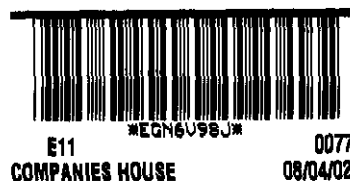


AC 001459

# AA Mutual International Insurance Company Limited



Returns to the FSA  
For the year ended 31 December 2001

Returns under the Accounts and Statements Rules of Part I of Chapter 9 to the  
Interim Prudential Sourcebook for Insurers made by the Financial Services Authority  
under the Financial Services and Markets Act 2000

**Directors' certificate pursuant to rule 9.34 (a)**

**AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

**Global business**

**Financial year ended 31st December 2001**

**We certify:**

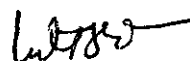
1. (a) that in relation to the part of this return comprising Forms 9 to 13, 15, 16, 20 to 25, 28, 29, 31, 32 and 34 (including the supplementary notes) and the statements required by rules 9.25, 9.26, 9.27, 9.29, 9.30 and 9.32:
  - (i) the return has been prepared in accordance with the Accounts and Statements Rules;
  - (ii) proper accounting records have been maintained and adequate information has been obtained by the company; and
  - (iii) appropriate systems and controls have been established and maintained by the company over its transactions and records;
- (b) that reasonable enquiries have been made by the company for the purpose of determining whether any person and any body corporate are connected for the purpose of rules 9.25, 9.26 and 9.27;
2. that the margin of solvency required by rule 2.1 has been maintained throughout the financial year;
3. (a) that the systems and controls established and maintained by the company in respect of its business complied, at the end of the financial year, with the following published guidance:
  - Guidance Note P.1 "Systems and controls over the investments (and counterparty exposure) of insurers with particular reference to the use of derivatives"; and
  - Guidance Note P.2 "Systems and controls over general business claims provisions";and it is reasonable to believe that those systems and controls continued so to comply subsequently and will continue so to comply in future; and
- (b) that the return has been prepared in accordance with the following published guidance:
  - Guidance Note 4.1 "Guidance for insurers and auditors on the Valuation of Assets Rules";
  - Guidance Note 4.2 "Use of derivative contracts in insurance funds"; and
  - Guidance Note 9.1 "Preparation of returns".



**EJ Kok**  
Director



**PJ Elliott**  
Director



**KJ Shulman**  
Company Secretary

**Report of the auditors to the directors pursuant to rule 9.35**

**AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

**Global business**

**Financial year ended 31st December 2001**

We have examined the following documents prepared by the company pursuant to the Accounts and Statements Rules set out in part I of chapter 9 to the 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 13, 15, 16, 20 to 25, 28, 29, 31, 32 and 34 (including the supplementary notes) ("the Forms");
- the statements required by rules 9.25, 9.26, 9.27 and 9.29 ("the statements"); and
- the certificate signed in accordance with rule 9.34(a) ("the certificate").

In the case of the certificate, our examination did not extend to paragraph 1 in relation to the statements required by rules 9.30 concerning shareholder controllers and 9.32 concerning general business ceded.

*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. Under rule 9.11 the Forms and statements are required to be prepared in the manner set out in the Rules 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 obtained by us relating to the audit of the financial statements of the company for the financial year. 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 work 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 involves 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.

continued...

## Report of the auditors to the directors pursuant to rule 9.35 (continued)

## AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31st December 2001

*Fundamental uncertainties*

In forming our opinions, we have considered the adequacy of the disclosures made in the returns concerning the following matters:

## (a) Technical provisions

Form 15.12.1 includes gross technical provisions for claims outstanding amounting to £1,557,000 and Form 13.61.1 includes the related reinsurers' share of such provisions amounting to £370,000. As explained in Notes 1505 and 1307, the company has completed its fourteenth year of run-off and accordingly the directors believe incurred claims to be effectively fully developed. Nevertheless, they acknowledge that unexpected future experience may show adjustments are required to these amounts, particularly in respect of:

- (i) assumptions made in estimating claims provisions and in the potential for new sources or types of claim to emerge; and
- (ii) assumptions made in estimating the reinsurers' share of claims outstanding and the appropriate provision in respect of them.

Accordingly, technical provisions could be either over-stated or under-stated with a corresponding impact on available assets. In the event of adjustments to these amounts being required, they will be reflected in the returns for the period in which they arise.

## (b) Reinsurance creditors

Note 2408 refers to reinsurance creditors identified as time barred, amounting to £392,000 that have been written off in the technical account. Due to the inherent uncertainties in the legal process, it is impossible to confirm whether such treatment is appropriate unless all the creditors involved have their claims subsequently denied by the courts.

## (c) Amount anticipated from the liquidators of AA Mutual Insurance Association Limited

Note 1306 refers to the short-term insurance business of AA Mutual Insurance Association Limited, the company's former parent undertaking and major reinsurer, which was placed in liquidation on 24 June 1986. Notwithstanding the fact that the company's claims have been settled in full, subject to exchange movements, Form 13.78.1 includes £21,000 and Form 13.92.1 includes a further £220,000 which the directors anticipate will be received in 2002. We are unable to confirm the recoverability of these amounts as any such distribution by the liquidators requires the prior approval of the Supreme Court in South Africa, which has not yet been sought by the liquidators.

In view of the possible significance of these uncertainties, we consider that they should be brought to your attention. Our opinions are not qualified in these respects.

continued...

**Report of the auditors to the directors pursuant to rule 9.35 (continued)**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31st December 2001

*Opinions*

In our opinion:

- (a) the Forms and statements fairly state the information provided on the basis required by the Rules and have been properly prepared in accordance with the provisions of those Rules; and
- (b) based on 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.

