UK Insurance Limited

Annual FSA Insurance Returns for the year ended

31 December 2010

IPRU(INS) Appendices 9.1, 9.2, 9.5, 9.6

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Form 1

Statement of solvency - general insurance business

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Solo solvency calculation

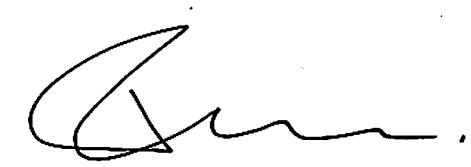
	Company registration number	GL/ UK/ CM	day	month	year	Units
R1	1179980	GL	31	12	2010	£000

		As at end of this financial year 1	As at end of the previous year 2
Capital resources			
Capital resources arising outside the long-term insurance fund	11	625250	734956
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	12		
Capital resources available to cover general insurance business capital resources requirement (11-12)	13	625250	734956
Guarantee fund			
Guarantee fund requirement	21	85818	71472
Excess (deficiency) of available capital resources to cover guarantee fund requirement	22	539432	663483
Minimum capital requirement (MCR)			
General insurance capital requirement	31	257455	214417
Base capital resources requirement	33	3040	3128
Individual minimum capital requirement	34	257455	214417
Capital requirements of regulated related undertakings	35		
Minimum capital requirement (34+35)	36	257455	214417
Excess (deficiency) of available capital resources to cover 50% of MCR	37	496523	627747
Excess (deficiency) of available capital resources to cover 75% of MCR	38	432159	574143
Capital resources requirement (CRR)			
Capital resources requirement	41	257455	214417
Excess (deficiency) of available capital resources to cover general insurance business CRR (13-41)	42	367795	520539
Contingent liabilities			
Quantifiable contingent liabilities in respect of other than long-term insurance business as shown in a supplementary note to Form 15	51		

Form 1

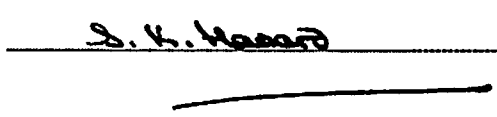
Covering Sheet to Form 1

Name of insurer	**UK Insurance Limited**
Global business	
Financial year ended	**31 December 2010**



Director

Director



Director

Date 22 MARCH 2011

Form 3
(Sheet 1)

Components of capital resources

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	Units
R3	1179980	GL	31	12	2010	£000

		General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3	Total as at the end of the previous year 4
Core tier one capital					
Permanent share capital	11	580765		580765	580765
Profit and loss account and other reserves	12	197962		197962	187031
Share premium account	13				
Positive valuation differences	14				
Fund for future appropriations	15				
Core tier one capital in related undertakings	16				
Core tier one capital (sum of 11 to 16)	19	778726		778726	767796
Tier one waivers					
Unpaid share capital / unpaid initial funds and calls for supplementary contributions	21				
Implicit Items	22				
Tier one waivers in related undertakings	23				
Total tier one waivers as restricted (21+22+23)	24				
Other tier one capital					
Perpetual non-cumulative preference shares as restricted	25				
Perpetual non-cumulative preference shares in related undertakings	26				
Innovative tier one capital as restricted	27				
Innovative tier one capital in related undertakings	28				
Total tier one capital before deductions (19+24+25+26+27+28)	31	778726		778726	767796
Investments in own shares	32				
Intangible assets	33	1880		1880	2193
Amounts deducted from technical provisions for discounting	34				
Other negative valuation differences	35	23674		23674	15828
Deductions in related undertakings	36				
Deductions from tier one (32 to 36)	37	25554		25554	18021
Total tier one capital after deductions (31-37)	39	753172		753172	749775

Form 3
(Sheet 2)

Components of capital resources

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	Units
R3	1179980	GL	31	12	2010	£000

		General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3	Total as at the end of the previous year 4
Tier two capital					
Implicit items, (tier two waivers and amounts excluded from line 22)	41				
Perpetual non-cumulative preference shares excluded from line 25	42				
Innovative tier one capital excluded from line 27	43				
Tier two waivers, innovative tier one capital and perpetual non-cumulative preference shares treated as tier two capital (41 to 43)	44				
Perpetual cumulative preference shares	45				
Perpetual subordinated debt and securities	46				
Upper tier two capital in related undertakings	47				
Upper tier two capital (44 to 47)	49				
Fixed term preference shares	51				
Other tier two instruments	52				
Lower tier two capital in related undertakings	53				
Lower tier two capital (51+52+53)	59				
Total tier two capital before restrictions (49+59)	61				
Excess tier two capital	62				
Further excess lower tier two capital	63				
Total tier two capital after restrictions, before deductions (61-62-63)	69				

Form 3
(Sheet 3)

Components of capital resources

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	Units
R3	1179980	GL	31	12	2010	£000

