written in previous years.

All premiums are shown gross of commission payable to intermediaries.

Outwards reinsurance premiums are accounted for in the same accounting period as the premiums for the related direct or inwards reinsurance business being reinsured.

Notes (continued)

1 Accounting policies (continued)

Provision for unearned premiums

Unearned premiums are calculated using the daily pro rata method, taking into account the risk profile of the contracts.

Deferred acquisition costs

Acquisition expenses, both direct and indirect, are deferred and charged to the accounting periods in which related premiums are earned.

Claims incurred

Claims incurred include all payments made in respect of the financial period, claims handling expenses and the movement in provisions for outstanding claims.

Claims outstanding

Claims outstanding comprise provisions for the estimated cost of settling all claims including the related claims handling expenses incurred up to but not paid at the balance sheet date whether reported or not. Where applicable, deductions are made for salvage and other recoveries.

Foreign currencies

Assets, liabilities and income and expenditure items arising in foreign currencies have been translated into sterling at rates of exchange ruling at the balance sheet date. Exchange gains and losses are taken to the profit and loss account. Unrealised exchange gains and losses arising on business transacted in foreign currencies, which were maintained in the original currency, were taken to the exchange reserve.

Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes (continued)

2 Analysis of gross premiums written, gross premiums earned, gross claims incurred, operating expenses and the reinsurance balance

	2003 Gross Premiums Written £000	2003 Gross Premiums Earned £000	2003 Gross Claims Incurred £000	2003 Gross Operating Expenses £000	2003 Reinsurance Balance £000
Written as follows					
Direct	(1)	(1)	(366)	-	(86)
Reinsurance	3	3	872	(753)	-
	<u>2</u>	<u>2</u>	<u>506</u>	<u>(753)</u>	<u>(86)</u>
By class of business (Direct only)					
Marine, aviation and transport	-	-	(135)	-	(107)
Fire and other damage to property	(1)	(1)	(176)	-	(113)
Liability	-	-	(55)	-	25
Miscellaneous	-	-	-	-	109
	<u>(1)</u>	<u>(1)</u>	<u>(366)</u>	<u>-</u>	<u>(86)</u>
	2002 Gross Premiums Written £000	2002 Gross Premiums Earned £000	2002 Gross Claims Incurred £000	2002 Gross Operating Expenses £000	2002 Reinsurance Balance £000
Written as follows					
Direct	5	5	676	31	(155)
Reinsurance	(593)	(593)	268	(660)	1
	<u>(588)</u>	<u>(588)</u>	<u>944</u>	<u>(629)</u>	<u>(154)</u>
By class of business (Direct only)					
Marine, aviation and transport	(1)	(1)	28	-	-
Fire and other damage to property	6	6	328	-	(174)
Liability	-	-	313	31	36
Miscellaneous	-	-	7	-	(17)
	<u>5</u>	<u>5</u>	<u>676</u>	<u>31</u>	<u>(155)</u>

The activities of the company take place in the United Kingdom.

Business interruption particulars are included in the miscellaneous class.

The total amount of commission for direct insurance business was £130 (2002: £2,700).

Notes (continued)

3 Prior years' claims provisions

Over/(under) provisions for claims outstanding at the beginning of the year and payments and provisions at the end of the year in respect of prior years' claims are as follows:

	2003 £000	2002 £000
Marine, aviation and transport	242	28
Fire and other damage to property	289	220
Liability	30	349
Miscellaneous	(981)	195
	<hr/> (420) <hr/>	<hr/> 792 <hr/>

Although provisions for claims outstanding are based upon the information currently available to the directors, subsequent information and events may show that the ultimate liability is less than, or in excess of, the amount provided. The methods used, and estimates made, are continually reviewed and any resulting adjustments are reported in the technical account for general business in the financial year in which they are made.

4 Net operating expenses

	2003 £000	2002 £000
Acquisition costs	(86)	100
Administrative expenses	459	529
Foreign Exchange loss	380	-
	<hr/> 753 <hr/>	<hr/> 629 <hr/>

5 Investment income

	2003 £000	2002 £000
Interest income	1,833	1,677
	<hr/>	<hr/>

Notes (continued)

6 Profit on ordinary activities before tax

	2003 £000	2002 £000
<i>Profit on ordinary activities before tax is stated after charging</i>		
Auditors remuneration:		
Audit	-	-
Other services – audit of regulatory return	15	31
	<u> </u>	<u> </u>

The auditor's remuneration in respect of statutory audits is borne by a group undertaking.