*Moore Stephens*

MOORE STEPHENS  
Registered Auditors  
Chartered Accountants

St Paul's House  
Warwick Lane  
London  
EC4P 4BN

18 March 2002

**Statement of solvency**Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

Financial year ended: **31 December 2001**

	Company Registration number	GL/UK/CM	Period ended			Units	
			Day	month	year		
	R9	1432586	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 BUSINESS****Available assets**

Other than long term business assets allocated towards general business required minimum margin	<b>11</b>	<b>303</b>	<b>317</b>	See instructions 1 and 2
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**Required minimum margin**

Required minimum margin for general business	<b>12</b>	<b>249</b>	<b>232</b>	<b>12</b> . <b>49</b>
Excess (deficiency) of available assets over the required minimum margin (11-12)	<b>13</b>	<b>54</b>	<b>85</b>	

**LONG TERM BUSINESS****Available assets**

Long term business admissible assets	<b>21</b>			<b>10</b> . <b>11</b>
Other than long term business assets allocated towards long term business required minimum margin	<b>22</b>			See instructions 1 and 3
Total mathematical reserves (after distribution of surplus)	<b>23</b>			See instruction 4
Other insurance and non-insurance liabilities	<b>24</b>			See instruction 5
Available assets for long term business required minimum margin (21+22-23-24)	<b>25</b>			

**Implicit items admitted under Rule 2.10**  
**[Regulation 23(5) of the Insurance Companies**  
**Regulations 1994]**

Future profits	<b>31</b>			
Zillmerising	<b>32</b>			
Hidden reserves	<b>33</b>			

Total of available assets and implicit items (25+31+32+33)	<b>34</b>			
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**Required minimum margin**

Required minimum margin for long term business	<b>41</b>			<b>60</b> . <b>69</b>
Explicit minimum margin (1/6 x 41, or minimum guarantee fund if greater)	<b>42</b>			
Excess (deficiency) of available assets over explicit required minimum margin (25-42)	<b>43</b>			
Excess (deficiency) of available assets and implicit items over the required minimum margin (34-41)	<b>44</b>			

**CONTINGENT LIABILITIES**

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

**AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

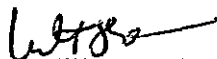
Financial year ended 31 December 2001



.....  
E J Kok  
Director



.....  
P J Elliott  
Director



.....  
K J Shulman  
Company Secretary

**Statement of net assets**Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

Financial year ended: **31 December 2001**

Company Registration number		GL/UK/CM	Period ended			Units
			Day	month	year	
R10	1432586	GL	31	12	2001	£'000

		As at the end of this financial year <b>1</b>	As at the end of the previous year <b>2</b>	Source		
				Form	Line	Column
Long term business - admissible assets	<b>11</b>			<b>13</b>	<b>89</b>	<b>1</b>
Long term business - liabilities and margins	<b>12</b>			<b>14</b>	<b>59</b>	<b>1</b>

Other than long term business - admissible assets	<b>21</b>	<b>4,135</b>	<b>4,602</b>	<b>13</b>	<b>89</b>	<b>1</b>
Other than long term business - liabilities	<b>22</b>	<b>3,832</b>	<b>4,285</b>	<b>15</b>	<b>69</b>	<b>1</b>
Net admissible assets (21-22)	<b>23</b>	<b>303</b>	<b>317</b>			
Other assets allowed to be taken into account in covering the required minimum margin	Unpaid amounts (including share premium) on partly paid shares	<b>24</b>				
	Supplementary contributions for a mutual carrying on general business	<b>25</b>				
Liabilities allowed to be left out of account in covering the required minimum margin	Subordinated loan capital	<b>26</b>				
	Cumulative preference share capital	<b>27</b>				
Available assets (23 to 27)	<b>29</b>	<b>303</b>	<b>317</b>			

**Represented by:**

Paid up share capital (other than cumulative preference share capital)	<b>51</b>	<b>4,750</b>	<b>4,750</b>			
Amounts included in lines 24 to 27 above	<b>52</b>					
Amounts representing the balance of net assets	<b>56</b>	<b>(4,447)</b>	<b>(4,433)</b>			
Total (51 to 56) and equal to line 29 above	<b>59</b>	<b>303</b>	<b>317</b>			

**Movement of balance of net assets for solvency purposes  
- as per line 56**

Balance brought forward at the beginning of the financial year	<b>61</b>	<b>(4,433)</b>	<b>(5,331)</b>	<b>10</b>	<b>56</b>	<b>2</b>
Retained profit/(loss) for the financial year	<b>62</b>	<b>8</b>	<b>35</b>	<b>16</b>	<b>59</b>	<b>1</b>
Movement in asset valuation differences	<b>63</b>	<b>(22)</b>	<b>863</b>	See instruction 2		
Decrease/(increase) in the provision for adverse changes	<b>64</b>			See instruction 3		
Other movements (particulars to be specified by way of supplementary note)	<b>65</b>					
Balance carried forward at the end of the financial year (61 to 65)	<b>69</b>	<b>(4,447)</b>	<b>(4,433)</b>			



**General business: Calculation of required margin of solvency - first method**Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

Financial year ended: **31 December 2001**

		Company registration number	GL/UK/ CM	Period ended			Units	
		R11	1432586	GL	31	12	2001	£'000
					This financial year		Previous year	
					1		2	
Gross premiums receivable		11						
Premium taxes and levies (included in line 11)		12						
Sub-total A (11-12)		13						
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 ECU x 18/100	15					
		Excess (if any) over 10M ECU x 16/100	16					
	Health insurance	Up to and including sterling equivalent of 10m ECU x 6/100	17					
		Excess (if any) over 10m ECU x 16/300	18					
Sub-total B (15 + 16 + 17 + 18)		19						
Claims paid		21			71		78	
Claims outstanding carried forward at the end of the financial year	For business accounted for on an underwriting year basis	22			1,474		1,437	
	For business accounted for on an accident year basis	23			83		83	
Claims outstanding brought forward at the beginning of the financial year	For business accounted for on an underwriting year basis	24			1,437		1,624	
	For business accounted for on an accident year basis	25			83		224	
Sub-total C (21 + 22 + 23 - (24 + 25))		29			108		(250)	
Amounts recoverable from reinsurers in respect of claims incurred in Sub-total C		30			(1)		(32)	
Sub-total D (29 - 30)		39			109		(218)	
First result: Sub-total B x $\frac{\text{Sub-total D}}{\text{Sub total C}}$ (or, if 1/2 is a greater fraction, x 1/2)		41			54			