		General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3	Total as at the end of the previous year 4
Total capital resources					
Positive adjustments for regulated non-insurance related undertakings	71				
Total capital resources before deductions (39+69+71)	72	753172		753172	749775
Inadmissible assets other than intangibles and own shares	73	127922		127922	5086
Assets in excess of market risk and counterparty limits	74				9733
Deductions for related ancillary services undertakings	75				
Deductions for regulated non-insurance related undertakings	76				
Deductions of ineligible surplus capital	77				
Total capital resources after deductions (72-73-74-75-76-77)	79	625250		625250	734956
Available capital resources for GENPRU/INSPRU tests					
Available capital resources for guarantee fund requirement	81	625250		625250	734956
Available capital resources for 50% MCR requirement	82	625250		625250	734956
Available capital resources for 75% MCR requirement	83	625250		625250	734956
Financial engineering adjustments					
Implicit items	91				
Financial reinsurance - ceded	92				
Financial reinsurance - accepted	93				
Outstanding contingent loans	94				
Any other charges on future profits	95				
Sum of financial engineering adjustments (91+92-93+94+95)	96				

Form 11

Calculation of general insurance capital requirement - premiums amount and brought forward amount

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

General insurance business

	Company registration number	GL/ UK/ CM	day	month	year	Units
R11	1179980	GL	31	12	2010	£000

			This financial year 1	Previous year 2
Gross premiums written		11	1137549	1167417
Premiums taxes and levies (included in line 11)		12		
Premiums written net of taxes and levies (11-12)		13	1137549	1167417
Premiums for classes 11, 12 or 13 (included in line 13)		14		
Premiums for "actuarial health insurance" (included in line 13)		15		
Sub-total A (13 + 1/2 14 - 2/3 15)		16	1137549	1167417
Gross premiums earned		21	1229776	1257621
Premium taxes and levies (included in line 21)		22		
Premiums earned net of taxes and levies (21-22)		23	1229776	1257621
Premiums for classes 11, 12 or 13 (included in line 23)		24		
Premiums for "actuarial health insurance" (included in line 23)		25		
Sub-total H (23 + 1/2 24 - 2/3 25)		26	1229776	1257621
Sub-total I (higher of sub-total A and sub-total H)		30	1229776	1257621
Adjusted sub-total I if financial year is not a 12 month period to produce an annual figure		31		
Division of gross adjusted premiums amount sub-total I (or adjusted sub-total I if appropriate)	x 0.18	32	221360	226372
	Excess (if any) over 57.5M EURO x 0.02	33	23597	24125
Sub-total J (32-33)		34	197763	202247
Claims paid in period of 3 financial years		41	2822385	2782370
Claims outstanding carried forward at the end of the 3 year period	For insurance business accounted for on an underwriting year basis	42		
	For insurance business accounted for on an accident year basis	43	2683810	1404088
Claims outstanding brought forward at the beginning of the 3 year period	For insurance business accounted for on an underwriting year basis	44		
	For insurance business accounted for on an accident year basis	45	1374675	1346763
Sub-total C (41+42+43-44-45)		46	4131520	2839696
Amounts recoverable from reinsurers in respect of claims included in Sub-total C		47	784506	107593
Sub-total D (46-47)		48	3347014	2732103
Reinsurance Ratio (Sub-total D /sub-total C or, if more, 0.50 or, if less, 1.00)		49	0.81	0.96
Premiums amount (Sub-total J x reinsurance ratio)		50	160211	194584
Provision for claims outstanding (before discounting and net of reinsurance		51	1402097	1212737
Provision for claims outstanding (before discounting and gross of reinsurance) if both 51.1 and 51.2 are zero, otherwise zero		52		
Brought forward amount (See instruction 4)		53	214417	214417
Greater of lines 50 and 53		54	214417	214417

Form 12

Calculation of general insurance capital requirement - claims amount and result

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

General insurance business

	Company registration number	GL/ UK/ CM	day	month	year	Units
R12	1179980	GL	31	12	2010	£000

			This financial year 1	Previous year 2
Reference period (No. of months) See INSPRU 1.1.63R		11	36	36
Claims paid in reference period		21	2822385	2782370
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis	22		
	For insurance business accounted for on an accident year basis	23	2683810	1404088
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis	24		
	For insurance business accounted for on an accident year basis	25	1374675	1346763
Claims incurred in reference period (21+22+23-24-25)		26	4131520	2839696
Claims incurred for classes 11, 12 or 13 (included in 26)		27		
Claims incurred for "actuarial health insurance" (included in 26)		28		
Sub-total E (26 +1/2 27 - 2/3 28)		29	4131520	2839696
Sub-total F - Conversion of sub-total E to annual figure (multiply by 12 and divide by number of months in the reference period)		31	1377173	946565
Division of sub-total F (gross adjusted claims amount)	x 0.26	32	358065	246107
	Excess (if any) over 40.3M EURO x 0.03	33	40265	27316
Sub-total G (32-33)		39	317800	218791
Claims amount Sub-total G x reinsurance ratio (11.49)		41	257455	210501
Higher of premiums amount and brought forward amount (11.54)		42	214417	214417
General insurance capital requirement (higher of lines 41 and 42)		43	257455	214417