7 Remuneration of directors

	2003 £000	2002 £000
Directors' emoluments	17	17
	<u> </u>	<u> </u>

Retirement benefits are accruing to the following number of directors under :

Money purchase schemes	-	-
Defined benefit schemes	1	1
	<u> </u>	<u> </u>

The number of directors who exercised share options was

-	1
<u> </u>	<u> </u>

The number of directors in respect of whose services shares were received or receivable under long term incentive schemes was

-	-
<u> </u>	<u> </u>

Certain directors are employees of the company's ultimate shareholder and are not remunerated for their services by the company. Accordingly, the foregoing disclosures do not include details of their remuneration, share options exercised and other benefits.

8 Staff numbers and costs

All management and administrative services are provided under the terms of a management agreement by the parent undertaking. Accordingly, the company and its subsidiary have no employees. The remuneration of the directors is charged as part of the management fee.

Notes (continued)

9 Tax on profits on ordinary activities

	2003 £000	2002 £000
UK corporation tax on profit for		
- current year	636	410
- prior year	91	(119)
	<u>727</u>	<u>291</u>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (30%). The differences are explained below:

Profit on ordinary activities before tax	<u>2,309</u>	<u>1,348</u>
Profit on ordinary activities multiplied by standard rate of Corporation tax in the UK of 30% (2002:30%)	693	404
Effects of:		
- disposal of unlisted investments	(57)	6
Current year tax charge	<u>636</u>	<u>410</u>

10 Investment in subsidiary undertaking

	Current value		Cost	
	2003 £000	2002 £000	2003 £000	2002 £000
Shares in subsidiary undertaking	-	9,228	-	6,926

The investment in subsidiary undertaking represented the company's shareholding of 6,500,000 ordinary shares of £1 each in its wholly owned subsidiary, Arbil International Insurance Limited, registered in the Cayman Islands, which was placed into members voluntary liquidation on 22 April 1997.

Liquidation proceedings were completed during 2003, resulting in final distribution being made to the Company of £9,418,000. Original cost was £6,926,000, of which £2,302,000 had been recognised in the revaluation reserve, giving rise to a gain of £190,000 in the year. The related revaluation reserve of £2,302,000 has been transferred to the profit and loss account.

Notes (continued)

11 Other financial investments

	Current value		Cost	
	2003	2002	2003	2002
	£000	£000	£000	£000
Shares and other variable yield securities	2,218	1,601	797	797
Deposits with credit institutions	23,843	19,153	23,843	19,153
Loans to group companies	10,000	10,000	10,000	10,000
Other loans	10,000	10,000	10,000	10,000
	<u>46,061</u>	<u>40,754</u>	<u>44,640</u>	<u>39,950</u>
Included in the above were investments:				
Unlisted investments	<u>2,218</u>	<u>1,601</u>	<u>797</u>	<u>797</u>

Letters of credit totalling £3,944,695 (2002: £769,601) have been issued by banks, of which £3,843,985 is on a secured basis on behalf of the company in order to provide security to cedants in respect of claims outstanding.

12 Debtors arising out of direct insurance operations

	2003	2002
	£000	£000
Amounts owed by intermediaries	<u>42</u>	<u>23</u>

13 Movement in cash, portfolio investments and financing

	At 31 December 2002 £000	Cash Flow £000	Changes to market Values £000	At 31 December 2003 £000
Cash at bank	1,187	(464)	-	723
Ordinary shares	1,601	-	617	2,218
Deposits with credit institutions	19,153	4,690	-	23,843
Loans to group companies	10,000	-	-	10,000
Other loans	10,000	-	-	10,000
	<u>41,941</u>	<u>4,226</u>	<u>617</u>	<u>46,784</u>

Notes (continued)

14 Share capital

	2003 £000	2002 £000
<i>Authorised</i>		
20,000,000 (2002: 20,000,000) ordinary shares of £1 each	20,000	20,000
	<u>20,000</u>	<u>20,000</u>
<i>Allotted, called up and fully paid</i>		
20,000,000 (2002: 20,000,000) ordinary shares of £1 each	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

15 Reserves

	Investment Revaluation Reserve £000	Exchange Revaluation Reserve £000	Profit and Loss Account £000	Total £000
At beginning of year	2,302	(501)	9,711	11,512
Retained profit for the year	-	-	1,582	1,582
Transfer to Profit and Loss account (note 10)	(2,302)	-	2,302	-
Unrealised exchange gains	-	501	-	501
	<u>-</u>	<u>501</u>	<u>2,302</u>	<u>2,803</u>
At end of year	-	-	13,595	13,595
	<u>-</u>	<u>-</u>	<u>13,595</u>	<u>13,595</u>

Notes (continued)

16 Technical provisions

	Claims Outstanding £000	Total £000
Gross amount		
At beginning of year	21,248	21,248
Exchange gain	(794)	(794)
Movement in the provision	(1,987)	(1,987)
	<hr/>	<hr/>
Gross amount at 31 December 2003	18,467	18,467
	<hr/>	<hr/>
Reinsurance amount		
At beginning of year	1,906	1,906
Exchange gain	(1)	(1)
Movement in the provision	(801)	(801)
	<hr/>	<hr/>
Reinsurers' share at 31 December 2003	1,104	1,104
	<hr/>	<hr/>

The provision for outstanding claims comprises an estimate of the cost of settling all notified outstanding claims and an estimate of the cost of settling claims incurred but not reported at the balance sheet date, including claims handling costs.