**General business: Calculation of required margin of solvency - second method, and statement of required minimum margin**Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

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

GL/UK/CM

Period ended

day month year

Units

<b>R12</b>	<b>1432586</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2001</b>	<b>£'000</b>
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				This financial year 1	Previous year 2	Source		
						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	652	902		
Claims outstanding carried forward at the end of the reference period		For business accounted for on an underwriting year basis		22	1,474	1,437		
		For business accounted for on an accident year basis		23	83	83		
Claims outstanding brought forward at the beginning of the reference period		For business accounted for on an underwriting year basis		24	2,022	2,100		
		For business accounted for on an accident year basis		25	128	247		
Sub-total E (21 + 22 + 23 - (24 + 25))				29	59	75		
Sub-total F - Conversion of Sub-total E to annual figure (Multiply by 12 and divide by number of months in reference period)				31	20	25		
Division of Sub-total F	Other than health insurance	Up to and including sterling equivalent of 7M ECU x 26/100	32	5	6			
		Excess (if any) over 7M ECU x 23/100	33					
	Health insurance	Up to an including sterling equivalent of 7M ECU x 26/300	34					
		Excess (if any) over 7M ECU x 23/300	35					
Sub-Total G (32 to 35)				39	5	6		
Second Result: Sub-total G x $\frac{\text{Sub-total D}}{\text{Sub-total C}}$ (or, if 1/2 is a greater fraction, x 1/2)				41	3	3		

First Result	42	54		11	41
Required margin of solvency (the higher of lines 41 and 42)	43	54	3		

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

Name of company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended: 31 December 2001

Category of assets: Total other than long term business assets

	Company registration number	GL/UK/CM	Period ended			Units	Category of assets
			day	month	year		
R13	1432586	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 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 company has a participating interest	30		
Total sheet 1 (11 to 30)				39	

## Analysis of admissible assets

Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

Financial year ended: **31 December 2001**Category of assets: **Total other than long term business assets**

R13	Company registration number	GL/UK/CM	Period ended			Units	Category of assets
			day	month	year		
	1432586	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		
	Other shares and other variable yield securities			42		
	Holdings in collective investment schemes			43		
	Rights under derivative contracts			44		
	Debt securities and other fixed income securities	Fixed interest	Approved securities	45		
			Other	46		
		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	3,416	3,837
		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	370	466	
	Provision for unexpired risks		62			
	Other		63			
Total sheet 2 (41 to 63)			69	3786	4,303	

## Analysis of admissible assets

Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

Financial year ended: **31 December 2001**Category of assets: **Total other than long term business assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
				day	month	year			
		R13	1432586	GL	31	12	2001	£'000	1
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			
		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	49	47	
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	23	23	
				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	276	226	
		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	1	3	
		Deferred acquisition costs				85			
		Other prepayments and accrued income				86			
Deductions (under regulations 57(2)(b) and 57(3) of the Insurance Companies Regulations 1994) from the aggregate value of assets						87			
Total sheet 3 (71 to 86 less 87)						88	349	299	
Grand total of admissible assets (39 + 69 + 88)						89	4,135	4,602	
Reconciliation to asset values determined in accordance with the shareholder Accounts rules									
Total admissible assets (as per line 89 above)						91	4,135	4,602	
Total assets in excess of the admissibility limits of Schedule 12 of the Insurance Companies Regulations 1994, (as valued in accordance with those Regulations before applying admissibility limits)						92	220	198	
Solvency margin deduction for insurance dependants						93			
Other differences in the valuation of assets (other than for assets not valued above)						94			
Assets of a type not valued above, (as valued in accordance with the shareholder accounts rules)						95			
Total assets determined in accordance with the shareholder accounts rules (91 to 95)						99	4,355	4,800	
Amounts included in line 89 attributable to debts due from related companies, other than those under contracts of insurance or reinsurance						100			

**Liabilities (other than long term business)**Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

Financial year ended: **31 December 2001**

	Company registration number	GL/UK/CM	Period ended			Units
			day	month	year	
R15	1432586	GL	31	12	2001	£'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		
	Claims outstanding			12	2,257	2,220
	Provision for unexpired risks			13		
	Equalisation provisions	Credit business		14		
		Other than credit business		15		
	Other			16		
	Total (11 to 16)			19	2,257	2,220
Provisions for other risks and charges	Taxation			21		
	Other			22		
Deposits received from reinsurers				31		
Creditors	Arising out of insurance operations	Direct business	41			
		Reinsurance accepted	42	1,526	2,012	
		Reinsurance ceded	43			
	Debenture loans	Secured	44			
		Unsecured	45			
	Amounts owed to credit institutions			46		
	Other creditors	Taxation	47			
		Recommended dividend	48			
		Other	49	49	53	
Accruals and deferred income				51		
Total (19 to 51)				59	3,832	4,285
Provision for adverse changes (calculated in accordance with regulation 61 of the Insurance Companies Regulations 1994)				61		
Cumulative preference share capital				62		
Subordinated loan capital				63		
Total (59 to 63)				69	3,832	4,285

Amounts included in line 69 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance.	71	
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**Profit and loss account (non-technical account)**Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

Financial year ended: **31 December 2001**

		Company Registration number	GL/UK/CM	Period ended			Units	
				Day	month	year		
		R16	1432586	GL	31	12	2001	£'000
		This financial year		Previous year		Source		
		1		2		Form	Line	Column
Transfer (to)/from the general business technical account	From Form 20	11	(104)	(329)		20 . 59		
	Equalisation provisions	12						
Transfer from the long term business revenue account		13				40 . 26		
Investment Income	Income	14	146	268				
	Value re-adjustments on investments	15						
	Gains on the realisation of investments	16						
Investment charges	Investment management charges, including interest	17						
	Value re-adjustments on investments	18						
	Loss on the realisation of investments	19						
Allocated investment return transferred to the business technical account		20				20 . 51		
Other income and charges (particulars to be specified by way of supplementary note)		21	(34)	96				
Profit or loss on ordinary activities before tax (11 + 12 + 13 + 14 + 15 + 16 - 17 - 18 - 19 - 20 + 21)		29	8	35				
Tax on profit or loss on ordinary activities		31						
Profit or loss on ordinary activities after tax (29-31)		39	8	35				
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	8	35				
Dividends (paid and proposed)		51						
Profit or loss retained for the financial year (49 - 51)		59	8	35				

