AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED RETURNS TO

THE FINANCIAL SERVICES AUTHORITY

31ST DECEMBER 2003

Returns under the Accounts and Statements Rules of Part 1 of Chapter 9 to the Interim Prudential Sourcebook for Insurers made by the Financial Services Authority under the Financial Services and Markets Act 2000

E11 *ERT3Z090* 0015
COMPANIES HOUSE 12 F12

General insurance business: Calculation of required margin of solvency - first method and brought forward amount

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

				Company		GL/UK/CM		Period en		Units
			R11	1432586		GL	day 31	month 12	year 2003	£000
				I		This financi year	al		Previous year	6
Gross premiums r	receivable				11	1			2	
Premium taxes ar	nd levies (inclu	ded in line 11)			12	···		<u> </u>		. <u> </u>
Premiums receiva	able net of taxe	s and levies (11- 12)			13	 -				
Premiums for clas	sses 11,12 or 1	3 (included in line 13)			14					
Sub-total A	(13 + 1/2	14)			15					
Adjusted Sub period to produ		nancial year is not a 12 m ial figure	nonth		16					
Division of	Other than health	Up to and including sterling equivalent of 50M EURO x 0.	18		17	•				
Sub-total A (or adjusted	insurance	Excess (if any) over 50M EURO x 0.16			18					
Sub-total A if appropriate)	Health	Up to and including sterling equivalent of 50M EURO x 0.	06		19					
_	insurance	Excess (if any) over 50M EURO x 0.16/3			20			_		
Sub-total B (1	17+18+19+2	0)		_	21					
Gross premiums	earned				22					
Premium taxes ar	nd levies (inclu	ded in line 22)			23					
Premiums receiva	able net of taxe	s and levies (22- 23)		_	24					
Premiums for clas	sses 11,12 or 1	3 (included in line 24)			25					
Sub-total H	(24 + 1/2 2	<u> </u>			26					
Adjusted Sub period to produ		nancial year is not a 12 m Ial figure	nonth		27					
Division of	Other than health	Up to and including sterling equivalent of 50M EURO x 0.	18		28					
Sub-total H (or adjusted	insurance	Excess (if any) over 50M EURO x 0.16			29					
Sub-total H if appropriate)	Health	Up to and including sterling equivalent of 50M EURO \times 0.	06		30					
	insurance	Excess (if any) over 50M EURO x 0.16/3			31					
Sub-total I (28	8+29+30+31)			32					

General insurance business: Calculation of required margin of solvency - first method and brought forward amount

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

			Company registration number		GL/UK/CM		Period (ended year	_ Units
		R11	14325	86	GL	31	12	2003	£000
					This financ	ial		Previou year	ıs
					_ 1			2	
Sub-total J (greater of	sub-total B and sub-tota	al I)		40	•				•
Cl;aims paid in period of 3 fin	ancial years		"	41	381			388	3
Claims outstanding carried forward at the end of the	For insurance business according underwriting year basis	ounted for on		42	528			623	3
3year period	For insurance business accordance described accordance business accordance for insurance business accordance business accordan	ounted for on	an	43	72			88	
Claims outstanding brought forward at the beginning of	For insurance business according underwriting year basis	ounted for on		44	1437			1474	1
the 3 year period	For insurance business accordent year basis	ounted for on	an	45	83			83	
Sub-total C (41+42+43	-44-45)			46	(539)			(458)
Amounts recoverable from re of claims included in Sub-tota	•		. <u> </u>	47	(9)			1	
Sub-total D (46-47)				48	(530)			(459))
First result Sub-total J x Sub-total C	al D (or if 1/2 is agreater fract	ion, x1/2)		49					
Provision for claims outstand	ing (before discounting and n	et of reinsura	nce)	50				. =	
Brought forward amount (12.43.2 x 50.1	/ 50.2 or, if less 12.43.2)			51					
Greater of lines 49 and 51			_	52					

General insurance business: Calculation of required margin of solvency - second method, and statement of required minimum margin

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial y	ear ended	31st December 2003			Company registration number	GL/UK/C	M Per	iod ende		Units
			R12		1432586	G	L 31	12		£000
				•	This financ	ial	Previous year		S	ource
					1		2		Form	Line
		nancial years) insert "0" if there is	T	11						
no referenc	e period otherw	ise insert "3" or "7"	<u> 3</u>						See in	struction 1
Claims paid	I in reference pe			21	381		537			
Claims outs	standing carried	For insurance business accounted for on an underwriting year basis		22	528		623			
forward at t the referen		For insurance business accounted for on an accident year basis	·	23	72		88			
Claims outs	standing brought	For insurance business accounted for on an underwriting year basis		24	1,437		1,624			
forward at t the referen		For insurance business accounted for on an accident year basis		25	83		224			
Sub-total I	(21+22+23-(24	1+25)		29	(539)		(600)			
		Sub-total E to an annual figure (Mult r of months in reference period)	tiply	31	(180)		(200)			
	Other than	Up to and including sterling equivalent of 35M EURO x 26/100	ent	32						
Division of	health insurance	Excess (if any) over 35M EURO x	23/100	33						
Sub-total F	 Health	Up to and including sterling equivale of 35M EURO x 26/300	ent	34						
	Insurance	Excess (if any) over 35M EURO x 2	23/300	35		-	· · ·		1	
Sub-total (3 (32 to 35)			39						
Second re	sult: Sub-total G	3 x Sub-total D (or if 1/2 is a greate Sub-total C fraction x 1/2)	er .	41						
First result				42					11 5	52
Required n	nargin of solveno	cy (the higher of lines 41 and 42)		43					<u> </u>	
				Γ					·	
Minimum g	uarantee fund			44	275		253		L	
Required a	ninimum marain	(the higher of lines 42 and 44)		40						
L		(the higher of lines 43 and 44)		49	275	Щ.	253			

Directors' certificate pursuant to rule 9.34 (a)

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31st December 2003

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 enquires 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 Elliot Director Hampden Legal Plc Company Secretary

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

AA MUTUAL INTERNATIONAL INSURANCE COMPANY

GLOBAL BUSINESS

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;

Our audit work has been undertaken so that we might state to the FSA those matters we are required to state to them in an auditors 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 FSA as a body for our audit work, for the report or for the opinions we have formed.

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 opinion 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 opinion

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 involved a review of the procedures undertaken by the signatories to enable them to make the statements therein, and does not extend to an evaluation of the effectiveness of the company's internal control systems.

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 2003

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 £825,000 and Form 13.61.1 includes the related reinsurers' share of such provisions amounting to £102,000. As explained in Notes 1505 and 1307, the insurer has completed its sixteenth 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 £252,000, that have been charged to the technical account. At 31 December 2003 the cumulative amount of such items written back to the technical account amounted to £1,728,751. 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.

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.

Opinions

In our opinion:

- (a) the Forms and statements fairly state the information provided on the basis required 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.

SEYMOUR TAYLOR Chartered Accountants Registered Auditor High Wycombe Buckinghamshire HP11 1BS 15 March 2004

Ac

Statement of solvency

Name of insurer	AA MUTUAL INTERNA	ATIONAL	INSURANCE	COMP	ANY LIM	IITED)			
Global business										
Financial year ended	31st December 2003		Company registration number	GL/Uł			riod en month	ded year	_	Units
		R9	1432586	G	L	31	12	2003		2000
		<u>-</u> -	As at the en this financ year		As at the the pro				Sourc	
			1			2		Form	Line	Column
GENERAL INSURAN				•						
Other than long term business general business required min		11	286		2	63		See ins		าร
Required minimum margin									_	
Required minimum margin for	-	12	275		2:	:53		12	49	
Excess (deficiency) of availab minimum margin (11-12)	le assets over the required	13	11		1	10				
LONG TERM INSURA	ANCE BUSINESS									
Long term insurance business	s admissable assets	21						10	11	
Other than long term insurance long term insurance business	e business assets allocated tow required minimum margin	ward: 22						See ins		าร
Total mathematical reserves (23		1				See ins	struction	1 4
Other insurance and non-insu	rance liabilities	24						See ins	struction	n 5
Available assets for long term minimum margin (21+22-23-2	•	25								
Implicit items admitted under the Insurance Companies R	er Rule 2.10 [Regulation 23(5) legulations 1994]	of		_						
Future profits		31								
Zillmerising		32								
Hidden reserves		33								
Total of available assets and i	implicit items(25+31+32+33)	34					<u> </u>			<u></u>
Required minimum margin			<u> 1</u>							
Required minimum margin for	long term insurance business	41						60	69	
Explicit required minimum ma quarantee fund if greater)	rgin (1/6 x 41, or minimum	42	 							
	le assets over explicit required	43								
	ole assets and implicit items ove (34-41)	er 44								
CONTINGENT LIABIL										
Quantifiable contingent liabilities in rebusiness as shown in a supplementa	espect of other than long term insurance ary note to Form 15	e 51			<u></u> _	·		See in:	struction	n 6_
	espect of long term insurance business	^{as} 52						See ins		

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31 December 2003

EJ Kok Director

PJ Elliot Director

Hampden Legal Plc Company secretary

15 Hardh 2004

Statement of net assets

Name of Insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

- Clobal business										
Financial year ended	31st December 2003		Company registration	GL/UK	/CM	Peri	od ended	d		Units
			number		_	day	month	year	_	
		R10	1432586	Gl	- [31	12	2003	3	0003
			As at the er			the end			Source	e
			this financ year	cial	the pr	evious	year			٠
	-	,	1			2		Form	Line	Column
Long term insurance busine	ss - admissable assets	11						13	89	1
Long term insurance busine	ss - liabilities and margins	12						14	59	1
Other than Long term insurance	business - admissable asset	s 21	1,885			2,297		13	89	1
Other than Long term insura	ince business - liabilities	22	1,599			2,034		15	69	1
Net admissable assets (21-2	22)	23	286		**	263			•	
Other assets allowed to be taken into account in	Unpaid amounts (including share premium) on partly pashares	aid 24								
covering the required minimum margin	Supplementary contibutions for a mutual carrying on general business	25								
Liabilities allowed to be left out of account in	Subordinated loan capital	26							,	
covering the required minimum margin	Cumulative preference shar	re 27								
Available assets (23 to 27)		29	286			263				_
Represented by:			· '	•						
Paid up share capital (other preference share capital)	than cumulative	51	4,750			4,750			··········	·····
Amounts included in lines 2	4 to 27 above	52								
Amounts representing the b	alance of net assets	56	(4,464)		(4,487)				,
Total (51 to 56) and equal to	line 29 above	59	286			263				·····
Movement of balance of net a	ssets for solvency		'	······································						
purposes - as per line 56			1			_				 -
Balance brought forward at financial year	the beginning of the	61	(4,487	r)		(4,447)	1	10	56	2
Retained profit/(loss) for the	financial year to date	62	(25	6)		20		16	59	
Movement in asset valuation	n differences	63	279			(60)			nstruct	
Decrease/(increase) in the p	provision for adverse	64				<u> </u>	寸	<u> </u>		
changes Other movements (particula	rs to be specified by			+			_	See ir	nstruct	ion 3
way of supplementary note)	· · · · · · · · · · · · · · · · · · ·	65								
Balance carried forward at to (61 to 65)	ne end of the financial yea	r 69	(4,464)		(4,487)]			