Form 13
(Sheet 1)

Analysis of admissible assets

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Category of assets **Total other than long term insurance business assets**

	Company registration number	GL/ UK/ CM	day	month	year	Units	Catogory of assets
R13	1179980	GL	31	12	2010	£000	1

			As at end of this financial year 1	As at end of the previous year 2
Land and buildings		11	754	766
Investments in group undertakings and participating interests				
UK insurance dependants	Shares	21		
	Debts and loans	22		
Other insurance dependants	Shares	23		
	Debts and loans	24		
Non-insurance dependants	Shares	25		
	Debts and loans	26		
Other group undertakings	Shares	27		
	Debts and loans	28	23907	62120
Participating interests	Shares	29		
	Debts and loans	30		
Other financial investments				
Equity shares		41		
Other shares and other variable yield participations		42		
Holdings in collective investment schemes		43		
Rights under derivative contracts		44		
Fixed interest securities	Approved	45	941318	598066
	Other	46	635679	653225
Variable interest securities	Approved	47	10017	95207
	Other	48	230733	376750
Participation in investment pools		49		
Loans secured by mortgages		50		
Loans to public or local authorities and nationalised industries or undertakings		51		
Loans secured by policies of insurance issued by the company		52		
Other loans		53		
Bank and approved credit & financial institution deposits	One month or less withdrawal	54	249976	120285
	More than one month withdrawal	55	213830	387970
Other financial investments		56		
Deposits with ceding undertakings		57		
Assets held to match linked liabilities	Index linked	58		
	Property linked	59		

Form 13
(Sheet 2)

Analysis of admissible assets

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Category of assets **Total other than long term insurance business assets**

	Company registration number	GL/ UK/ CM	day	month	year	Units	Catogory of assets
R13	1179980	GL	31	12	2010	£000	1

		As at end of this financial year 1	As at end of the previous year 2
Reinsurers' share of technical provisions			
Provision for unearned premiums	60	20074	20359
Claims outstanding	61	225461	143001
Provision for unexpired risks	62		
Other	63		
Debtors and salvage			
Direct insurance business – Policyholders	71	290080	320400
Direct insurance business – Intermediaries	72	3252	9315
Salvage and subrogation recoveries	73		
Reinsurance – Accepted	74		
Reinsurance – Ceded	75	8631	10426
Dependants – due in 12 months or less	76		
Dependants – due in more than 12 months	77		
Other – due in 12 months or less	78		
Other – due in more than 12 months	79		
Other assets			
Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81	6556	5379
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83	10991	6866
Accrued interest and rent	84	406	2599
Deferred acquisition costs (general business only)	85	52229	71511
Other prepayments and accrued income	86	44290	27849
Deductions from the aggregate value of assets	87		
Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	2968185	2912094

Form 13
(Sheet 3)

Analysis of admissible assets

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Category of assets **Total other than long term insurance business assets**

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category of assets
R13	1179980	GL	31	12	2010	£000	1

		As at end of this financial year	As at end of the previous year
		1	2
Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting			
Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	2968185	2912094
Admissible assets in excess of market and counterparty limits	92		9733
Inadmissible assets directly held	93	129802	7280
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98		
Deferred acquisition costs excluded from line 89	99		
Reinsurers' share of technical provisions excluded from line 89	100		
Other asset adjustments (may be negative)	101		
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	3097987	2929106

Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		

Form 15

Liabilities (other than long term insurance business)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	Units
R15	1179980	GL	31	12	2010	£000

			As at end of this financial year 1	As at end of the previous year 2
Technical provisions (gross amount)				
Provisions for unearned premiums		11	490466	582694
Claims outstanding		12	1627558	1355738
Provision for unexpired risks		13		
Equalisation provisions	Credit business	14		
	Other than credit business	15	23674	15827
Other technical provisions		16		
Total gross technical provisions (11 to 16)		19	2141698	1954259
Provisions and creditors				
Provisions	Taxation	21	8043	6061
	Other risks and charges	22	48918	50420
Deposits received from reinsurers		31		
Creditors	Direct insurance business	41	7226	32628
	Reinsurance accepted	42		
	Reinsurance ceded	43	16804	22010
Debenture loans	Secured	44		
	Unsecured	45		
Amounts owed to credit institutions		46	2213	541
Creditors	Taxation	47		
	Foreseeable dividend	48		
	Other	49	104952	92164
Accruals and deferred income		51	13081	19055
Total (19 to 51)		59	2342934	2177137
Provision for "reasonably foreseeable adverse variations"		61		
Cumulative preference share capital		62		
Subordinated loan capital		63		
Total (59 to 63)		69	2342934	2177137