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

Name of company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31 December 2001

Accounting class: Summary

		Company Registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
				Day	Month	Year			
		R20	1432586	GL	31	12	2001	£'000	99
Items to be shown net of reinsurance			This financial year  1	Previous year  2	Source				
					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	(13)	(24)	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	13	24					
Balance from underwriting year accounting	Per Form 24	31	(117)	(353)	24	69	99-99		
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39	(117)	(353)					
Balance of all years' underwriting (19+29+39)		49	(104)	(329)					
Allocated investment return		51							
Transfer to non-technical account (49+51)		59	(104)	(329)					



**General business: Technical account (excluding equalisation provisions)**Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

Financial year ended: **31 December 2001**Accounting Class: **Accident and Health**

		Company Registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
				Day	Month	Year			
		R20	1432586	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			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	4	2	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	(4)	(2)					
Balance from underwriting year accounting	Per Form 24	31	1		24	69	99-99		
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39	1						
Balance of all years' underwriting (19+29+39)		49	(3)	(2)					
Allocated investment return		51							
Transfer to non-technical account (49+51)		59	(3)	(2)					

**General business: Technical account (excluding equalisation provisions)**Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

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

		Company Registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary		
		R20	1432186	GL	31	12	2001	£'000	2	
Items to be shown net of reinsurance			This financial year	Previous year	Source			Form	Line	Column
			1	2						
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			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								
Allocated investment return		51								
Transfer to non-technical account (49+51)		59								

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

Name of company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended: 31 December 2001

Accounting class: Aviation

		Company Registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
				Day	Month	Year			
		R20	1432186	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	4	305		24	69	99-99	
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39	4	305					
Balance of all years' underwriting (19+29+39)		49	4	305					
Allocated investment return		51							
Transfer to non-technical account (49+51)		59	4	305					

**General business: Technical account (excluding equalisation provisions)**Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

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

		Company Registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	1432586	GL	31	12	2001	£'000	6
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	(2)	(32)	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	2	32					
Balance from underwriting year accounting	Per Form 24	31	(1)	(10)	24	69	99-99		
	Other technical income and charges (particulars to be specified by way of supplementary note)	32							
	Total	39	(1)	(10)					
Balance of all years' underwriting (19+29+39)		49	1	22					
Allocated investment return		51							
Transfer to non-technical account (49+51)		59	1	22					

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

Name of company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended: 31 December 2001

Accounting class: Third Party Liability

		Company Registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
		R20	1432586	GL	31	12	2001	£'000	7
Items to be shown net of reinsurance			This financial year  1	Previous year  2	Source				
					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	(15)	6	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	15	(6)					
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	15	(6)					
Allocated investment return		51							
Transfer to non-technical account (49+51)		59	15	(6)					

**General business: Technical account (excluding equalisation provisions)**Name of company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Global business

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

		Company Registration number	GL/UK/CM	Period ended			Units	Accounting class/ summary	
				Day	Month	Year			
		<b>R20</b>	<b>1432586</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2001</b>	<b>£'000</b>	<b>9</b>

Items to be shown net of reinsurance			This financial year  1	Previous year  2	Source		
					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	(121)	(648)	24	69	99-99
	Other technical income and charges (particulars to be specified by way of supplementary note)	32					
	Total	39	(121)	(648)			
Balance of all years' underwriting (19+29+39)		49	(121)	(648)			
Allocated investment return		51					
Transfer to non-technical account (49+51)		59	(121)	(648)			

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

**Name of Company:** AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

## Global business

Financial year ended: 31 December 2001

Accounting class: **Accident and Health**

		Company registration number	GL/JUK/CM	Period ended			Units	Accounting class	
				day	month	year			
		R21	1432586	GL	31	12	2001	£'000	1

		Gross premiums written		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									
		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	5	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								
		For periods of 12 months	14								
		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									
Total (12 to 16)		19									

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

Name of Company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended: 31 December 2001

Accounting class: Motor

Company registration number	GL/UK/CM	Period ended			Units	Accounting class
		day	month	year		
R21	1432586	GL	31	12	2001	£'000
						2

		Gross premiums written		Reinsurers' share		Net of reinsurance	
		Earned in previous financial years	Earned in this financial year	Earned in previous financial years	Earned in this financial year	Earned in previous financial years	Earned in this financial year
		1	2	3	4	5	6
In respect of risks incepted in previous financial years		11					
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					
	For periods of 12 months	14					
	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					
Total (12 to 16)		19					



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

Name of Company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended: 31 December 2001

Accounting class: Property

Company registration number	GL/JUK/CM	Period ended		Units	Accounting class
		day	month	year	
R21	1432586	GL	31	12	2001
				£'000	6

		Gross premiums written		Reinsurers' share		Net of reinsurance	
		Earned in previous financial years	Earned in this financial year	Earned in previous financial years	Earned in this financial year	Earned in previous financial years	Earned in this financial year
Premiums receivable during the financial year		1		3		5	
In respect of risks incepted in previous financial years		11					
			1		3		5
In respect of risks incepted in previous financial years		12					
In respect of risks incepted in this financial year		13					
For periods of less than 12 months		14					
For periods of 12 months		15					
For periods of more than 12 months		16					
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		19					
Total (12 to 16)							

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

**Name of Company:**

**AAA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

## Global business

Financial year ended: 31 December 2001

Accounting class:

Third Party Liability

		Company registration number	GL/JUK/CM	Period ended			Units	Accounting class	
				day	month	year			
		R21	1432586	GL	31	12	2001	£'000	7
		Gross premiums written		Reinsurers' share		Net of reinsurance			
Premiums receivable during the financial year		Earned in previous financial years		Earned in previous financial years		Earned in previous financial years			
		1		3		5			
In respect of risks incepted in previous financial years		11							
		Earned in this financial year		Earned in this financial year		Earned in this financial year		Unearned at end of this financial year	
		1		3		4		5	
In respect of risks incepted in previous financial years		12							
For periods of less than 12 months		13							
In respect of risks incepted in this financial year		14							
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							
Total (12 to 16)		19							

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

Name of company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended: 31 December 2001

Accounting class: Accident and Health

		Company Registration number	GL/UK/CM	Period ended			Units	Accounting class	
				day	month	year			
		R22	1432586	GL	31	12	2001	£'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	6	3	7	4			
	Reinsurers' share	12	48	18	30				
	Net (11-12)	13	(42)	(15)	(23)	4			
	Claims management costs	14	39		39				
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15							
	Reinsurers' share	16							
	Net (15 - 16)	17							
	Claims management costs	18							
Provision for unexpired risks		19							
Net operating expenses	Commissions	21							
	Other acquisition expenses	22							
	Administrative expenses	23							
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29							
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							
	This financial year	42							
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

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

Name of company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended: 31 December 2001

Accounting class: Motor

			Company Registration number	GL/UK/C M	Period ended			Units	Accounting class	
			R22	1432586	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								
	Reinsurers' share	12								
	Net (11-12)	13								
	Claims management costs	14								
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15								
	Reinsurers' share	16								
	Net (15 - 16)	17								
	Claims management costs	18								
Provision for unexpired risks		19								
Net operating expenses	Commissions	21								
	Other acquisition expenses	22								
	Administrative expenses	23								
	Reinsurance commissions and profit participations	24								
	Total (21+22+23-24)	29								
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								
	This financial year	42								
Split of line 39	Incidents occurring prior to this financial year	51								
	Incidents occurring in this financial year	52								

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

Name of company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended: 31 December 2001

Accounting class: Property

Company Registration number		GL/UK/CM	Period ended			Units	Accounting class
			day	month	year		
R22	1432586	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	
	11	28			28		
	12		2			2	
	13	28	(2)		28	(2)	
nt costs	14	26			26		
	15						
	16						
	17						
nt costs	18						
	19						
	21						
xpenses	22						
enses	23						
issions and	24						
4)	29						
	31						
	32						
nt costs	33						
	39						
s	41						
	42						
g prior to this	51						
in this financial	52						

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

Name of company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended: 31 December 2001

Accounting class: Third Party Liability

		Company Registration number	GL/UK/CM	Period ended			Units	Accounting class	
				day	month	year			
		R22	1432586	GL	31	12	2001	£'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	49	(14)	48	(15)			
	Reinsurers' share	12	4		4				
	Net (11-12)	13	45	(14)	44	(15)			
	Claims management costs	14	60		60				
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15							
	Reinsurers' share	16							
	Net (15 - 16)	17							
	Claims management costs	18							
Provision for unexpired risks		19							
Net operating expenses	Commissions	21							
	Other acquisition expenses	22							
	Administrative expenses	23							
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29							
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							
	This financial year	42							
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

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

Name of Company:

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended:

31 December 2001

Accounting class:

Accident and Health

Accident year ended		Company registration number	GL/UK/CM	Period ended					Units	Accounting class				
				day	month	year								
Month	Year	R23	1432586	GL	31	12	2001	Deterioration/ (surplus) of original reserve %	Claims ratio %					
		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)				
		1	2	3	4	5	6	7	8	9	10	11	12	13
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			(15)	(28)	5	(47)	5	4				
Reconciliation		22												
Total (11 to 22)		29			(15)	(28)	5	(47)	5	4				

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

**Name of Company:**

**AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

## Global business

Financial year ended:

31 December 2001

Accounting class:

## Motor

[illegible]



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

**Name of Company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

## Global business

Financial year ended: 31 December 2001

Accounting class: Property

[illegible]

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

**Name of Company:**

**AAA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

## Global business

Financial year ended:

31 December 2001

Accounting class:

### Third Party Liability

Accident year ended		Company registration number		GL/UK/CM		Period ended			Units		Accounting class			
						day	month	year						
Month	Year	R23	1432586	GL	31	12	2001	£'000	7					
		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 %						
Claims paid (net) during the accident year		Claims outstanding carried forward							Claims paid (net) during this financial year		Total claims paid (net) since the end of the accident year, but prior to this financial year		Claims outstanding (net) as at end of the accident year	
		1	2	3	4	5	6	7	8	9	10	11	12	13
						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
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			(14)	29	15	30	15	(15)				
Reconciliation		22												
Total (11 to 22)		29			(14)	29	15	30	15	(15)				

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

**Name of Company:**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

## Global business

Financial year ended: 31 December 2001

Accounting class: **Accident and Health**

[illegible]

[illegible]

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

**Name of Company:**  
**AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

## Global business

Financial year ended: 31 December 2001

Accounting class: **Property**

Company registration number	GL/UK/CM	Period ended	Units	Accounting class
		day month year		

[illegible]

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

Name of Company:

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended: 31 December 2001

Accounting class: Non proportional treaty

		Company registration number		GL/UK/CM		Period ended				Units		Accounting Class																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
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[illegible]

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

Name of Company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED  
 Global business  
 Financial year ended: 31 December 2001  
 Accounting class: Aviation

		Company registration number		GL/JUK/CM		Period ended				Units		Accounting class				
						day	month	year								
Underwriting year ended		1432586		GL		31		12		2001		£'000		3		
Reported claims outstanding	Gross amount	29	29	12	12	92	92	MM	YY	12	12	98	98	YY	YY	Total all previous columns
		11	191													
Claims incurred but not reported	Gross amount	12	144													144
		13														
Claims management costs	Gross amount	14														
		15	146													
Adjustment for discounting	Gross amount	16														
		17														
Allocation to/(from) another accounting class of anticipated surplus	Gross amount	18														
		19														
Balance of the fund	Gross amount	20														
		21	193													
Provision for unearned premiums	Gross amount	22														
		23														
Provision for unexpired risks	Gross amount	24														
		25														
Deferred acquisition costs	Gross amount	29	193													193