General insurance business: Calculation of required margin of solvency - first method

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

				Company registration number	1	GL/UK/CM	———day	Period en	ded year	Units
			R11	14325	586	GL	31	12	2003	2000
						This financ year	ial		Previou year	S
						1			2	
Gross premiums r	eceivable				11	•			-	
Premium taxes ar	nd levies (inclu	ded in line 11)			12	-			-	
Sub-total A	(11-12)				13	-			-	_
Adjusted Sub- period to produ		ncial year is not a 12 month al figure			14	-			-	
Division of	Other than health	Up to and including sterling equivalent of 10M EURO x 18/100)		15	-			-	
Sub-total A (or adjusted	insurance	Excess (if any) over 10M EURO x 16/100			16				-	
Sub-total A if appropriate	Health	Up to and including sterling equivalent of 10M EURO x 6/100			17	<u>-</u>			•	
	insurance	Excess (if any) over 10M EURO x 16/300			18	<u>.</u>			-	
Sub-total B (1	15+16+17+1	8)			19	-			-	
Cl;aims paid					21	(78)			388	
Claims outstandin carried forward at	•	For insurance business accounted an underwriting year basis	d for on		22	528	,		623	
end of the financia year		For insurance business accounted accident year basis		1	23	72			88	
Claims outstandin brought forward a	_	For insurance business accounted an underwriting year basis			24	623			1474	
beginning of the financial year		For insurance business accounted accident year basis	for on ar	1	25	88			83	
Sub-total C (2	21+22+23-(2	24+25)			29	(189)			(458)	
Amounts recovera		•			30	(9)			1	
Sub-total D (2					39	(180)			(459)	_
First result Sub-total B	x Sub-total D Sub-total C	_(or, if 1/2 is a greater fraction, x1/2	?)		41	•				

General insurance business : Calculation of required margin of solvency - second method, and statement of required minimum margin

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial yea	ar ended	31st December 2003			Company registration number	GL/UK/CM	I	Period en	ded year	_	Units
			R12		1432586	GL	31	12	2003		£000
					This financia	al	Previous	5		Sourc	9
					year 1		year 2		Form	Line	Column
		nancial years) insert "0" if there is		11	1						
		se insert "3" or "7"	3						See ins	structi	on 1
Claims paid in	reference pe			21 	381		537				
Claims outsta	nding carried	For insurance business accounted for on an underwriting year basis		22	528		623				ł
forward at the the reference		For insurance business accounted for on an accident year basis	j	23	72		88				
1		For insurance business accounted for on an underwriting year basis		24	1,437		1,624	i			
forward at the the reference		For insurance business accounted for on an accident year basis		25	83		224				
Sub-total E (2	21+22+23-(24	+25)		29	(539)		(600)			
		Sub-total E to an annual figure (Mu r of months in reference period)	ltiply	31	(180)		(200))			
:	Other than	Up to and including sterling equive of 7M EURO x 26/100	alent	32	-		-				
Division of	health insurance	Excess (if any) over 7M EURO x	23/100	33	_		-				
Sub-total F	Health	Up to and including sterling equival of 7M EURO x 26/300	alent	34	-						
	Insurance	Excess (if any) over 7M EURO x	23/300	35	-		_				
Sub-total G (32 to 35)			39	-		_	l			
Second resu	It Sub-total G	x <u>Sub-total D</u> (or if 1/2 is a great Sub-total C fraction x 1/2)	er	41	-		-				
										<u> </u>	
First result				42			-		11	41	
Required mar	gin of solvenc	ey (the higher of lines 41 and 42)		43	_		_				
						<u> </u>					
Minimum gua	rantee fund			44	275		253				
						 {	<u> </u>				
Hequired min	ımum margin ı	(the higher of lines 43 and 44)		49	275		253				

Analysis of admissable assets

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Category of assets

Total other than long term insurance business assets

				Company registration	GL/UK/CM			Period ende		Units	Category of
		ſ		number	(day	month	year		Assets
			R13	1432586	GL		31	12	2003	£000	1
Investments								t the er is financ year			the end of previous year
								1			2
Land and buildings						11					
	UK insurance business	Shar	es			21					
	dependants	Debt	securities iss	ued by, and loans to,	dependants	22					- · · · -
	Other insurance	Shar	ės			23					
	dependants	Debt	securities iss	ued by, and loans to,	dependants	24					
Investments in group undertakings	Non-insurance	Shar	es			25					
and participating interests	dependants	Debt	securities iss	ued by, and loans to,	dependants	26					
		Shar	es			27					_
	Other group undertakings and		securities iss rtakings	ued by, and loans to,	group	28					
	participating interests	Partie	cipating intere	ests		29					
				ued by, and loans to nas a participating int		30					
Total sheet 1(11 to 30))					39					

Analysis of admissable assets

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Category of assets

Total other than long term insurance business assets

				Company registration	GL/UK/CM			Period end	ed	Units	Category of
		r		number	···		day	month	year	£000 As at the the pre- ye. 2	Assets
			R13	1432586	GL		31	12	2003	£000	1
Deposits wi	(continued) th ceding undert to cover linked l							the end financial year 1	of	As at the the pre	vious ar
	Equity shares					41		<u>.</u>			
	Other shares and oth	ner variable	yield secur	ities		42					
	Holdings in collective	investment	t schemes			43					
	Rights under derivati	ve contracts	<u> </u>			44					
		Fixed intere	est	Approved sec	urities	45		_			
	Debt securities and			Other		46					
	other fixed income securities	Variable int	terest	Approved sec	urities	47					
				Other		48					
Other financial nvestments	Participation in Inves	tment pools				49					
	Loans secured by m	ortgages	•			50					
		Loans to pu		al authorities and na ings	tionalised	51				· · · · · · · · · · · · · · · · · · ·	
	Other loans	Loans secuinsurer	ared by pol	icles of insurance is:	sued by the	52					
		Other				53					
	Deposits with approved credit institutions and	Withdrawal	subject to	a time restriction of	one month or less	54		1,287		2,0	02
	approved financial institutions	Withdrawal month	subject to	a time restriction of	more than one	55					
	Other					56					
Deposits with ce	eding undertakings					57					
Assets held to n	natch linked liabilities	Index linke	d			58					
		Property lin	nked			59					
		Provision fo	or unearne	d premiums		60					
Reinsurers shar	e of technical	Claims out	standing			61		102		13	31
orovisions		Provision fo	or unexpire	d risks		62					
		Other				63					
Total sheet 2 (4	1 to 63)					69		1,389		2.1	33

Analysis of admissable assets

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Global business											
Financial year en	ded	31st Dece	ember 20								Cut
Category of asset	ts			Company registration	GL/UK/CM			Period end	ed	Units	Category of
Total other than lon	g term insurand	e business	r	number			day	month	year		Assets
assets			R13	1432586	GL		31	12	2003	£000	1
Debtors Other assets								the end financial year 1		As at the the prev yea 2	vious
Debtors arising out ofdirect insurance	Policyholders					71					
operations	Intermediaries					72					
Salvage and subroga	tion recoveries					73		-			•
Debtors arising out of reinsurance	Due from ceding accepted	g insurers an	d intermedi	aries under reinsura	nce business	74		-			
operations	Due from reinsu	irers and inte	rmediaries	under reinsurance o	ontracts ceded	75		41		50)
	Due from	Due in 12 m	onths or le	ss after the end of th	ne financial year	76				-	
Other debtors	dependants	Due more th	nan 12 mor	nths after the end of	the financial year	77					
Other designs	Other	Due in 12 m	onths or le	ss after the end of th	ne financial year	78	<u> </u>			. 2	1
		Due more th	nan 12 mor	ths after the end of	the financial year	79					
Tangible assets						80					
Cash at bank and in	1 '	-		on withdrawal with a utions and local auth	•	81		454		93	<u> </u>
hand	Cash in hand		_			82					
Other assets (particu	lars to be specifi	ed by way of	supplemen	itary note)		83					
	Accrued interes	t and rent				84		11			
Prepayments and accrued income	Deferred acquis	ition costs				85					
	Other prepayme					86					
Deductions (under re 1994) from the aggre			of the Insur	ance Companies Re	gulations	87		=		-	
Total sheet 3 (71 to 8	66 less 87)		_			88		496		16	4
Grand total of admiss	sable assets (39	+69+88)			_	89		1,885		2,29	97
Reconciliation to		s determi	ned in ac	cordance with	the						
shareholder acc			-				l				
Total admissable ass	`			Cabadula 10 of the	nouvenes Componies	91		1,885		2,29	97
					nsurance Companies ng admissability limits)	92		-		27	'9
Solvency margin ded	····	·		· · · · · · · · · · · · · · · · · · ·		93					
Other differences in t	he valuation of a	ssets (other t	han for ass	sets not valued abov	e)	94					_
Assets of a type not	valued above (as	valued in ac	cordance v	vith the shareholder	accounts rules)	95					
Total assets determin	ned in accordanc	e with the sh	areholder a	accounts rules (91 to	95)	99		1,885		2,57	76

100

Amounts included in line 89 attributable to debts due from related companies, other than those under

contracts of insurance or reinsurance

Liabilities (other than long term insurance business)

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year er	nded 31st December 20	03	Company registration number	GL/	UK/CMF	eriod end		Units
		R15	1432586	(GL 3	1 12	2003	£000
		S.m.			As at the e this finan year			t the end of previous year 2
	Provision for unearned premiums			11	-			
	Claims outstanding			12	825			1,161
Technical	Provision for unexpired risks		·····	13				·
provisions		Credit bus	iness	14				
gross amount)	Equalisation provisions	Other than	credit business	15				
	Other			16				
	Total (11 to 16)			19	825			1,161
Provisions for othe	Taxation			21				
isks and charges	Other			22				
Deposits received t	from reinsurers			31				
		Direct bus	iness	41	-			-
	Arising out of insurance operations	Reinsuran	ce accepted	42	731			828
		Reinsuran	ce ceded	43				
	Debenture loans	Secured		44				
Creditors		Unsecured	3	45				
	Amounts owed to credit institutions			46				
		Taxation		47	-			-
	Other creditors	Recomme	nded dividend	48				
		Other		49	43	}		45
Accruals and defer	red income			51				
Total (19 to 51)				59	1,599)		2,034
	se changes calculated in accordance ies Regulations 1994]	with Rule 5.3	[regulation 61 of the	61				
Cumulative prefere				62				
Subordinated loan	capital	··	19.7., .	63				
Total (59 to 63)				69	1,599)		2,034
	in line 69 attributable to liabilities to re	ated insurers	s, other than	71				