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance	71		

Amounts deducted from technical provisions for discounting	82		
Other adjustments (may be negative)	83	(23674)	(15827)
Capital and reserves	84	778727	767796
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (69-82+83+84)	85	3097987	2929106

Form 16

Profit and loss account (non-technical account)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	Units
R16	1179980	GL	31	12	2010	£000

			This financial year 1	Previous year 2
Transfer (to)/from the general insurance business technical account	From Form 20	11	(117751)	(69131)
	Equalisation provisions	12	(7846)	(7866)
Transfer from the long term insurance business revenue account		13		
Investment income	Income	14	103918	110813
	Value re-adjustments on investments	15	18824	16515
	Gains on the realisation of investments	16	3468	5235
Investment charges	Investment management charges, including interest	17		259
	Value re-adjustments on investments	18		
	Loss on the realisation of investments	19		
Allocated investment return transferred to the general insurance business technical account		20		
Other income and charges (particulars to be specified by way of supplementary note)		21		17500
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)		29	614	72807
Tax on profit or loss on ordinary activities		31	(2471)	17652
Profit or loss on ordinary activities after tax (29-31)		39	3085	55155
Extraordinary profit or loss (particulars to be specified by way of supplementary note)		41		
Tax on extraordinary profit or loss		42		
Other taxes not shown under the preceding items		43		
Profit or loss for the financial year (39+41-(42+43))		49	3085	55155
Dividends (paid or foreseeable)		51		
Profit or loss retained for the financial year (49-51)		59	3085	55155

Form 20A
(Sheet 1)

General insurance business : Summary of business carried on

Name of insurer UK Insurance Limited

Global business

Financial year ended 31 December 2010

	Company registration number	GL/ UK/ CM	day	month	year	units
R20A	1179980	GL	31	12	2010	£000

Category number	FSA return general insurance business reporting category		Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year
				Reported	Incurred but not reported	
			1	2	3	4
1	Total business	1	1137549	1067443	1601462	490466
2	Total primary (direct) and facultative business	2	1137549	1067136	1601462	490465
3	Total treaty reinsurance accepted business	3	0	307		2
110	Total primary (direct) and facultative accident and health (category numbers 111 to 114)	4	66807	18599	5337	6218
120	Total primary (direct) and facultative personal lines motor business (category numbers 121 to 123)	5	529252	924818	1465615	238884
160	Primary (direct) and facultative household and domestic all risks	6	276252	86962	19392	138429
180	Total primary (direct) and facultative personal lines financial loss (category numbers 181 to 187)	7	265237	36757	111117	106934
220	Total primary (direct) and facultative commercial motor business (category numbers 221 to 223)	8				
260	Total primary (direct) and facultative commercial lines property (category numbers 261 to 263)	9				
270	Total primary (direct) and facultative commercial lines liability business (category numbers 271 to 274)	10				
280	Total primary (direct) and facultative commercial lines financial loss (category numbers 281 to 284)	11				
330	Total primary (direct) and facultative aviation (category numbers 331 to 333)	12				
340	Total primary (direct) and facultative marine (category numbers 341 to 347)	13				
350	Total primary (direct) and facultative goods in transit	14				
400	Miscellaneous primary (direct) and facultative business	15				
500	Total non-proportional treaty reinsurance business accepted (category numbers 510 to 590)	16				
600	Total proportional treaty reinsurance business accepted (category numbers 610 to 690)	17	0	307		2
700	Miscellaneous treaty reinsurance accepted business	18				
	Total (lines 4 to 18)	20	1137549	1067443	1601462	490466

General insurance business : Summary of business carried on

Form 20A (Sheet 2)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	units
R20A	1179980	GL	31	12	2010	£000

Category number	FSA return general insurance business reporting category		Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year
				Reported	Incurred but not reported	
			1	2	3	4
Primary (direct) and facultative personal lines business						
111	Medical insurance	21				
112	HealthCare cash plans	22				
113	Travel	23	66807	18599	5337	6218
114	Personal accident or sickness	24				
121	Private motor - comprehensive	25	481599	773640	1381405	217751
122	Private motor - non-comprehensive	26	47653	151178	84210	21133
123	Motor cycle	27				
160	Household and domestic all risks (equals line 6)	28	276252	86962	19392	138429
181	Assistance	29	72062	808	173	25354
182	Creditor	30	42465	11316	94034	63270
183	Extended warranty	31				
184	Legal expenses	32	40268	11524	9153	18310
185	Mortgage indemnity	33				
186	Pet insurance	34	110442	13110	7758	
187	Other personal financial loss	35				
Primary (direct) and facultative commercial lines business						
221	Fleets	41				
222	Commercial vehicles (non-fleet)	42				
223	Motor other	43				
261	Commercial property	44				
262	Consequential loss	45				
263	Contractors or engineering all risks	46				
271	Employers liability	47				
272	Professional indemnity	48				
273	Public and products liability	49				
274	Mixed commercial package	50				
281	Fidelity and contract guarantee	51				
282	Credit	52				
283	Suretyship	53				
284	Commercial contingency	54				
Primary (direct) and facultative aviation						
331	Aviation liability	61				
332	Aviation hull	62				
333	Space and satellite	63				