[illegible]

		Company registration number		GL/JK/CM		Period ended			Units		Accounting class						
						day month year											
		R25		1432586		GL		31		12		2001		£'000		6	
		</															

**Name of Company:**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class: **Non Proportional Treaty**

## Global business

**Currency:**

## Sterling

Financial year ended:

31 December 2001

Category: **Miscellaneous and Pecuniary Loss**

[illegible]

**Name of Company:**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class:

## Non-proportional Treaty

## Global business

**Currency:**

## Sterling

Financial year ended: 31 December 2001

Category: **Miscellaneous and Pecuniary Loss**

**Company  
registration  
number**

Monetary  
Units

Business Category

**Currency**

[illegible]

General business (underwriting year accounting) : Analysis of technical provisions by category for treaty reinsurance

Name of Company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**      Accounting class: **Non Proportional Treaty**  
 Global business      Currency: **Sterling**

Financial year ended: **31 December 2001**

Category: **Miscellaneous and Pecuniary Loss**

		Underwriting year ended	Prior underwriting years		Company registration number												GL/UK/CM				Period ended				Monetary Units				Business Category				Accounting Class				Currency																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
					1432586												GL				31				12				2001				£'000				H				9				AA																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
Reported claims outstanding	Gross amount	11	29	29	12	12	93	12	94	12	95	12	96	12	97	12	98	12	99	12	00	01	Total all Previous Columns																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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### General business (underwriting year accounting) : Analysis of technical provisions by category for treaty reinsurance

Name of Company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

Accounting class: **Non Proportional Treaty**

## Global business

Currency: **Sterling**

Financial year ended: 31 December 2001

Category: Miscellaneous and Pecuniary Loss

[illegible]

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

Name of Company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Accounting class: Accident and Health

Global business Currency: Sterling

Financial year ended: 31 December 2001

Risk group: Accident

Accident year ended		Company registration number	GL/UK/CM	Period ended			Monetary Units	Country	Accounting class			
				day	month	year						
Month	Year	R31	1432586	GL	31	12	2001	£'000	AA	1		
		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 1	Reported claims outstanding	In previous financial years 3	In this financial year 4	Reported 5	Incurred but not reported 6	Reported 7	Incurred but not reported 8			
			2									

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

Name of Company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED** Accounting class: **Property**

Global business Currency: **Sterling**

Financial year ended: **31 December 2001**Risk group: **Property Other**

Accident ended	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	Country	Accounting class
		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					
Month	Year	1	2	3	4	5	6	7	8	9	10	11	AA	6
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		5			23	5	23	5					
Total (11 to 22)	29		5			23	5	23	5					
Line 29 expressed in sterling	30					23	5	23	5					



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

Name of Company:

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class: Third Party Liability

Global business

Currency: Sterling

Financial year ended:

31 December 2001

Risk group:

General Third Party

Accident year ended		Company registration number	GL/UK/CM	Period ended			Monetary Units	Country	Accounting class			
				day	month	year						
<div><div>R31</div><div>1432586</div><div>GL</div><div>31</div><div>12</div><div>2001</div><div>£'000</div><div>AA</div><div>7</div></div>												
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	In this financial year	Reported	In this financial 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	19		(14)	33	15	34	15	(15)		
Total (11 to 22)		29	19		(14)	33	15	34	15	(15)		
Line 29 expressed in sterling		30			(14)	33	15	34	15	(15)		

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

**Name of Company:** AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

**Accounting class:** Third party Liability

Global business

Financial year ended: 31 December 2001

**Risk group:**

[illegible]

**Name of Company:**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

**Currency:** Sterling

## Global business

Financial year ended: 31 December 2001

**Risk Group:**

[illegible]

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

Name of Company:

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class: Accident and Health

Global business

Currency: Sterling

Financial year ended:

31 December 2001

Risk group:

Accident

		Company registration number		GL/UK/CM		Period ended		Monetary Units		Country		Accounting class			
		1432586		GL		day month year		£'000		AA		1			
Underwriting year ended		Gross claims paid				Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance on each underwriting year (2 + 3 + 4 - 5 - 6)		Gross earned premiums		Claims ratio %	
Month	Year	In previous financial years 1	In this financial year 2	Reported 3	Incurred but not reported 4	Reported 5	Incurred but not reported 6								
12	2001	14													
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				4									
Total (11 to 21)		29				4									
Line 29 expressed in sterling		30				4									

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

Name of Company: **AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED** Accounting class: **Aviation**  
 Global business Currency: **Sterling**

Financial year ended: **31 December 2001**Risk group: **Aviation**

Underwriting year ended		Company registration number	GL/UK/CM	Period ended			Monetary Units	Country	Accounting class					
				day	month	year								
Month	Year	R34	1432586	GL	31	12	2001	£'000	AA	3				
		Gross claims outstanding brought forward			Balance on each underwriting year (2 + 3 + 4 - 5 - 6)			Gross earned premiums	Claims ratio %					
		Reported		Incurred but not reported		6								
		5	4	3	2									
		Gross claims paid			Gross claims outstanding carried forward									
		In previous financial years	In this financial year	Reported	Incurred but not reported									
		1	2	3	4									
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		(13)	191			198	(20)					
Total (11 to 21)		29		(13)	191			198	(20)					
Line 29 expressed in sterling		30		(13)	191			198	(20)					

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

Name of Company: AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class: Property

Global business

Currency: Sterling

Financial year ended: 31 December 2001

Risk group: Property Other

Underwriting year ended		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance on each underwriting year (2 + 3 + 4 - 5 - 6)		Gross earned premiums		Claims ratio %	
Month	Year	In previous financial years 1	In this financial year 2	Reported 3	Incurred but not reported 4	Reported 5	Incurred but not reported 6						
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			23		2		21					
Total (11 to 21)	29			23		2		21					
Line 29 expressed in sterling	30			23		2		21					