Profit and loss account (non-technical account)

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

31st December 2003 Financial year ended Company GL/UK/CM Period ended Units registration number day month year **R16** 0003 1432586 GL 31 12 2003 This financial **Previous** Source year year Form Transfer (to)/from the From Form 20 11 189) 78 59 general insurance 20 business technical Equalisation provisions 12 account Transfer from the long term insurance business revenue 13 account 26 Income 14 19 41 Value re-adjustments on Investment income 15 investments Gains on the realisation of 16 investments investment management 17 charges, including interest Value readjustments on Investment charges 18 investments Loss on realisation of 19 investments Allocated investment return transferred to the general 20 business technical account 51 20 Other income and charges (particulars to be specified 21 by way of supplementary note) (86)(99)Profit or loss on ordinary activities before tax 29 (11+12+13+14+15+16-17-18-19-20+21) 256) 20 Tax on profit or loss on ordinary activities 31 Profit or loss on ordinary activities after tax (29-31) 39 256) 20 Extraordinary profit or loss (particulars to be specified 41 by way of supplementary note) Tax on extraordinary profit or loss 42 Other taxes not shown under the preceding items 43 Profit or loss for the financial year to date (39+41-(42+43)) 49 256) 20 Dividends (paid and proposed) 51 Profit or loss retained for the financial year to date (49-51) 59 20 (256)

Analysis of derivative contracts

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Insurance Business

Other than long term

Financial year ended

31st December 2003

Category of assets

l otal

			Company registration		GL/UK/CM	P	eriod end	led	Units	Category
			number			day	month	year		Assets
		R17	1432586		GL	31	12	2003	2000	1
		Α	s at the end of t	his fir	nancial year	As at	the er	nd of the	e previou	s year
Derivative cont	racts		Assets		Liabilities		Assets	5	Liabil	ities
			1		2		3		4	
	Fixed interest securities	11	•		-					
	Equity shares	12	- -		-		-			
Futures contracts	Land	13	-		-		-		_	
	Currencies	14			-		_		-	
	Other	15			-		_		_	
	Fixed interest securities	21	,		-		-			
	Equity shares	22	•		-		_		-	
Options	Land	23			-				-	
	Currencies	24			•		-			,
	Other	25	-		-		-	_		
	Fixed interest securities	31	,		-	:	-		-	
	Equity shares	32			- -				-	
Contracts for differences	Land	33			-		_		-	
	Currencies	34	•		-		-			
	Other	35			-					
Adjustments for vari	ation margin	41			-		-		-	
Total (11 to 41)		49			 				_	

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Summary

			Company registration number		GL/UK/CM		riod en month		Unit	s	Accour class/ summa	-
		R20	1432586		GL	31	12	2003	£0	00		99
		-			This financia		Pre	vious y	ear	Sc	ource	1
Items to be sho	own net of reinsurance				year 1			2		Form	Line	Column
	Earned premium			11						21	19	5
	Claims incurred			12						22	17	4
	Claims management costs			13						22	18	4
This year's underwriting	Adjustment for discounting			14						22	52	4
(accident year accounting)	Increase in provision for unexpired risk	(S		15	1					22	19	4
accounting)	Other technical income or charges (pa specified by way of supplementary not		to be	16							-,-	
	Net operating expenses			17						22	42	4
	Balance of years underwriting (11-12-	13+14-15	5+16-17)	19				·				
	Earned premium			21						21	11	5
	Claims incurred			22	(15)			5		22	13	4
Adjustment for prior year's	Claims management costs			23	(65)			(25)		22	14	4
underwriting	Adjustment for discounting			24						22	51	4
(accident year accounting)	Other technical income or charges (pa specified by way of supplementary not		to be	25								
doodining	Net operating expenses			26					_	22	41	4
	Balance (21-22-23+24+25-26)			29	80			20			,,	
	Per Form 24	***************************************		31	(269)			58		24	69	99-99
Balance from underwriting ye accounting	Other technical income and charg at to be specified by way of supplem			32								
	Total			39	(269)			58				
Balance of all y	ears underwriting (19+29+39)			49	(189)			78				***
Allocated inves	tment return			51	-							
Transfer to non	technical account (49+51)			59	(189)			78				

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Accident and Health

			Company registration number		GL/UK/CM		riod en month		Unit	ts	Accou class/ summ	•
		R20	1432586		GL	31	12	2003	£0	00		1
				-	This financia year	I	Pre	vious y	ear	S	ourc	e
Items to be sh	own net of reinsurance				1			2		Form	Line	Columr
	Earned premium			11						21	19	5
	Claims incurred			12						22	17	4
	Claims management costs			13						22	18	4
This year's underwriting	Adjustment for discounting			14						22	52	4
(accident year accounting)	Increase in provision for unexpired ri	sks		15						22	19	4
accounting,	Other technical income or charges (p specified by way of supplementary n		to be	16								
	Net operating expenses		:	17						22	42	4
	Balance of years underwriting (11-12	-13+14-15	5+16-17)	19								
	Earned premium			21						21	11	5
	Claims incurred			22	8			-		22	13	4
Adjustment for prior year's	Claims management costs			23	(20)			(9)		22	14	4
underwriting	Adjustment for discounting			24						22	51	4
(accident year accounting)	Other technical income or charges (p specified by way of supplementary n		to be	25								
, J	Net operating expenses	 		26						22	41	4
	Balance (21-22-23+24+25-26)			29	12			9				
	Per Form 24			31	-			2		24	69	99-99
Balance from underwriting ye accounting	Other technical income and character to be specified by way of supple	- "		32								
3	Total			39	-			2	ᅦ			
Balance of all y	rears underwriting (19+29+39)			49	12			11				
Allocated inves	tment return			51	-			-				
Transfer to non	technical account (49+51)			59	12			11				······································

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Motor

			Company registration number		GL/UK/CM		riod er month	nded year	Unit	ts	Accou class/ summ	,
		R20	1432586	_	GL	31	12	2003	£0	00		2
Items to be sh	own net of reinsurance			-	This financia year 1	ıl	Pre	vious y	ear	Form	Line	Columr
	Earned premium			11						21	19	<u>ن</u> 5
	Claims incurred			12						22	17	4
	Claims management costs			13						22	18	4
This year's underwriting	Adjustment for discounting			14						22	52	4
(accident year	Increase in provision for unex	kpired risks		15						22	19	4
accounting)	Other technical income or ch specified by way of supplement		s to be	16							13	4
	Net operating expenses			17						22	42	4
	Balance of years underwriting	g (11-12-13+14-	15+16-17)	19								
	Earned premium		_	21						21	11	5
	Claims incurred			22	-			-		22	13	4
Adjustment for prior year's	Claims management costs			23	-			-		22	14	4
underwriting	Adjustment for discounting			24				_		22	51	4
(accident year accounting)	Other technical income or chappecified by way of supplemental		s to be	25								
,	Net operating expenses	, , , , , , , , , , , , , , , , , , ,		26						22	41	4
	Balance (21-22-23+24+25-26	5)	·	29	-			-				
	Per Form 24			31						24	69	99-99
Balance from underwriting ye accounting	Other technical income a to be specified by way of			32								
	Total			39	-			-				
Balance of all y	ears underwriting (19+29+39)			49	-			-				
Allocated inves	tment return			51	-			-				
Transfer to non	technical account (49+51)		_	59	-			-				

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Aviation

				Company registration number		GL/UK/CM		riod ea		Unit	ts	Accou class/ summ	_
			R20	1432586		GL	31	12	2003	20	00		3
				1		This financia		Pre	vious y	/ear	Sc	ource	}
Items to be sh	own	net of reinsurance				year 1			2		Form	Line	Column
	Earr	ned premium			11						21	19	5
	Clair	ms incurred		·	12						22	17	4
	Clai	ms management costs			13						22	18	4
This year's underwriting	Adju	stment for discounting			14						22	52	4
(accident year accounting)	Incre	ease in provision for unexpired risks	s		15						22	19	4
		er technical income or charges (par cified by way of supplementary note		to be	16								
	Net	operating expenses			17						22	42	4
	Bala	nce of years underwriting (11-12-1	3+14-1	5+16-17)	19				•				
	Earr	ned premium			21						21	11	5
	Claii	ms incurred			22						22	13	4
Adjustment for prior year's	Clai	ms management costs			23						22	14	4
underwriting	Adju	stment for discounting			24						22	51	4
(accident year accounting)		er technical income or charges (par cified by way of supplementary note		to be	25								
,		operating expenses	- (26						22	41	4
	Bala	ance (21-22-23+24+25-26)			29								
		Per Form 24			31	218			52	•	24	69	99-99
Balance from underwriting ye accounting	ar	Other technical income and charge to be specified by way of supplemental to the specified by the sp			32								
		Total			39	218			52				
Balance of all y	/ears	underwriting (19+29+39)			49	218			52				
Allocated inves	tme	nt return			51	_			-				
Transfer to nor	ı teci	nnical account (49+51)			59	218			52				

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Property

	,		Company registration number		GL/UK/CM		riod en month	ided year	Unit		Accou class/ summ	_
		R20	1432586		GL	31	12	2003	£0	00		6
				Т	This financia	l	Pre	vious y	ear	Sc	ource)
items to be sh	own net of reinsurance				year 1		<u> </u> 	2		Form	Line	Column
-	Earned premium			11						21	19	5
	Claims incurred			12						22	17	4
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Claims management costs			13						22	18	4
This year's underwriting	Adjustment for discounting			14						22	52	4
(accident year accounting)	Increase in provision for unexpired risk	s		15						22	19	4
accounting)	Other technical income or charges (par specified by way of supplementary not		to be	16								
	Net operating expenses			17						22	42	4
	Balance of years underwriting (11-12-1	3+14-15	5+16-17)	19								
	Earned premium		_	21						21	11	5
	Claims incurred			22	(22)			-		22	13	4
Adjustment for prior year's	Claims management costs			23	(15)			(6)		22	14	4
underwriting	Adjustment for discounting			24						22	51	4
(accident year accounting)	Other technical income or charges (pal specified by way of supplementary not		to be	25								
assuming,	Net operating expenses	<u>-, </u>		26						22	41	4
	Balance (21-22-23+24+25-26)			29	37			6				
	Per Form 24			31	(7)			(1)		24	69	99-99
Balance from underwriting ye accounting	Other technical income and chargers to be specified by way of supplem			32								
	Total			39	(7)			(1)				
Balance of all y	rears underwriting (19+29+39)			49	30			5				
Allocated inves	tment return			51	_			-				
Transfer to non	technical account (49+51)			59	30			5				