General insurance business : Summary of business carried on

Form 20A (Sheet 3)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	units
R20A	1179980	GL	31	12	2010	£000

Category number	FSA return general insurance business reporting category		Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year
				Reported	Incurred but not reported	
			1	2	3	4
Primary (direct) and facultative marine and transport						
341	Marine liability	64				
342	Marine hull	65				
343	Energy (on and off-shore)	66				
344	Protection and indemnity	67				
345	Freight demurrage and defence	68				
346	War risks	69				
347	Yacht	70				
350	Total primary (direct) and facultative goods in transit (equals line 14)	71				
Primary (direct) and facultative miscellaneous						
400	Miscellaneous primary (direct) and facultative business (equals line 15)	72				
Non-proportional treaty						
510	Non-proportional accident and health	81				
520	Non-proportional motor	82				
530	Non-proportional aviation	83				
540	Non-proportional marine	84				
550	Non-proportional transport	85				
560	Non-proportional property	86				
570	Non-proportional liability (non-motor)	87				
580	Non-proportional financial lines	88				
590	Non-proportional aggregate cover	89				
Proportional treaty						
610	Proportional accident and health	91				
620	Proportional motor	92	0	307		2
630	Proportional aviation	93				
640	Proportional marine	94				
650	Proportional transport	95				
660	Proportional property	96				
670	Proportional liability (non-motor)	97				
680	Proportional financial lines	98				
690	Proportional aggregate cover	99				
Treaty Reinsurance Miscellaneous						
700	Miscellaneous treaty reinsurance accepted business (equals line 18)	101				
	Total (lines 21 to 101)	111	1137549	1067443	1601462	490466

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R20	1179980	GL	31	12	2010	£000	001

Items to be shown net of reinsurance			This financial year 1	Previous year 2
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	1195394	1220477
	Claims incurred (22.17.4)	12	1073742	981474
	Claims management costs (22.18.4)	13	39583	36784
	Adjustment for discounting (22.52.4)	14	64196	
	Increase in provision for unexpired risks (22.19.4)	15		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16		
	Net operating expenses (22.42.4)	17	173651	351896
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(27386)	(149676)
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21		
	Claims incurred (22.13.4)	22	410702	(98496)
	Claims management costs (22.14.4)	23	24507	22645
	Adjustment for discounting (22.51.4)	24	344844	4693
	Other technical income or charges (particulars to be specified by way of supplementary note)	25		
	Net operating expenses (22.41.4)	26		
	Balance (21-22-23+24+25-26)	29	(90365)	80544
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31		
	Other technical income or charges (particulars to be specified by way of supplementary note)	32		
	Total	39		
Balance of all years' underwriting (19+29+39)		49	(117751)	(69131)
Allocated investment income		51		
Transfer to non-technical account (49+51)		59	(117751)	(69131)

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R20	1179980	GL	31	12	2010	£000	002

Items to be shown net of reinsurance			This financial year 1	Previous year 2
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	1192246	1213352
	Claims incurred (22.17.4)	12	1073742	978577
	Claims management costs (22.18.4)	13	39583	36784
	Adjustment for discounting (22.52.4)	14	64196	
	Increase in provision for unexpired risks (22.19.4)	15		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16		
	Net operating expenses (22.42.4)	17	173625	349139
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(30508)	(151148)
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21		
	Claims incurred (22.13.4)	22	410695	(98524)
	Claims management costs (22.14.4)	23	24507	22642
	Adjustment for discounting (22.51.4)	24	344844	4693
	Other technical income or charges (particulars to be specified by way of supplementary note)	25		
	Net operating expenses (22.41.4)	26		
	Balance (21-22-23+24+25-26)	29	(90358)	80575
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31		
	Other technical income or charges (particulars to be specified by way of supplementary note)	32		
	Total	39		
Balance of all years' underwriting (19+29+39)		49	(120866)	(70573)
Allocated investment income		51		
Transfer to non-technical account (49+51)		59	(120866)	(70573)

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total treaty reinsurance accepted business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Catogory number
R20	1179980	GL	31	12	2010	£000	003