R34	1432586	GL	31	12	2001	£'000	AA	6
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Statement required by Rule 9.25

AA MUTUAL INTERNATIONAL INSURANCE CO LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

MAJOR REINSURERS REPORT

		Connected Company	Premium Ceded in Financial Year £	Amount of Debt at year end £	Deposit £	Anticipated Recovery £
In respect of proportional insurance ceded	1. Polygon Insurance Co. Ltd Le Riche House 50 High Street St Peter Port GUERNSEY	No	0.00	0.00	0.00	0.00
	2. Dai Tokyo Fire & Marine Insurance Company 1-5 Nihonbashi 3-Chome Chou-ku, Tokyo 103 JAPAN	No	-84.67	0.00	146,234.53	0.00
In respect of non- proportional insurance ceded	Lloyd's Lime Street London EC3 England	No	0.00	0.00		144,429.00

**Statement required by Rule 9.26**

**AA MUTUAL INTERNATIONAL INSURANCE CO LIMITED**

**GLOBAL BUSINESS**

**Financial year ended 31 December 2001**

**MAJOR FACULTATIVE REINSURER REPORT**

	Connected Company	Premium Ceded in Financial Year £	Amount of Debt at year end £	Deposit £	Anticipated Recovery £
Home & Overseas The Grange Bishops Cleeve Cheltenham Gloscestershire GL52 4XX	No	0.00	41,755.20		50,944.38



**Statement required by Rule 9.27**

**AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

**GLOBAL BUSINESS**

**Financial year ended 31 December 2001**

***MAJOR CEDANT REPORT***

Name & Address of Cedant	Connected Company	Amount £
Lloyd's Lime Street London EC3M 7HA	No	1,000.49

**Statement required by Rule 9.29**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

**Additional information on derivative contracts**

The investments guidelines operated by the company prohibit the use of derivative contracts, and accordingly the company has not entered into any such contracts during the year ended 31 December 2001.

**Statement required by Rule 9.30**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

**Statement of Shareholder Controllers**

During the whole of the financial year ended 31 December 2001 100% of the share capital of the company was controlled by AAM Holdings Limited.

## Notes to the Return

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

### Supplementary note to Form 10

#### 1001 Reconciliation of net assets

	£'000	£'000
Total assets per Form 13.99	4,355	4,800
Total liabilities per line 15.69	(3,832)	(4,285)
	<hr/>	<hr/>
	523	515
Other movements	-	-
	<hr/>	<hr/>
Capital and reserves per shareholders accounts	523	515
	<hr/>	<hr/>

## Notes to the Return

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

### Supplementary notes to Form 13

#### *1304 Debtors arising out of reinsurance operations*

The company has made its best endeavours to present debtors arising out of reinsurance operations shown in Form 13.74.1 in compliance with FRS5.

#### *1305 Maximum permitted counterparty limit*

The company's assets are held in trust and the trustees' investment policy is to place funds on deposit with credit institutions that have a high quality credit rating. In carrying out this policy no limit is set as how much can be deposited with each institution.

#### *1306 Exposure at year end to large counterparties*

The company had the following exposures at 31 December 2001 in excess of 1% of GBA:

#### AA Mutual Insurance Association Limited ('AAMA')

AAMA was the company's former parent undertaking and major reinsurer. The short-term insurance business of AAMA was placed in liquidation on 24 June 1986 and the company's claims have been settled in full subject to exchange movements.

The liquidators have indicated that they hold residual funds and expect to make a distribution during 2002. Form 13.78.1 includes £21,000 and Form 13.92.1 includes a further £220,000 in respect of this expected distribution. Any such distribution requires the prior approval of the Supreme Court in South Africa, which has not yet been sought by the liquidators.

#### *1307 Technical provisions - Reinsurers' share of claims outstanding*

Form 15.12.1 includes gross technical provisions for claims outstanding amounting to £1,557,000 and Form 13.61.1 includes the related reinsurers' share of such provisions amounting to £370,000. As the company has completed its fourteenth year of run off, the directors believe incurred claims to be effectively fully developed. Nevertheless, they acknowledge that unexpected future experience may show adjustments are required to these amounts, particularly in respect of:

- i) assumptions made in estimating claims provisions and in the potential for new sources or types of claim to emerge; and
- ii) assumptions made in estimating the reinsurers' share of claims outstanding and the appropriate provision in respect of them.

Accordingly, technical provisions could be overstated or understated with a corresponding impact on available assets. In the event of adjustments being required to these amounts, they will be reflected in the returns for the period in which they arise.

## Notes to the Return

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

### Supplementary notes to Form 15

#### *1501 Provision for Adverse Changes*

As explained in note 1701, the company has not entered into any derivative contracts. Accordingly no provision for adverse changes is required.

#### *1504 Creditors arising out of insurance operations*

The company has made its best endeavours to present creditors arising out of reinsurance operations shown in Form 15.42.1 in compliance with FRS5.

#### *1505 Technical provisions - Gross claims outstanding*

Form 15.12.1 includes gross technical provisions for claims outstanding amounting to £1,557,000 and Form 13.61.1 includes the related reinsurers' share of such provisions amounting to £370,000. As the company has completed its fourteenth year of run off, the directors believe incurred claims to be effectively fully developed. Nevertheless, they acknowledge that unexpected future experience may show adjustments are required to these amounts, particularly in respect of:

- i) assumptions made in estimating claims provisions and in the potential for new sources or types of claim to emerge; and
- ii) assumptions made in estimating the reinsurers' share of claims outstanding and the appropriate provision in respect of them.

Accordingly, technical provisions could be overstated or understated with a corresponding impact on available assets. In the event of adjustments being required to these amounts, they will be reflected in the returns for the period in which they arise.

## **Notes to the Return**

**AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED**

**GLOBAL BUSINESS**

**Financial year ended 31 December 2001**

### **Supplementary notes to Form 16**

#### ***1601 Basis of foreign currency conversion***

The general business technical accounts are maintained in three currencies, Sterling, US Dollars and Canadian Dollars.