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Third Party Liability

			Company registration number		GL/UK/CM	·- · · · · ·	riod en month		Unit	s	Accou class/ summ	Ū
		R20	1432586		GL	31	12	2003	£0	00		7
			<u></u>	٦	This financia year	l	Pre	vious y	ear	S	ourc	
Items to be sh	own net of reinsurance				1	'		2		Form	Line	Columr
	Earned premium			11						21	19	5
	Claims incurred			12						22	17	4
	Claims management costs			13						22	18	4
This year's underwriting	Adjustment for discounting			14						22	52	4
(accident year accounting)	Increase in provision for unexpired r	isks		15						22	19	4
accounting,	Other technical income or charges (specified by way of supplementary n		to be	16								-
	Net operating expenses			17						22	42	4
	Balance of years underwriting (11-12	2-13+14-1	5+16-17)	19								
	Earned premium			21						21	11	5
	Claims incurred			22	(1)			5		22	13	4
Adjustment for prior year's	Claims management costs			23	(30)		·	(10)		22	14	4
underwriting	Adjustment for discounting			24						22	51	4
(accident year accounting)	Other technical income or charges (specified by way of supplementary n		to be	25								
	Net operating expenses	·		26						22	41	4
	Balance (21-22-23+24+25-26)			29	31			5				
	Per Form 24			31						24	69	99-99
Balance from underwriting ye accounting	Other technical income and cha ar to be specified by way of supple			32								
	Total	7 77 111		39	-			-				
Balance of all y	ears underwriting (19+29+39)			49	31			5				
Allocated inves	tment return	*		51	-							
Transfer to non	technical account (49+51)			59	31			5				

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Non-proportional treaty

			Company registration number		GL/UK/CM		riod e mont		Unit	s	Accou class/ summ	•
		R20	1432586		GL	31	12	2003	£0	00		9
				Т	his financia	ai	Pre	evious	year	S	ource	9
Items to be sh	own net of reinsurance				year 1			2		Form	Line	Columr
	Earned premium			11						21	19	5
:	Claims incurred			12						22	17	4
	Claims management costs			13						22	18	4
This year's underwriting	Adjustment for discounting			14						22	52	4
(accident year accounting)	Increase in provision for unexpired I	risks		15						22	19	4
accounting)	Other technical income or charges (to be	16								•
	Net operating expenses			17						22	42	4
	Balance of years underwriting (11-1	2-13+14-15	5+16-17)	19								
	Earned premium			21						21	11	5
	Claims incurred			22						22	13	4
Adjustment for prior year's	Claims management costs			23						22	14	4
underwriting	Adjustment for discounting			24						22	51	4
(accident year accounting)	Other technical income or charges (specified by way of supplementary)		to be	25								
	Net operating expenses			26						22	41	4
	Balance (21-22-23+24+25-26)			29								
	Per Form 24			31	(480)			5		24	69	99-99
Balance from underwriting ye accounting	Other technical income and character to be specified by way of supplemental to be specified by w			32					J. A. V.			
	Total			39	(480)			5				
Balance of all y	ears underwriting (19+29+39)			49	(480)			5				
Allocated inves	tment return			51	-			-				
Transfer to non	technical account (49+51)	100 h		59	(480)			5				

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Accident and Health

						_	registration G	GL/UK/CM	Period ended	ed	Units	Accounting
					l	2	number		day month	th year		class
						R21	1432586	GL	31	12 2003	0003	1
		Ĭ	Gross premiums written	Itten	Reinsurers' share	share			Net of reinsurance	nsurance		
Premiums receiv	Premiums receivable during the financial year] LL 4	Earned in previous financial years		Earned in previous financial years	orevious ars			Earned in previous financial years	previous ears		
In respect of risks years	In respect of risks incepted in previous financial years	=			SA MATULUS MUNNOMOSOS SO							
		-	Earned in this	Unearned at end of Earned in this	Earned in t		Unearned at end of	λ	Earned in this	this	Unearne	Unearned at end of
		-	financial year	this financial year	financial year		this financial year		financial year	/ear	this fina	this financial year
			1	2	3		4	_	5			9
In respect of risks years	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	For periods of 12 months	14										
	For periods of more than 12 months	15										
Premiums receiva previous financial and brought forwa	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										

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Motor

						0 1	Company registration GL	GL/UK/CM	Period ended		Units /	Accounting
					ı	_	number	I	day month	year	Ĭ	class
						R21	1432586	GL	31 12	2003	0003	2
			Gross premiums written	itten	Reinsurers' share	share			Net of reinsurance	urance		
Premiums receivable during the financial year	the financial year		Earned in previous financial years	in the second se	Earned in previous financial years	revious ars			Earned in previous financial years	revious ars		
In respect of risks incepted in previous financial years		│	-						, 	2285 M 2200 4348818944		
			Earned in this		Earned in th		Unearned at end of Earned in this	end of E	arned in the		Unearne	Unearned at end of
		 .	financial year	this financial year	financial year		this financial year		financial year		this finar	this financial year
			1	2	3		4		S			6
In respect of risks incepted in previous financial years		12					į					
	For periods of less than 12 months	13										
in respect or risks incepted in this For periods	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)		6			<u>.</u>		į					

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Property

Company

						registration	GL/UK/CM	Period ended	2	Units A	Accounting
						number		day month	h year	٥	class
					R21	1432586	GL	31	12 2003	0003	9
)	Gross premiums written	itten	Reinsurers' share			Net of reinsurance	surance		
Premiums receiva	Premiums receivable during the financial year		Earned in previous		Earned in previous	45		Farned in previous	Drevious		
		<u>+</u>	financial years		financial years			financial years	ears		
In respect of risks ir years	In respect of risks incepted in previous financial years	11					1400 1740 1860 1860 1860			epin -	
		3	Earned in this	Unearned at end of Earned in this	Earned in this	Unearned	at end of	Unearned at end of Earned in this	this	Unearne	Unearned at end of
		<u> </u>	Tinancial year	this financial year	financial year	this financial year		financial year	ar	this financial year	cial year
			-	8	ო		4	Ŋ		9	
In respect of risks ir years	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 Fifth financial year	For periods of 12 months	14									
	For periods of more than 12 months	15									
Premiums receivable previous financial yeard and brought forward	Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16				is is is is					
Total (12 to 16)		19									

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Third Party Liability

Сомрапу

						, .	registration G	GL/UK/CM	Period ended		Units Accounting	scounting
					•	-	number		day month	year	ਹੋ	class
						R21	1432586	GL	31 12	2 2003	0003	7
			Gross premiums written	tten	Reinsurers' share	'share		4	Net of reinsurance	urance		
Premiums receiv	Premiums receivable during the financial year	<u> </u>	Earned in previous		Earned in previous	revious		ļΨ	Earned in previous	revious		
	,	4	financial years	也是,但如此的主义是 写字的是有句:是是	financial years	ars		1	financial years	ars		
In respect of risks years	In respect of risks incepted in previous financial years	=						ter			n pro	
		ľ	Earned in this	Unearned at end of Earned in this	Earned in t		Unearned at end of		Earned in this	his	Unearned	Unearned at end of
		-	financial year	this financial year	financial year		this financial year		financial year	ā	this financial year	cial year
			1	2		3	4		5		9	
In respect of risks years	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.	For periods of 12 months	14										
- and see a	For periods of more than 12 months	15										
Premiums receiva previous financial and brought forwa	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)		61					į					

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Accident and Health

	_		Company Re Numb		GL/UK/CM	Per day	iod ende month	d year	- Unit	5	Accounting class
		R22	14325	586	GL	31	12	2003	£0	00	1
					Amount brought forward from previous financial year		in this	Amount ca forward to financial ye	next		unt utable to inancial
					1	2		3			4
	Gross am	ount		11	7	_		15			8
Claims incurred in respect of incidents	Reinsurer	s share		12	15	10		5	_		-
occuring prior to this financial year	Net (11 -1	2)		13	(8)	(10)		10			8
,	Claims ma	anagement co	ests	14	30	<u>-</u>		10	_		(20)
	Gross am	ount	,	15							,
Claims incurred in respect of incidents	Reinsurer	s share		16			-		_		
occuring in this financial year	Net (15 -1	6)		17							
,	Claims m	anagement co	ests	18							
Provision for unexpl	ed risks			19							
	Commiss	ions	·	21							
	Other acc	uisition exper	ises	22				_			
Net operating expenses	Administr	ative expense	s	23				18 F 18 6			•
	Reinsurar profit part	nce commissionicipations	ons and	24							
	Total (21-	+22+23-24)		29							
Adjustments for	Gross am	ount		31							
discounting in respect of the items	Reinsurer	s share		32							_
shown at lines 11 to	Claims m	anagement co	ests	33		in the little					
10 dDOVE	Total (31-	32+33)		39							
Split of line 29	Prior finar	ncial years		41							
Opin 0/ in 6/20	This finan			42							
Split of line 39	financial v	occuring prior /ear	ĺ	51			era ross				
Opin of mile oo	Incidents year	occuring in th	is financial	52			ui laerea				

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Motor

	_		Company Re Numb		GL/UK/CM	Per.	iod ende month	d year	. Units	3	Accounting class
		R22	1432	586	GL	31	12	2003	£0	00	2
	•				Amount brought forward from previous financial year		in this	Amount ca forward to financial ye	next	li .	unt utable to inancial
					1	2		3			4
	Gross am	ount		11	_	_					-
Claims incurred in respect of incidents	Reinsurer	s share		12	-	-		-			-
occuring prior to this financial year	Net (11 -1	2)		13	_	_		_			
,	Claims ma	anagement co	ests	14	_	-		-			-
	Gross am	ount		15							
Claims incurred in respect of incidents	Reinsurer	s share		16							
occuring in this	Net (15 -1	6)		17							
,	Claims ma	anagement co	osts	18							
Provision for unexpired risks				19							
	Commissi	ons		21							
Net (15 -16) 17											
	Administra	ative expense	s	23	P077 534			and a de			
,			ons and	24					***************		
		-22+23-24)		29							
Adjustments for	Gross am	ount		31		1.4.4				_	
discounting in	Reinsurer	s share		32							
respect of the items shown at lines 11 to	Claims ma	anagement co	sts	33							
18 above	Total (31-	32+33)		39							
Split of line 29	Prior finan	icial years		41							
Opin of line 29	This finan			42							
Split of line 39	financial v	occuring prior ear		51		a we come	*************				
Spin or line 38	Incidents year	occuring in thi	is financial	52			die e				