Items to be shown net of reinsurance			This financial year 1	Previous year 2
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	3148	7125
	Claims incurred (22.17.4)	12		2897
	Claims management costs (22.18.4)	13	0	(0)
	Adjustment for discounting (22.52.4)	14		
	Increase in provision for unexpired risks (22.19.4)	15		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16		
	Net operating expenses (22.42.4)	17	26	2757
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	3122	1473
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21		
	Claims incurred (22.13.4)	22	7	28
	Claims management costs (22.14.4)	23	(0)	3
	Adjustment for discounting (22.51.4)	24		
	Other technical income or charges (particulars to be specified by way of supplementary note)	25		
	Net operating expenses (22.41.4)	26		
	Balance (21-22-23+24+25-26)	29	(7)	(31)
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31		
	Other technical income or charges (particulars to be specified by way of supplementary note)	32		
	Total	39		
Balance of all years' underwriting (19+29+39)		49	3115	1442
Allocated investment income		51		
Transfer to non-technical account (49+51)		59	3115	1442

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative accident and health

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R20	1179980	GL	31	12	2010	£000	110

Items to be shown net of reinsurance			This financial year 1	Previous year 2
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	65824	65491
	Claims incurred (22.17.4)	12	53964	43330
	Claims management costs (22.18.4)	13	1957	4979
	Adjustment for discounting (22.52.4)	14		
	Increase in provision for unexpired risks (22.19.4)	15		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16		
	Net operating expenses (22.42.4)	17	11224	13180
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(1322)	4002
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21		
	Claims incurred (22.13.4)	22	(4332)	(9686)
	Claims management costs (22.14.4)	23	2173	470
	Adjustment for discounting (22.51.4)	24		
	Other technical income or charges (particulars to be specified by way of supplementary note)	25		
	Net operating expenses (22.41.4)	26		
	Balance (21-22-23+24+25-26)	29	2159	9216
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31		
	Other technical income or charges (particulars to be specified by way of supplementary note)	32		
	Total	39		
Balance of all years' underwriting (19+29+39)		49	837	13218
Allocated investment income		51		
Transfer to non-technical account (49+51)		59	837	13218

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative personal lines motor business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R20	1179980	GL	31	12	2010	£000	120

Items to be shown net of reinsurance			This financial year 1	Previous year 2
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	535035	531219
	Claims incurred (22.17.4)	12	649927	533011
	Claims management costs (22.18.4)	13	21883	18161
	Adjustment for discounting (22.52.4)	14	64196	
	Increase in provision for unexpired risks (22.19.4)	15		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16		
	Net operating expenses (22.42.4)	17	(102185)	136626
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	29607	(156579)
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21		
	Claims incurred (22.13.4)	22	506202	(62166)
	Claims management costs (22.14.4)	23	10976	12004
	Adjustment for discounting (22.51.4)	24	344844	4693
	Other technical income or charges (particulars to be specified by way of supplementary note)	25		
	Net operating expenses (22.41.4)	26		
	Balance (21-22-23+24+25-26)	29	(172333)	54855
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31		
	Other technical income or charges (particulars to be specified by way of supplementary note)	32		
	Total	39		
Balance of all years' underwriting (19+29+39)		49	(142727)	(101724)
Allocated investment income		51		
Transfer to non-technical account (49+51)		59	(142727)	(101724)

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Primary (direct) and facultative household and domestic all risks

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R20	1179980	GL	31	12	2010	£000	160

Items to be shown net of reinsurance			This financial year 1	Previous year 2
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	267979	247544
	Claims incurred (22.17.4)	12	173685	174623
	Claims management costs (22.18.4)	13	8533	7910
	Adjustment for discounting (22.52.4)	14		
	Increase in provision for unexpired risks (22.19.4)	15		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16		
	Net operating expenses (22.42.4)	17	94997	93313
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(9237)	(28302)
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21		
	Claims incurred (22.13.4)	22	(24592)	(17542)
	Claims management costs (22.14.4)	23	5687	5640
	Adjustment for discounting (22.51.4)	24		
	Other technical income or charges (particulars to be specified by way of supplementary note)	25		
	Net operating expenses (22.41.4)	26		
	Balance (21-22-23+24+25-26)	29	18905	11901
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31		
	Other technical income or charges (particulars to be specified by way of supplementary note)	32		
	Total	39		
Balance of all years' underwriting (19+29+39)		49	9668	(16400)
Allocated investment income		51		
Transfer to non-technical account (49+51)		59	9668	(16400)

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative personal lines financial loss business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R20	1179980	GL	31	12	2010	£000	180

Items to be shown net of reinsurance			This financial year 1	Previous year 2
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	323408	369097
	Claims incurred (22.17.4)	12	196166	227613
	Claims management costs (22.18.4)	13	7209	5734
	Adjustment for discounting (22.52.4)	14		
	Increase in provision for unexpired risks (22.19.4)	15		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16		
	Net operating expenses (22.42.4)	17	169589	106020
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(49556)	29730
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21		
	Claims incurred (22.13.4)	22	(66582)	(9131)
	Claims management costs (22.14.4)	23	5671	4528
	Adjustment for discounting (22.51.4)	24		
	Other technical income or charges (particulars to be specified by way of supplementary note)	25		
	Net operating expenses (22.41.4)	26		
	Balance (21-22-23+24+25-26)	29	60911	4603
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31		
	Other technical income or charges (particulars to be specified by way of supplementary note)	32		
	Total	39		
Balance of all years' underwriting (19+29+39)		49	11355	34333
Allocated investment income		51		
Transfer to non-technical account (49+51)		59	11355	34333