The opening balances on the United States Dollar and Canadian Dollar general business technical accounts are translated into Sterling at the rates ruling at 31st December 2001. The resulting revaluation adjustment is shown in the general business technical account, as part of the change in the provision for claims figure for the year. Revenue transactions are translated at the rates ruling at the date of settlement. Unsettled revenue transactions and the related asset and liability balances at 31st December 2001 in currencies other than Sterling, are translated at the appropriate year end rates.

#### ***1603 Other income and charges***

Amounts shown in Form 16.21.1 relate to foreign exchange movements.

**Notes to the Return**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

**Supplementary note to Form 17**

*1701 Derivative Contracts*

The company has not entered into any derivative transactions during the year under review. As permitted by Interim Prudential Guidance Note 9.1 "Preparation of Returns" no Form 17 has been included in this return, because the company has no transactions which qualify to be reported for the year ended 31st December 2001 or for the previous year.



## **Notes to the Return**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

### **Supplementary notes to Form 20**

#### ***2002 Analysis between UK and Overseas business***

For all accounting classes there are no gross premiums written.

#### ***2003 Date of last new contract***

On 4 December 1987, at the request of the company, the Department of Trade and Industry withdrew the authorisation of the company to effect contracts of insurance. Accordingly no new contracts of insurance have been effected since that date.

#### ***2007 Concessions***

On 9 October 1980, the company was given a concession by the Department of Trade and Industry to account for certain classes of business on a three-year basis.

Under the new regulations, this business is now accounted for on an underwriting year basis. Accordingly, the Company considers the classes of business as being managed together.

#### ***2008 Material connected-party transactions***

There were no material connected-party transactions in the financial year to be reported under rule 9.39.

## Notes to the Return

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

### Supplementary notes to Form 22

#### 2202 Provision for future claims handling costs

A provision of £700,000 (2000: £700,000) has been made for future claims handling costs, net of anticipated investment income. This provision has been allocated between accident years and underwriting years by reference to the value of outstanding claims. The provision has been included in this return as follows:

	Form 22			Form 25				Total per return £'000
	1	6	7	1	3	6	9	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Provision for future claims handling costs	39	26	60	4	146	5	420	700

#### 2209 Reconciliation of administration and other costs in the return to those in the financial statements

The following expenses and other costs included in the financial statements as

Administrative expenses	514
Items arising from the run off of the WF Portfolio of business	1
Increase in amount anticipated from AAMA	(100)
Decrease in provision for doubtful debts	(5)
	<hr/>
	410

have been included in the return as administrative expense on Form 24.43.01 (accounting class 9).

**Notes to the Return**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

**Supplementary note to Form 23**

**2303 *Analysis of net claims***

As reinsurance recoveries are in excess of the claims outstanding for accounting classes 6 and 7, claims paid (net) during this financial year are shown as negative.

## Notes to the Return

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

### Supplementary notes to Form 24

#### 2401 Amounts brought forward

Amounts brought forward differ from the amounts carried forward due to exchange movements.

#### 2402 Reporting Basis/Basis of Profit Recognition

Certain classes of business are accounted for on an underwriting year basis because the nature of the business accepted was such that underwriting results could not be established with sufficient accuracy under the annual basis. These classes of business are: accident, aviation, property and excess loss/general treaty.

Under the non annual underwriting basis of accounting, premiums, claims and expenses were carried forward as a provision and profit recognition was deferred until the end of the third year from the start of any underwriting year. Any anticipated underwriting losses were recognised as soon as they were foreseen.

#### 2404 Claims Management Costs

The directors are preparing an updated run-off plan for the company and have made provision for future claims handling costs, net of anticipated investment income. Refer to note 2202 for further details.

#### 2408 Reinsurance creditors

Reinsurance creditors identified as time-barred amounting to £392,000 have been credited to the technical account as follows:

Class	Form 24				Total per return £'000
	1 £'000	3 £'000	6 £'000	9 £'000	
Form:					
Form 24.43.29	-	-	-	392	392

Time bar analysis on remaining liabilities will continue on an ongoing basis.

#### 2409 Reconciliation of administration and other costs in the return to those in the financial statements

The following expenses and other costs included in the financial statements as

Administrative expenses	514
Items arising from the run off of the WF Portfolio of business	1
Increase in amount anticipated from AAMA	(100)
Decrease in provision for doubtful debts	(5)
	<hr/>
	410

have been included in the return as administrative expense on Form 24.43.01 (accounting class 9).

## Notes to the Return

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

### Supplementary notes to Form 25

#### 2504 Surplus for offset

On 9 October 1980, the company was given a concession by the Department of Trade and Industry to account for certain classes of business on a three year basis.

Under the new regulations, this business is now accounted for on an underwriting year basis. Accordingly, the company considers the classes of business as being managed together.

#### 2508 Provision for future claims handling costs

As explained in note 2404, a provision of £700,000 has been made for future claims handling costs, net of anticipated investment income. This provision has been allocated between underwriting years and accident years by reference to the value of outstanding claims. The provision has been included in this return as follows:

Class	Form 25				Form 22			Total per return £'000
	1	3	6	9	1	6	7	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Provision for future claims handling costs	4	146	5	420	39	26	60	700

**Notes to the Return**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

**Supplementary note to Form 28**

*2801 Amounts Brought Forward*

Amounts brought forward differ from the amounts carried forward due to exchange movements.

**Notes to the Return**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

**Supplementary note to Form 29**

*2901 Surplus for offset*

On 9 October 1980, the company was given a concession by the Department of Trade and Industry to account for certain classes of business on a three year basis.

Under the new regulations this business is now accounted for on an underwriting year basis. Accordingly, the Company considers the classes of business as being managed together.

**Notes to the Return**

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2001

**Supplementary note to the Directors' Certificate**

In respect of the company's business which is not excluded by rule 7.6, the assets held throughout the financial year enabled the company to comply, except in relation to the Sterling currency, with rules 7.1 to 7.5 (matching and localisation).