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Property

	_		Company Re Numb		GL/UK/CM	Per day	riod ende month	d year	Units	ŀ	Accounting class
		R22	14325	586	GL	31	12	2003	£00	00	6
			-		Amount brought forward from previous financial year		in this	Amount car forward to n financial yea	ext		unt utable to nancial
					1	2		3			4
 -	Gross am	ount		11	28	1		5			(22)
Claims incurred in respect of incidents	Reinsurer	s share		12							
occuring prior to this financial year	Net (11 -1	2)		13	28	1		5			(22)
	Claims ma	anagement co	sts	14	20	_		5			(15)
7 2. v '-	Gross am	ount		15	paradisal pri						_ <u>(· - / </u>
Claims incurred in respect of incidents	Reinsurer	s share		16							6 Intuitable to nancial
occuring in this	Net (15 -1	6)		17							_
l	Claims ma	anagement co	sts	18	June dan der eine						
Provision for unexpi	ed risks			19		- 4					_
	Commissi	ions		21							
financial year Claims management costs 18 Provision for unexpired risks 19 Commissions Commissions Other acquisition expenses expenses Administrative expenses Paincurance commissions and							···				
	Administra	ative expenses	S	23	partition is a						class 6 Int utable to nancial 4 (22) - (22)
,	Reinsurar profit part		ns and	24					***********		-
	Total (21+	-22+23-24)		29							
Adjustments for	Gross am	ount		31							
discounting in respect of the items	Reinsurer	s share		32		ar arm					
shown at lines 11 to 18 above	Claims ma	anagement co	sts	33		118					
is above	Total (31-	32+33)		39							
Split of line 29	Prior finar	ncial years		41							
Opar of line 20	This finan			42							
Split of line 39	financial v	occuring prior rear		51							
Opin of line 03	Incidents year	occuring in thi	s financial	52							

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Third Party Liability

			Company Re Numb		GL/UK/CM	Per day	riod ende month	d year	Units	3	Accounting class
		R22	14325	586	GL	31	12	2003	£00	00	7
					Amount brought forward from previous financial year		in this	Amount ca forward to financial ye	next		unt outable to financial
					1	2		3			4
	Gross am	iount		11	53	_		52			(1)
Claims incurred in respect of incidents	Reinsurer	s share		12	3	_		3_			<u>-</u>
occuring prior to this financial year	Net (11 -1	2)		13	50	_		49			(1)
	Claims m	anagement co	osts	14	50			20			(30)
	Gross am	nount		15							
Claims incurred in respect of incidents	Reinsurer	rs share		16							
occuring in this financial year	Net (15 -1	16)		17	entranguentelle. August Arbugs						
•	Claims m	anagement co	osts	18							<u> </u>
Provision for unexpired risks				19		er er grindelige					
	Commiss	ions		21					·		
	Other acc	uisition exper	nses	22							
Net operating expenses	Administr	ative expense	es	23	- 4 - 25			1000			
	Reinsurar profit part	nce commissi icipations	ons and	24							
	Total (21-	+22+23-24)		29				j			
Adjustments for	Gross am	iount	_	31		u el					
discounting in respect of the items	Reinsurer	rs share		32							
shown at lines 11 to 18 above	Claims m	anagement co	osts	33		Arthura Arthura					
10 above	Total (31-	32+33)		39							
Split of line 29	Prior finar	ncial years		41							
Opiit Of line 29	This finan	•		42							
Split of line 39	financial v	occuring prior year	!	51							
Spir of time oo	Incidents year	occuring in th	is financial	52							

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

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class	g class		Accident and Health	d Health										
								Company			Topico Polico		<u> </u>	Accounting
						•		number		day	month	year		class
							R23	1432586	19	31	12	2003	0003	1
Accident year ended	year 1	Claims paid		Total claims	Claims paid	Claims outstanding carried forward		Claims outstanding brought forward	iding brought		Deduction for	Earned	Deterioration/	Claims ratio
		(net) during the accident year		paid (net) since the end of the accident year, but prior	during Inancial	Reported (net)		Reported (net) Incurred but not reported (net)		each accident discounting year (4+5+6-7- from claims 8) carried forward forwar	멅	premiums (net)	(surplus) of original reserve %	%
Month	Year			to this financial year							(net)			
		_	2	က	4	5	9	7	8	6	10	11	12	13
12 2	2003	11							E.					
12 2	2002	12												
12	2001	13												
12 2	2000	14												
12	1999	15												
15	1998	16												
12	1997	17												
. 15	1986	18												
. 15	1995	19												
. 15	1994	20										_		
Prior accident years		21			(10)	2	5	(13)	5	8				
Reconciliation		22												
Total (11 to 22)		29	1 E	9	(10)	5	5	(13)	5	8				

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

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Property

			, Q					-					ı					-91
Accounting	class	9	Clair	%	13													
Units		0003	Deterioration/	(surplus) of original reserve %	12	电影电影影响												
•	year	2003	Earned	premiums (net)	=======================================													
Period ended	month	12	7	, and	10													
:	day	31	Balance on	each accident discounting year (4+5+6-7- from claims 8) carried forw (net)	<u></u>										j	(22)		(22)
аг/ик/см GL			Claims outstanding brought forward	Incurred but not reported (net)	ထ			ļ								5		2
Company registration	Company registration number			Reported (net) Incurred but not reported (net)	7											23		23
		R23	ding carried	Incurred but not reported (net)	ဖ											2		5
			Claims outstanding carried forward	Reported (net)	ιο											-		_
			Claims paid	outstanding paid (net) (net) during (net)as at end since the end this financial of the accident of the accident year year to this financial year financial year	4											1		1
			Total claims	ო														
			Claims	R														
			**		5	3	t	2	9	7	3	6	C		2	6		
			ear	- - -		2003 11	2002 12	2001 13	2000 14	1999 15	1998 16	1997 17	1996 18	1995 19	1994 20	t 21	n 22	2) 29
			Accident year ended	Month Year	<u></u>	12 20	12 20	12 20	12 20	12 19	12 19	12 15	12 19	12 16	12 19	Prior accident years	Reconciliation	Total (11 to 22)

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

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accounting class

Third Party Liability

	_																	
Accounting	class	7	Claims ratio	%	13													
Units	;	0003	Deterioration/ Claims ratio	(surplus) of original reserve %	12													
	year	2003	Earned	premiums (net)	11													
Period ended	month	12	Deduction for	discounting from claims outstanding carried forward (net)	10				ļ			!						
	day	31	Balance on	each accident discounting year (4+5+6-7- from claims 8) carried forw (net)	6											(1)		(1)
GL/UK/CM		GL			8											15		15
Company	number	1432586	Claims outstanding brought forward	Reported (net) Incurred but not reported (net)	7											35		35
		R23		incurred but not reported (net)	9											15		15
	•		Claims outstanding carried forward	Reported (net)	5											34		34
				(net) during this financial year	4											1		-
	Total claims paid (net) since the end of the accident year, but prior to this financial year				ო													
			Claims Total claims Clair outstanding paid (net) (net) (net) as at end since the end this of the accident of the accident year, but prior to this financial year															
			Claims paid	(net) during the accident year	-	de result in the	-				,			1				
			еаг	Year		2003 11	2002 12	2001 13	2000 14	1999 15	1998 16	1997 17	1996 18	1995 19	1994 20	nt 21	2 7	22) 29
			Accident year ended	Month Ye	· · ·	12 2	12 2	12 2	12 2	_	12 1	12 1	12 1	12 1	12 1	Prior accident years	Reconciliation	Total (11 to 22)
				Σ		L		L.,				L.,			ļ	Pr ye	١٣	F

<u> 1449 tr</u>

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

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31st December 2003

all previous 66 columns Units Accounting Total 4 66 0003 80 ≿ Σ 2 12 2003 ≿ 02 day mont year Period ended Σ 12 5 3 ₹ ₹ 2 GL/UK/CM 딩 ≿ 8 MΜ 7 1432586 Company registration ≿ 66 number Σ 72 ≿ 98 R24 Σ 7 ≿ 97 Σ 12 ≿ 96 M 7 ⋛ 92 Σ 2 ≿ 94 underwriting MM 12 59 years 4 59 Accident and Health 22 29 39 41 42 43 44 49 52 53 54 2 51 59 69 Reinsurers' commissions and Increase (decrease in the financial year (53-54-51+52) Other acquisition expenses Payable net (41+42+43-44) Adjustment for Adjustment for Undiscounted Underwriting year ended Undiscounted Administrative expenses discounting discounting Balance on each underwriting year profit participations Reinsurers' share Claims paid Reinsurers' share Gross amount Gross amount Claims management costs Commissions Net (11-12) Net (21-22) Brought forward Carried forward Accounting class (19-29-39-49-59) Technical provisions Premiums operating expenses written Šet

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

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of insurer

Global business

Financial year ended	ear ended	31st December 2003	. 200	စ္က												Company	Company			:	7	7			1	1	\$ 1
Accounting class	class	Aviation														DC DC	number			Ę	day	1 1	year			class	2
															R24	143	1432586		명		31	12 ;	2003		0003	(2)	
	Underwrit	Underwriting year ended		F unde	Prior underwriting MM years	g M M	<u>}</u>	MM	≯	MM	<u>}</u>	MM	⋟	MM	⋆	MM	χ.	MM	⊁	MM	⊁	MM	Х	ΨW	⋟	Total all previous columns	tal vious nns
		/		59	29	12	94	12	96	12	96	12	26	12	86	12	66	12	00	12	01	12	02	12	03		66
	Gross amount	unt	11] 						:				
Premiums written	Reinsurers' share	s' share	12			 											 										
	Net (11-12))	19		,				<u> </u>							<u>_</u> _	 			<u> </u>							
	Gross amount	nut	21		(174)																					:	(174)
Claims paid	Reinsurers' share	s' share	22		(4)																					زد	(4)
	Net (21-22)	()	29		(170)							_														(1	(170)
Claims management costs	gement co	sts	39		-																		,			'	
	Commissions	suc	41		,																						
Net	Other acqu	Other acquisition expenses	42																								
operating	Administra	Administrative expenses	43																								
sesuedxe	Reinsurers' commis profit participations	Reinsurers' commissions and profit participations	44																								ı
	Payable ne	Payable net (41+42+43-44)	49		-							<u> </u>											-				
	Brought	Undiscounted	51		106																					1	106
	forward	Adjustment for discounting	52						,																		ı
Technical	Carried	Undiscounted	53		58									_												5	58
	forward	Adjustment for discounting	54			_		_		_																	
	Increase (c	Increase (decrease in the financial year (53-54-51+52)	59	<u>`</u>	(48)										!											(48)	8)
Balance on each underwriting year (19-29-39-49-59)	ach underv -59)	writing year	69	,,	218	_{-																				21	218