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Balance of all treaty reinsurance accepted business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R20	1179980	GL	31	12	2010	£000	709

Items to be shown net of reinsurance			This financial year 1	Previous year 2
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	3148	7125
	Claims incurred (22.17.4)	12		2897
	Claims management costs (22.18.4)	13	0	(0)
	Adjustment for discounting (22.52.4)	14		
	Increase in provision for unexpired risks (22.19.4)	15		
	Other technical income or charges (particulars to be specified by way of supplementary note)	16		
	Net operating expenses (22.42.4)	17	26	2757
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	3122	1473
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21		
	Claims incurred (22.13.4)	22	7	28
	Claims management costs (22.14.4)	23	(0)	3
	Adjustment for discounting (22.51.4)	24		
	Other technical income or charges (particulars to be specified by way of supplementary note)	25		
	Net operating expenses (22.41.4)	26		
	Balance (21-22-23+24+25-26)	29	(7)	(31)
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31		
	Other technical income or charges (particulars to be specified by way of supplementary note)	32		
	Total	39		
Balance of all years' underwriting (19+29+39)		49	3115	1442
Allocated investment income		51		
Transfer to non-technical account (49+51)		59	3115	1442

Form 21

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R21	1179980	GL	31	12	2010	£000	001

Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance	
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years	11						
		Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years	12	(70761)				(70761)	
In respect of risks incepted in this financial year: For periods of less than 12 months	13	73950	1824	100	(0)	73851	1824
In respect of risks incepted in this financial year: For periods of 12 months	14	655771	425433	13923	20074	641848	405359
In respect of risks incepted in this financial year: For periods of more than 12 months	15	23430	27901			23430	27901
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	547385	35308	20359		527026	35308
Total (12 to 16)	19	1229776	490466	34382	20074	1195394	470393

Form 21

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R21	1179980	GL	31	12	2010	£000	002

Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance	
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years	11						
		Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years	12	(70761)				(70761)	
In respect of risks incepted in this financial year: For periods of less than 12 months	13	73950	1824	100	(0)	73851	1824
In respect of risks incepted in this financial year: For periods of 12 months	14	655771	425433	13923	20074	641848	405359
In respect of risks incepted in this financial year: For periods of more than 12 months	15	23430	27901			23430	27901
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	544237	35307	20359		523878	35307
Total (12 to 16)	19	1226628	490465	34382	20074	1192246	470391

Form 21

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total treaty reinsurance accepted business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R21	1179980	GL	31	12	2010	£000	003

Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance	
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years	11						
		Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years	12						
In respect of risks incepted in this financial year: For periods of less than 12 months	13						
In respect of risks incepted in this financial year: For periods of 12 months	14						
In respect of risks incepted in this financial year: For periods of more than 12 months	15	0				0	
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	3148	2			3148	2
Total (12 to 16)	19	3148	2			3148	2

Form 21

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative accident and health

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R21	1179980	GL	31	12	2010	£000	110

Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance	
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years	11						
		Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years	12	451				451	
In respect of risks incepted in this financial year: For periods of less than 12 months	13	7876	553	99	(0)	7778	553
In respect of risks incepted in this financial year: For periods of 12 months	14	52262	5665	547	0	51714	5665
In respect of risks incepted in this financial year: 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	5881				5881	
Total (12 to 16)	19	66470	6218	646	(0)	65824	6218

Form 21

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative personal lines motor business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R21	1179980	GL	31	12	2010	£000	120

Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance	
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years	11						
		Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years	12	(4017)				(4017)	
In respect of risks incepted in this financial year: For periods of less than 12 months	13						
In respect of risks incepted in this financial year: For periods of 12 months	14	294386	238884	10676	7975	283710	230909
In respect of risks incepted in this financial year: 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	262700		7357		255343	
Total (12 to 16)	19	553068	238884	18033	7975	535035	230909

Form 21

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Primary (direct) and facultative household and domestic all risks

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R21	1179980	GL	31	12	2010	£000	160

Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance	
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years	11						
		Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years	12	(3889)				(3889)	
In respect of risks incepted in this financial year: For periods of less than 12 months	13						
In respect of risks incepted in this financial year: For periods of 12 months	14	141712	138429	2608	12099	139104	126330
In respect of risks incepted in this financial year: 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	145765		13002		132763	
Total (12 to 16)	19	283589	138429	15610	12099	267979	126330