The notified outstanding claims estimates are based on advices from policyholders, intermediaries and assessors.

The provision for losses incurred but not reported is based on incurred claims to date and expected ultimate claims based on current information.

The reinsurers' share of the provision for outstanding claims is then estimated based on the gross provisions, having due regard to collectability and contract terms and conditions.

The establishment of outstanding claims provisions is subject to a great degree of variability in that, notwithstanding every effort to make appropriate provision, the eventual cost of settling outstanding claims may vary significantly from the initial estimate.

Under the Insurance Companies (Reserves) Act 1995, the company is required to establish equalisation reserves for certain classes of business underwritten, subject to de minimis exemptions. The calculation at 31 December 2003 did not give rise to the requirement for any reserves and therefore no equalisation reserve has been established (2002: £nil).

Notes (continued)

17 Creditors arising out of direct insurance operations

	2003 £000	2002 £000
Amounts owed to intermediaries	91	211

18 Other creditors including taxation and social security

	2003 £000	2002 £000
Amounts due to parent undertaking	94	102
Other creditors	-	1
Corporation tax payable	455	5,287
	<u>549</u>	<u>5,390</u>

19 Reconciliation of profit before tax to net cash outflow from operating activities

	2003 £000	2002 £000
Operating profit on ordinary activities before tax	2,309	1,348
Unrealised gain on investments	(617)	(98)
Increase in accrued income and prepayments	(45)	(3)
Increase in accruals and deferred income	7	25
Decrease in debtors	483	450
Decrease in creditors	(102)	(442)
Realised gain on liquidation of subsidiary undertaking (note 10)	(190)	-
Decrease in technical provisions	(1,979)	(2,990)
Foreign exchange differences	501	283
Net cash outflow from operating activities	<u>367</u>	<u>(1,427)</u>

Notes (continued)

20 Directors interests

The interests of the directors in office at the end of the year in the shares and debentures of the companies in AstraZeneca PLC ("AstraZeneca") (the ultimate holding company) were as follows:

	Class of share/ debenture	Holding at 31 December 2002	Holding at 31 December 2003
JH Cole	AstraZeneca ordinary shares	1,140	147
DJ Gee	AstraZeneca ordinary shares	-	-
D Taylor	AstraZeneca ordinary shares	1,772	1,597
IN Canham	AstraZeneca ordinary shares	27	27
ND Campbell	AstraZeneca ordinary shares	2,094	1,473

Options to subscribe for AstraZeneca ordinary shares granted to and exercised by the directors in office at the end of the financial year were as follows:

	Shares under option at 31 December 2002	Granted	Exercised	Shares under Option at 31 December 2003
JH Cole	24,642	10,452	4,551	30,543
DJ Gee	-	-	-	-
D Taylor	3,584	-	-	3,584
IN Canham	-	-	-	-
ND Campbell	9,278	2,274	160	11,392

Notes (continued)

21 Commitments

The company has a commitment to make annual rental payments of £420,958 in respect of a building lease expiring in December 2008. These payments are currently re-charged to I.C. Insurance Holdings Limited which provides management services to the company and to two related insurance companies. A proportion of lease rental payments is re-charged to the company as a component of the overall charge for management services. In 2003 the amount so charged was approximately £85,000 (2002: £115,000).

22 Related party balances and transactions

The company assumes insurance from, and cedes reinsurance to, both related and unrelated parties. During the year, transactions undertaken with the ultimate shareholders or with companies connected with the ultimate shareholders were, in aggregate, as follows:

	2003 £000	2002 £000
Claims recovered	-	90
Reinstatement premiums receivable	88	-
	<hr/>	<hr/>

The immediate parent, I.C. Insurance Holdings Limited, provides management and advisory services to the company and charges a management fee for these services. Amounts charged and year end balances are shown in the accounts of I.C. Insurance Holdings Limited.

At the year end an amount of £94,000 (2002: £102,000) was due to the immediate parent.

The company has provided a loan of £10,000,000 to AstraZeneca Treasury Limited, a fellow subsidiary. The company has also provided a loan of £10,000,000 to ICI Finance PLC, a subsidiary undertaking of ICI PLC, of which the company is an associated undertaking.

23 Ultimate parent company

The company is a subsidiary undertaking of AstraZeneca PLC which is the ultimate parent company registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by AstraZeneca PLC, registered in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from 15 Stanhope Gate, London W1K 1LN. No other group accounts include the results of the company.