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

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of insurer

Global business

Financial year ended	ear ended	31st December 2003	. 200	83											``	Company	any	ō				7		=		1	;
Accounting class	class	Property														number	ē ē	5	200		day mont	1 1	year	,	S 10	class	50
														R24		1432586	386		GL		31 1	12 2	2003	ű.	0003	9	-
	Underwrit	Underwriting year ended		Prior underwriting MM years	ting		<u> </u>	MM	<u>}</u>	MM	<u> </u>	MM	<u></u>	MM	<u>∠</u>	MM	<u>√</u>	MM	<u> </u>	MM	××	MM	<u>~</u>	MM	. ××	Total all previous columns	la ious ins
				29 2	29	12	94	12	95	12	96	12	97	12	86	12	66	12	00	12	01	12	02	12	03	- 66	66
	Gross amount	unt	F	,		}		1										-		-				-			
Premiums written	Reinsurers' share	s' share	12																				-		\vdash	'	
	Net (11-12)		19	,															\Box		-				\vdash	1	
	Gross amount	unt	21	13																						13	
Claims paid	Reinsurers' share	s share	22	10																						10	
	Net (21-22))	29	3									_									1				ဗ	
Claims management costs	agement cos	sts	39	-		i																	L			'	
	Commissions	suc	41	1																						1	
Net	Other acqu	Other acquisition expenses	42	•	_																					'	
operating	Administra	Administrative expenses	43	'																						'	
expenses	Reinsurers' commis profit participations	Reinsurers' commissions and profit participations	44	,																						'	
	Payable ne	Payable net (41+42+43-44)	49	•			 				-										 - -		_		_	'	
	Brought	Undiscounted	51	8												,										8	
	forward	Adjustment for discounting	52	•																						•	
Technical	Carried	Undiscounted	53	12																						12	
	forward	forward Adjustment for discounting	54	1															-							'	
	Increase (c financial ye	Increase (decrease in the financial year (53-54-51+52)	59	4													<u> </u>		-							4	
Balance on each underwriting year (19-29-39-49-59)	each underv 7-59)	writing year	69	(2)	\dashv																					(2)	,

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

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of insurer

Global business

Financial year ended	ear ended	31st December 2003	. 200	ស្											Company registration	pany tion	ಠ	GL/UK/CM		Period ended	Jded		õ	Units Ac	Accounting
Accounting class	class	Non-proportional treaty	al tre	aty										Ì	number	ıþer				day mo		year		ਹੁੰ	class
														R24	1432586	586		GL		31 1	12 20	2003)3	0003	6
	Underwrit	Underwriting year ended		Prior underwriting years	MM g	<u>}</u>	MM	\ \ \	MM	<u></u>	MM	YY	MM	X	MM		MM	<u>*</u>	MM		MM	<u>۸</u>	MM	ΥΥ	Total all previous columns
···				29 29	12	94	12	95	12	96	12	26	12	86	12	66	12	8	12	01 1	12	02	12	6 80	66 66
	Gross amount	unt	11	•							_]]				ļ	\vdash]	1	↓ '
Premiums	Reinsurers' share	share	12	,	<u></u> _													 			<u> </u> 			\vdash	,
	Net (11-12)		19	1	<u> </u>						<u> </u>	<u> </u>]								١.
	Gross amount	unt	21	82	$\vdash \downarrow$															_					88
Claims paid	Reinsurers' share	share	22	4																					4
	Net (21-22)		29	78					<u> </u>																78
Claims management costs	gement cos	sts	39	1														-							,
	Commissions	sus	41	-																<u> </u>	 	<u></u>			
Net	Other acqu	Other acquisition expenses	42	<u>-</u>																					,
operating	Administra	Administrative expenses	43	252														 					312		564
exbeuses	Reinsurers' commis profit participations	Reinsurers' commissions and profit participations	44	•																					,
	Payable ne	Payable net (41+42+43-44)	49	252																			312	2	564
	Brought	Undiscounted	51	712										1											712
	forward	Adjustment for discounting	52	; ·]							 														ι
l echnical provisions	Carried	Undiscounted	23	550			_																		550
	forward	Adjustment for discounting	25	I ;																					'
	Increase (d financial ye	Increase (decrease in the financial year (53-54-51+52)	59	(162)	_																				(162)
Balance on each underwriting year (19-29-39-49-59)	ach underw -59)	riting year	69	(168)		. }						-			j		<u>'</u>		'	\vdash	'		(312)	2)	(480)

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

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Accident and Health

Accounting class

GL/UK/CM

day month year Period ended

Units Accounting

registration number

Company

													R25	_	143	1432586	_	GГ		31	12	2003	2000		_
	Underwriting year ended		Prior underwriting years		MM	<u> </u>	M	∠	MM	. ∀	MM	≥ }	MM ×	<u> </u>	MM	<u>≯</u>	MM	WW	<u></u>	MM	<u></u>	V MM	λ. Μ		Total all previous columns
			29	29	12 9	94	12	95	12 9	96	12 8	26	12 9	98	12	66	12 00	_	12	0.1	12 0	02	12 03	66	66
Reported claims	Gross amount	11															3	-							1
outstanding	Reinsurers' share	12	•																						
Claims incurred	Gross amount	13											, <u> </u>												•
but not reported	Reinsurers' share	14	ı													 							ļ		-
Claims management costs	it costs	15	4																						4
	Gross amount	16	ı		j																				t
Adjustment for discounting	Reinsurers' share	17		-																					
	Claims management costs	18	1																						,
Allocation to/(from) another accounting class of anticipated surplus	another anticipated surplus	19	•		1																				
Balance of the fund		20	1															_	į ,						1
Claims outstanding (11-12+13-14+15-16+17-18+19+20)	5+17-18+19+20)	21	4													<u> </u>				_		 		<u></u>	4
Provision for unearned premiums	ned premiums	22	t	\Box										\dashv				\dashv		\dashv					ı
Provision for unexpired risks	red risks	23		\dashv																					
Deferred acquisition costs	osts	24	'										ļ												ı
Other technical provisions (particulars to be specified by way of supplementary note)	visions (particulars ray of }	25	-																!						
Total (21+22+23-24+25)	+25)	29	4									_						_						_	4

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

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

GL/UK/CM Period ended registration Company

Units Accounting 31 12 2003 **£000** day month year GГ 1432586 number R25 Aviation Accounting class

												1			1		$\frac{1}{1}$		$\frac{1}{1}$	ŀ	ŀ		l
	Underwriting year ended		Prior underwriting years	MM YY	MM	<u> </u>	MM	<u>√</u>	MM	<i>₹</i>	MM	<u>∠</u>	MM	<u>∠</u>	MM	<u>₩</u>	MM	<u>×</u>	MM	<u>-</u>	ΜM	<u>a</u>	Total all previous columns
			29 29	12 94	12	95	12	96	12	97	12 (86	12	66	12 0	8	12	0.	12	02	12	03	66 66
Reported claims	Gross amount	11	17															\dashv					17
outstanding	Reinsurers' share	12	27													\dashv		\dashv					27
Claims incurred	Gross amount	13	17																				17
but not reported	Reinsurers' share	14	-																				•
Claims management costs	t costs	15	51															\dashv			:		51
	Gross amount	16	,																				1
Adjustment for discounting	Reinsurers' share	17	-																				,
	Claims management costs	18	-																				1
Allocation to/(from) another accounting class of anticipated surplus	another anticipated surplus	19	1														:						•
Balance of the fund		20	•																				1
Claims outstanding (11-12+13-14+15-16+17-18+19+20)	3+17-18+19+20)	21	28																				58
Provision for unearned premiums	ed premiums	22	-											:									'
Provision for unexpired risks	red risks	23	-															\dashv					'
Deferred acquisition costs	costs	24	ı																		,		,
Other technical provisions (particulars to be specified by way of supplementary note)	isions (particulars ay of)	25	ı																				'
Total (21+22+23-24+25)	+25)	29	58																				58

1

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

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

Property

Accounting class

registration Company

Period ended

Units Accounting day month year GL/UK/CM Б number

													R25		143	1432586		GL		31	12	2003		0003	y ;	9
	Underwriting year ended	ded	Prior underwriting years		MM M	<u> </u>	MM	<u> </u>	MM	<u> </u>	MM	\ \	MM	λ.	MM	۷ ۲	MM	ΥΥ	MM	<u>√</u>	_ ∧ MM	<u>√</u>	MM	ΥΥ	Total all previous columns	sus
			29	29	12	94	12	95	12	96	12	97	12 (98	12	66	12 0	00	12	10	12	02	12	60	6 66	66
Reported claims	Gross amount	11	24											\dashv				\dashv							24	
outstanding	Reinsurers' share	12	20																			\dashv			20	ï
Claims incurred	Gross amount	13	3																	_					3	
but not reported	Reinsurers' share	14	•																						1	
Claims management costs	t costs	15	5																,			-			5	
	Gross amount	16	,																						,	
Adjustment for discounting	Reinsurers' share	17	,																						. ,	
	Claims management costs	18									:														٠	
Allocation to/(from) another accounting class of anticipated surplus	another anticipated surplus	19	'											·											'	
Balance of the fund		20	-																						1	
Claims outstanding (11-12+13-14+15-16+17-18+19+20)	3+17-18+19+20)	21	12			-		-						_											12	
Provision for unearned premiums	led premiums	22	1								ļ														'	
Provision for unexpired risks	red risks	23	-																						•	
Deferred acquisition costs	costs	24	1																						۱	
Other technical provisions (particulars to be specified by way of supplementary note)	risions (particulars ay of)	25	1										:							 						
Total (21+22+23-24+25)	+25)	29	12																						12	

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

Name of Company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 2003

registration Company

Period ended GL/UK/CM

Units Accounting

0003 2003 day month year 7 31 g 1432586 number R25 Non-proportional treaty Accounting class

					F	\vdash	-	F		 -								_					- - +
/	Underwriting year ended		Prior underwriting years	MM		MM	<u>∠</u>	MM YY	Y MM	٨	MM	₩	MM	λ,	MM	≿	MM	≿	MM	≿	MM	<u>}</u>	l otal all previous columns
			29 29	12 94	-+	12 9	95	12 96		12 97	, 12	96 7	12	66	12	00	12	10	12	02	12	03	66 66
Reported claims	Gross amount	11	376																				376
outstanding	Reinsurers' share	12	47																				47
Claims incurred	Gross amount	13	91										İ										91
but not reported	Reinsurers' share	14	1																				ı
Claims management costs	t costs	15	130																				130
	Gross amount	16	1																				•
Adjustment for discounting	Reinsurers' share	11	,																				-
	Claims management costs	18	1																				1
Allocation to/(from) another accounting class of anticipated surplus	another anticipated surplus	19																					
Balance of the fund		20	1						,														1 :
Claims outstanding (11-12+13-14+15-16+17-18+19+20)	3+17-18+19+20)	21	929																				550
Provision for unearned premiums	ed premiums	22	-																				,
Provision for unexpired risks	red risks	23	•	:												-							'
Deferred acquisition costs	costs	24	,					İ				·											1
Other technical provisions (particulars to be specified by way of supplementary note)	isions (particulars ay of)	25	,						!														'
Total (21+22+23-24+25)	+25)	29	550						\dashv														550

General insurance business (underwriting year accounting) : Analysis of premiums, claims and expenses by category for treaty reinsurance

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of insurer

Accounting class:

Non-proportional treaty

Sterling

Currency

Global business

all previous (162)(480)columns 6 564 712 550 564 Total 78 ş 82 4 99 (312)≿ 03 312 312 Business Accounting O Σ <u>~</u>i ≿ 02 Category I Σ 7 Monetary units ≿ 0 5000 MM 12 2003 year ≿ 8 Σ month 72 Period ended 12 day 3 ≿ 66 Σ 12 registration number GL/UK/CM G ≿ 98 Σ 12 1432586 Company ≿ 97 Σ 12 ≿ 96 **R**28 Σ 12 ≿ g S ₹ 12 ≿ 94 underwriting MM 12 Miscellaneous and pecuniary loss 3 712 550 (162)252 252 years 82 78 4 8 Financial year ended 31st December 2003 42 43 44 49 51 52 53 54 59 69 6 29 39 4 12 22 Ξ 7 Reinsurers' commissions and financial year (53-54-51+52) Other acquisition expenses Payable net (41+42+43-44) Adjustment for Undiscounted Adjustment for Increase (decrease in the Undiscounted Underwriting year ended Administrative expenses discounting discounting Balance on each underwriting year profit participations Reinsurers' share Claims paid Reinsurers' share Gross amount Gross amount Claims management costs Commissions Net (11-12) Net (21-22) Brought forward Carried forward Category Premiums operating expenses provisions Technical written

(168)

(19-29-39-49-59)

General insurance business (underwriting year accounting) : Analysis of premiums, claims and expenses by category for treaty reinsurance

Name of insurer AA MUTUAL INTER

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class:

s: Non-proportional treaty

Sterling

Currency

Global business

ipal pusilles

≿ 8 Currency ₹ MΜ 12 ≿ 92 Accounting Σ 12 Business Category ≿ 9 I Σ 2 Monetary units ≿ 8 0003 Σ 2 2003 year ≿ 83 day month Σ 12 Period ended 42 ≿ 88 સ Σ 72 registration number GL/UK/CM G ≿ 87 Σ 72 1432586 Company ≿ 86 M 72 ≿ 85 **R**28 (17) 9 17 77 Σ 7 ≿ 84 33 (20) (3) 56 29 29 ო Σ 12 ≿ 83 187 Ξ (92)27 23 23 4 MΜ Miscellaneous and pecuniary loss 7 ≿ 82 (235)252 252 369 320 (49) 8 <u>@</u> 32 Z 7 Financial year ended 31st December 2003 19 29 39 41 42 43 44 49 5 52 Ξ 얼 53 54 59 69 5 22 Reinsurers' commissions and | financial year (53-54-51+52) Balance on each underwriting year (19-29-39-49-59) Other acquisition expenses Payable net (41+42+43-44) Underwriting year ended Adjustment for Adjustment for Undiscounted Undiscounted Increase (decrease in the Administrative expenses discounting discounting profit participations Reinsurers' share Claims paid Reinsurers' share Gross amount Gross amount Commissions Claims management costs Net (11-12) Net (21-22) forward Brought forward Carried Category Premiums expenses Technical operating provisions written Net

T' T THE TITE

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

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Non-proportional treaty Accounting class:

Global business

Currency

Sterling

all previous 8 columns 550 Currency 376 550 Total 130 47 <u>ნ</u> ≿ ဗ Business Accounting O Σ 12 ≿ 02 Category I Σ 12 ∠ MM 5 Monetary 5000 units 7 2003 year ≿ 8 Period ended Σ day mont 12 12 စ္တ ≿ 뜐 Σ 12 registration number GL/UK/CM 占 ≿ 98 Σ 72 1432586 Company WW XX 26 12 96 WM WM **R29** 2 ≿ 8 Σ 72 X MM 94 Miscellaneous and pecuniary loss 12 underwriting 58 550 years 550 376 130 47 9 31st December 2003 59 23 24 29 22 14 15 16 17 6 20 25 Underwriting year ended 7 13 5 __ Claims management Reinsurers' share Reinsurers' share Reinsurers' share Allocation to/(from) another category of accounting class of anticipated surplus Other technical provisions (particulars to be specified by way of **Gross amount Gross amount** Gross amount (11-12+13-14+15-16+17-18+19+20) Provision for unearned premiums Provision for unexpired risks Claims management costs Deferred acquisition costs Total (21+22+23-24+25) Financial year ended supplementary note) Balance of the fund Claims outstanding Reported claims but not reported Claims incurred Adjustment for discounting outstanding Category

4 T 4 T

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

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class:

Non-proportional treaty

Global business

Currency

Sterling

≿ ဗ္ဗ Currency ₹ 72 ≿ 92 Business Accounting Σ 12 ≿ Category 6 I Ž 12 ≿ င္တ Monetary 0003 units Σ 2 12 2003 ≿ 89 day mont year Σ Period ended 12 88 ≿ 31 Σ 12 registration number GL/UK/CM G ≿ 87 Σ 12 1432586 Company ≿ 86 ¥ 2 ≿ 82 R29 9 8 20 9 28 M 7 ≿ 84 59 29 20 2 2 N Σ 12 ≿ 83 Miscellaneous and pecuniary loss 111 Ξ 65 9 9 4 Σ 72 82 ≿ 320 232 320 17 22 20 31st December 2003 12 Σ 15 16 8 22 23 24 29 Underwriting year ended 4 13 7 17 6 20 2 25 Ξ Claims management Reinsurers' share Reinsurers' share Reinsurers' share Allocation to/(from) another category of accounting class of anticipated surplus Other technical provisions (particulars Gross amount Gross amount Gross amount (11-12+13-14+15-16+17-18+19+20) Provision for unearned premiums Provision for unexpired risks Claims management costs Deferred acquisition costs to be specified by way of supplementary note) Total (21+22+23-24+25) Financial year ended Balance of the fund Claims outstanding Reported claims but not reported Claims incurred Adjustment for outstanding discounting Category

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class: Accident and Health

Sterling

Global business

Financial year ended 31st December 2003

Currency:

indicial year on

Risk group

Accident

Period ended registration

Monetary Country Accounting

day month

				٠.,	-	-,	_	-	٠,	_	_		_		a junear l	
1	Claims ratio	<i>\$</i>	=													
AA	þe															
0003	Gross earned	premiums	10													
2003	Balance for	each accident year (4+5+6-7-8)	6											8	8	8
12	ing	ut not													;	
31	utstand ward	each incurred but not year reported (4+5	8											5	ည	5
	s claims outstan brought forward	inc rep			_	_	-		\dashv							
GL	Gross claims outstanding brought forward	Orted	7											2	2	Ø
1432586		Rep				_										
143	carriec	but not														
R31	outstanding forward	Incurred but not Reported reported	9											9	9	5
	Gross claims outstanding carried forward	Reported	5											10	10	10
	ims paid	In this financial year	4			:								•	•	1
	Gross claims paid	ars	3													
	Number of claims	Reported claims outstanding	2											8	3	
	Number	Closed at some cost during this or previous financial years														
			!	3 11	2 12	1 13	0 14	9 15	1998 16	11/	<u>ਤ</u> 18	5 19	4 20	21	29	90 P
	year	Year		2003	2002	2001	2000	1999	1998	1997	1996	1995	1994 20	ent	(21)	resse(
	Accident year ended	Month		12	12	12	12	12	12	12	12	12	12	Prior accident years	Total (11 to 21)	Line 29 expressed in sterling

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class: Property

Sterling

Currency:

Global business

Financial year ended

31st December 2003

•

Claims ratio Country Accounting 9 ð Gross earned 10 Monetary premiums 0003 Units Balance for each accident Incurred but not year reported (4+5+6-7-8) 2003 (22)(22)(22)a Period ended month 12 Gross claims outstanding स day œ S 2 Ŋ brought forward GL/UK/CM g Incurred but not Reported reported 33 23 83 1432586 registration number Gross claims outstanding carried ø S 2 S R31 forward In this financial Reported Ŋ 4 Gross claims paid year Closed at some Reported claims In previous cost during this Toutstanding financial years က Property other N Number of claims or previous financial years 30 29 2002 12 2001 13 2000 14 1999 **15** 1998 **16** 1996 **18** 1995 19 21 1997 17 1994 20 2003 11 Year Line 29 expressed Accident year Total (11 to 21) Prior accident ended Risk group Month in sterling 12 12 12 12 42 12 57 years

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class: Third Party Liability

Sterling

Currency:

Global business

Financial year ended

31st December 2003

Risk group

General third party

Claims ratio Monetary Country Accounting ¥ Gross earned 9 premiums 0003 Units each accident Balance for (4+5+6-7-8) 2003 year \equiv \equiv Ξ ٥ Period ended Incurred but not year reported (4+5+ month 12 Gross claims outstanding 5 ťΩ 5 day 3 Φ brought forward GL/UK/CM g Incurred but not Reported 38 38 38 1432586 registration number Gross claims outstanding carried 5 15 5 9 reported R31 forward In this financial Reported 37 37 37 ťΩ 4 Gross claims paid financial years year In previous က outstanding Closed at some Reported 13 5 Q Number of claims cost during this claims or previous financial years 29 30 1996 18 1995 **19** 7 2002 12 2001 13 2000 14 1999 15 1998 **16** 1994 20 2003 11 1997 17 Year Line 29 expressed Accident year Total (11 to 21) Prior accident ended Month in sterling 5 5 42 12 12 12 42 7 years

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class: Third Party Liability

Sterling

Currency:

Global business

31st December 2003

Financial year ended

Risk group	•		General third party	party										
							Com	Сотрапу						:
						•	registration		GL/UK/CM	day month	Period ended	Monetary Units	Country	Country Accounting class
							R31 1432	1432586 GL	۲	31 12	2003	0003	AA	7
Accident year ended	nt year ed	Number	Number of claims	Gross claims paid	ims paid	Gross claims ou forv	Gross claims outstanding carried forward		Gross claims outstanding brought forward	standing /ard		Gross earned	g ק	Claims ratio
Month	Year	Closed at some cost during this or previous financial years	Reported claims outstanding	ars	In this financial year	Reported	Incurred but not reported	Reported	Incurred	but not	each accident year (4+5+6-7-8)	premiums	_	%
		+-	N	ო	4	5	ဖ		<u> </u>	ထ	თ	10		=
12	1993													
12	1992							E						
12	1991													
12	1990													
12	1989													
12	1988													
12	1981		_			-	-	-		J	_			
12	1986		6		ı	26	15	27		15	(E)			
12	1985		1			,	•	•		ı	1			,
12	1984		2		1	11	-	11		,	t			
12	1983		-		. 1		-	١		,	,			
12	1982		-		ı	•	1	,		J	. 1			
12	1981		-		-	-	_	•		,	1			

Name of insurer

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Sterling Currency:

Global business

Financial year ended

31st December 2003

Black cabs

frequency % Claims Country Ş 33 Claims ratio | Vehicle years Monetary 0003 (s,000) Units 42 2003 year Period ended Ξ % month 42 Gross earned premiums đay 3 9 GL/UK/CM g Incurred but Balance for not reported each accident (4+5+6-7-8) ത R31 | 1432586 registration year Company number Gross claims outstanding ω brought forward Reported ^ Incurred but not reported Gross claims outstanding ဖ carried forward Reported S In this financial year Gross claims paid 4 In previous financial years က outstanding Reported claims Number of claims N during this or Closed at some cost financial previous years 30 29 1996 **18** 2002 12 2001 13 2000 14 1999 15 1998 **16** 17 1995| **19** 1994 20 7 2003 11 1997 Year Line 29 expressed Accident year Total (11 to 21) Prior accident ended Risk group in sterling Month 42 12 42 12 12 12 12 4 years

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of insurer

Accounting class:

Accident and Health

Sterling

Currency:

Global business

Financial year ended 31st December 2003

Risk group

Accident

Country Accounting	class	AA 1		Claims ratio %			מ													
Monetary	Units	0003		Gross earned premiums		c	°													
papua	year	2003		Balance on each underwriting year	(2+3+4-5-6)	1												ı		
Period ended	month	12		Balar	,			ix -												
i	day	31	forward	but not																
GL/UK/CM		명	ding brought	Incurred but not reported														'	'	
Company	number	1432586	Gross claims outstanding brought forward	Reported		u														
		R34		-	<u> </u>								<u> </u>				ļ 			_
			Gross claims outstanding carried forward	Incurred but not reported		V	-	:						:				1	l	
			Gross claims or for	Reported		c												•	1	
			ims paid	In this financial year		c												ı	-	
			Gross claims paid	In previous financial years		₩														
							3 11	2 12	13	14	15	3 16	17	3 18	1995 19	1 20	2,4	7	29	30
			Accident year ended		Month Year		12 2003	12 2002	12 2001	12 2000	12 1999	12 1998	12 1997	12 1996	12 1995	12 1994	Prior accident	years	Total (11 to 21)	Line 29 expressed

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of insurer

Accounting class:

Aviation

Sterling

Currency:

Global business

Financial year ended 31st December 2003

Risk group		Aviation												
							Company registration	GL/UK/CM		Period ended	ļ	Monetary	Country	Country Accounting
					•		number		day	month	year	Units		class
						R34	1432586	Э	31	12	2003	0003	AA	3
Accident year ended)ar	Gross ck	Gross claims paid	Gross claims outstanding forward	s outstanding carried forward	Gross	Gross claims outstanding brought forward	ing brought fo	orward			!		
		In previous financial years	In this financial year	Reported	incurred but not reported	LE	Reported	Incurred but not reported	ut not	Balance on each underwriting year (2+3+4-5-6)	n each g year 5-6)	Gross earned premiums	Clair	Claims ratio %
Month	Year						-							
			2 1											
		-	2	3	4		5	9		7	1	8		6
12 2	2003	11 的最级争争 斯姆曼						4						
12 2	2002	12												
12 2	2001	13									\dagger			
12 2		14									-			
12 1	1999	15												
12 1		16												
12 1	1661	17												
12 1		18							1					:
12 1	1995	19												
12 1	1994	20						:						
Prior accident		21		,	1		Ç	Q	•	(201)				
years			(174)		<u>}</u>		442	2	1	107				
Total (11 to 21)		29	(174)	17	17		42	19		(201)				
Line 29 expressed in sterling		30	(174)	17	17		42	19		(201)				

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of insurer

Accounting class:

Property

Currency:

Sterling

Financial year ended 31st December 2003

Global business

Risk group

Property other

								Company registration	GL/UK/CM		Period ended		Monetary	Country	Country Accounting
						-		number		dayı	month year	ar	Units		class
							R34	1432586	פר	31	12 20	2003	0003	AA	9
Accident year ended	year		Gross ck	Gross claims paid	Gross claims outstanding forward	s outstanding carried forward	Gross cl	Gross claims outstanding brought forward	ling brought fo	ırward					
Month	Year		In previous financial years	In this financial year	Reported	Incurred but not reported	Ŗ	Reported	Incurred but not reported	ut not	Balance on each underwriting year (2+3+4-5-6)	 	Gross earned premiums	Clair	Claims ratio %
			-	2	က	4		ഹ	9		^		ω		თ
12	2003	7										<u> </u>			
12	2002	12													
12	2001	13													
12		14								!					
12	1999	15													
12		16													
15	1997	17													
12	1996	18													
12	1995	19													
12	1994	20								:					
Prior accident years		21		13	24	8		24	1		16	e de la composição de l			
Total (11 to 21)		29		13	24	3		24	•		16				
Line 29 expressed in sterling		30		13	24	3		24	1		16				

STATEMENT REQUIRED BY RULE 9.25

AA MUTUAL INTERNATIONAL INSURANCE CO LIMITED

GLOBAL BUSINESS

FINANCIAL YEAR ENDED 31.12.2003

MAJOR TREATY REINSURERS REPORT

The company has no major reinsurers.

STATEMENT REQUIRED BY RULE 9.26

AA MUTUAL INTERNATIONAL INSURANCE CO LIMITED

GLOBAL BUSINESS

FINANCIAL YEAR ENDED 31.12.2003

MAJOR FACULTATIVE REINSURER REPORT

	CONNECTED COMPANY	PREMIUM CEDED IN FINANCIAL YEAR	AMOUNT OF DEBT AT YEAR END	DEPOSIT	ANTICIPATED RECOVERY
		£	£	£	3
Home & Overseas					
The Grange					
Bishops Cleeve	2	c c			42406 22
Cheltenham	2	00:0	Ž		45400.52
Gloucestershire					
GL52 4XX					

STATEMENT REQUIRED BY RULE 9.27

AA MUTUAL INTERNATIONAL INSURANCE CO LIMITED

GLOBAL BUSINESS

FINANCIAL YEAR ENDED 31.12.2003

MAJOR CEDANT REPORT

NAME & ADDRESS OF CEDANT	CONNECTED	GROSS PREMIUMS RECEIVABLE	AMOUNT OF DEPOSIT	AMOUNT OF DEBT
		ε	다	Ħ
Lloyds Lime Street				
London	ON	JIN N	NIF	NF NF
EC3M 7HA				

3/12/2004

Statement required by Rule 9.29

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2003

Additional information on derivative contracts

The investment 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 2003.

Statement required by Rule 9.30

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

C.B. Manson

Financial year ended 31 December 2003

Statement of Shareholder Controllers

The following persons were shareholder controllers during the year and at 31st December 2003:

Hampden Holdings Limited
Hampden Insurance Holdings Limited
Hampden Insurance Group Limited
Hampden Group Management Limited
Hampden Plc
T.P.C. Oliver

(Ceased 1st August 2003)
(Ceased 1st August 2003)
(Ceased 1st August 2003)

At 31st December 2003 Hampden Insurance Group Limited owned 100% of the issued share capital of the company, and following an internal reorganisation was able to exercise 100% of the voting power at any annual general meeting. Hampden Holdings Limited owns 100% of the issued share capital of Hampden Insurance Group Limited. The shareholder controllers interests in Hampden Holdings Limited at 31st December 2003 were as follows:-

	Perce	ntage
	Shares held	Voting power
T.P.C. Oliver	60.00	60.00
C.B. Manson	18.18	18.18

Statement required by Rule 9.32

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2003

Additional information on general insurance business ceded

There is no information to be stated by the company under rule 9.32

Minimum guarantee funds modification under IPRU (INS) Appendix 2.3, paragraphs 2, 3 & 4

The FSA, on application of the firm, made a direction in December 2003 under section 148 of the Act. The effect of the direction is to modify paragraph 2 of Appendix 2.3 to IPRU (INS) to reduce the minimum guarantee fund for its general insurance business from Euro 3 million to Euro 400,000 until 30 December 2006.

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2003

Supplementary note to Form 10

1001 Reconciliation of net assets	2003	2002
	£000	£000
Total assets per form 13 line 99 Total liabilities per form 15 line 59	1,885 <u>1,599</u>	2,576 (2,034)
Capital and reserves per the shareholders account	<u>286</u>	_542

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Financial year ended 31 December 2003

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 to how much can be deposited with each institution.

1307 Technical provisions - Reinsurers' share of claims outstanding

Form 15.12.1 includes gross technical provisions for claims outstanding amounting to £600,000 and Form 13.61.1 includes the related reinsurers' share of such provisions amounting to £102,000. As the company has completed its sixteenth year of run off the directors believe incurred claims to be effectively fully developed. Nethertheless 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 pr types pf claims 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.

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

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Supplementary notes to Form 15

1501 Provision for Adverse changes

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

1505 Technical provisions - Gross claims outstanding

Form 15.12.1 includes gross technical provisions for claims outstanding amounting to £600,000 and Form 13.61.1 includes the related reinsurers' share of such provisions amounting to £102,000. As the company has completed its sixteenth 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 claims 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.

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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 2003. 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 2003 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.

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

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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 had no transactions which qualify to be reported for the year ended 31st December 2003 or for the previous year.

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2003

Supplementary notes to Form 20

2001 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 current regulations, this business is now accounted for on an underwriting year basis. Accordingly, the Company considers the classes of business as being managed together.

2002 Analysis between UK and Overseas business

For all accounting classes there are no gross premium 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 Material connected-party transactions.

Material connected-party transactions in the financial year to be reported under Rule 9.39 were as follows:

Hampden Insurance Management Services Plc, a fellow group company acts as agent for the run-off and charged £330,000 for run-off services for the year ended 31 December 2003.

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

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Supplementary notes to Form 22

2202 Provision for claims management costs

A provision of £225,000 (2002: £450,000) has been made for claims management 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
	£'000	£,000 9	7 £'000	1 £'000	₹' 000	6 £,000	£,000 8	Return £'000
Dunnisian for alaima								
Provision for claims Management costs	<u>10</u>	<u>5</u>	<u>20</u>	<u>4</u>	<u>51</u>	<u>5</u>	<u>130</u>	<u>225</u>

2207 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	427
Items arising from the run off of the WF Portfolio of business	(35)
Increase in amount anticipated from AAMA	(58)
Decrease in provision for doubtful debts	(22)
· ·	

312

have been included in the return as administrative expense on Form 24.43.03 (accounting class 9).

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2003

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 of 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

Refer to note 2202 for further details

2407 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	427
Items arising from the run off of the WF portfolio of business	(35)
Increase in amount anticipated from AAMA	(58)
Decrease in provision for doubtful debts	<u>(22</u>)
	<u>312</u>

have been included in the return as administrative expense on Form 24.43.03 (Accounting class 9)

2408 Reinsurance creditors

Reinsurance creditors identified as time-barred amounting to £252,000 have been charged to the technical account as follows:

		Total per			
Class	£'000	£'000	£'000	£'000	return £'000
Form: Form 24.43.29	-	-	-	252	252

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

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Financial year ended 31 December 2003

Supplementary note 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.

2506 Provision of claims management costs

As explained in note 2202, a provision of £225,000 has been made for claims management costs, net of anticipated investment income. This provision has been allocated between underwriting years and accident years by reference to the value of the outstanding claims. The provision has been included in this return as follows:

		F	orm 25			Form 22		
Class	1	3	6	9	1	6	7	Total per return
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Provision for claims management costs	4	<u>51</u>	5_	130_	<u>10</u>	5	20	<u>225</u>

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2003

Supplementary note to Form 28

2801 Amount brought forward

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

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2003

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.

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 2003

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).