Form 21

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative personal lines financial loss business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R21	1179980	GL	31	12	2010	£000	180

Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance	
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years	11						
		Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years	12	(63307)				(63307)	
In respect of risks incepted in this financial year: For periods of less than 12 months	13	66074	1271	1		66073	1271
In respect of risks incepted in this financial year: For periods of 12 months	14	167412	42455	92		167320	42455
In respect of risks incepted in this financial year: For periods of more than 12 months	15	23430	27901			23430	27901
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	129891	35307			129891	35307
Total (12 to 16)	19	323501	106934	93		323408	106934

Form 21

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Balance of all treaty reinsurance accepted business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R21	1179980	GL	31	12	2010	£000	709

Premiums receivable during the financial year		Gross premiums written		Reinsurers' share		Net of reinsurance	
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years	11						
		Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years	12						
In respect of risks incepted in this financial year: For periods of less than 12 months	13						
In respect of risks incepted in this financial year: For periods of 12 months	14						
In respect of risks incepted in this financial year: For periods of more than 12 months	15	0				0	
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	3148	2			3148	2
Total (12 to 16)	19	3148	2			3148	2

Form 22

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

Name of company **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R22	1179980	GL	31	12	2010	£000	001

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	1386325	436355	1956296	1006326
	Reinsurers' share	12	184781	9825	770580	595624
	Net (11-12)	13	1201544	426531	1185716	410702
	Claims management costs	14	17764	32129	10141	24507
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		458142	712609	1170752
	Reinsurers' share	16		1483	95526	97010
	Net (15-16)	17		456659	617083	1073742
	Claims management costs	18		34819	4764	39583
Provision for unexpired risks		19				
Net operating expenses	Commissions	21	33030	73689	28497	78222
	Other acquisition expenses	22	38481	54146	23732	68895
	Administrative expenses	23		94596		94596
	Reinsurance commissions and profit participations	24		68062		68062
	Total (21+22+23-24)	29	71511	154369	52229	173651
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	48348		1056253	1007905
	Reinsurers' share	32	41780		640645	598865
	Claims management costs	33				
	Total (31-32+33)	39	6568		415608	409040
Split of line 29	Prior financial years	41				
	This financial year	42	71511	154369	52229	173651
Split of line 39	Incidents occurring prior to this financial year	51	6568		351412	344844
	Incidents occurring in this financial year	52			64196	64196

Form 22

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

Name of company **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R22	1179980	GL	31	12	2010	£000	002

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	1386023	436354	1955988	1006319
	Reinsurers' share	12	184781	9825	770580	595624
	Net (11-12)	13	1201242	426529	1185408	410695
	Claims management costs	14	17761	32129	10138	24507
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		458142	712609	1170752
	Reinsurers' share	16		1483	95526	97010
	Net (15-16)	17		456659	617083	1073742
	Claims management costs	18		34819	4764	39583
Provision for unexpired risks		19				
Net operating expenses	Commissions	21	33030	73689	28497	78222
	Other acquisition expenses	22	38481	54146	23732	68895
	Administrative expenses	23		94569		94569
	Reinsurance commissions and profit participations	24		68062		68062
	Total (21+22+23-24)	29	71511	154343	52229	173625
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	48348		1056253	1007905
	Reinsurers' share	32	41780		640645	598865
	Claims management costs	33				
	Total (31-32+33)	39	6568		415608	409040
Split of line 29	Prior financial years	41				
	This financial year	42	71511	154343	52229	173625
Split of line 39	Incidents occurring prior to this financial year	51	6568		351412	344844
	Incidents occurring in this financial year	52			64196	64196

Form 22

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

Name of company **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total treaty reinsurance accepted business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R22	1179980	GL	31	12	2010	£000	003

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	302	2	307	7
	Reinsurers' share	12				
	Net (11-12)	13	302	2	307	7
	Claims management costs	14	2	(0)	2	(0)
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15				
	Reinsurers' share	16				
	Net (15-16)	17				
	Claims management costs	18		0		0
Provision for unexpired risks		19				
Net operating expenses	Commissions	21		0		0
	Other acquisition expenses	22				
	Administrative expenses	23		26		26
	Reinsurance commissions and profit participations	24		(0)		(0)
	Total (21+22+23-24)	29		26		26
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31				
	Reinsurers' share	32				
	Claims management costs	33				
	Total (31-32+33)	39				
Split of line 29	Prior financial years	41				
	This financial year	42		26		26
Split of line 39	Incidents occurring prior to this financial year	51				
	Incidents occurring in this financial year	52				

Form 22

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

Name of company **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative accident and health

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R22	1179980	GL	31	12	2010	£000	110

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	20235	13387	2516	(4332)
	Reinsurers' share	12	77		77	0
	Net (11-12)	13	20158	13387	2438	(4332)
	Claims management costs	14	167	2231	109	2173
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		34245	21420	55666
	Reinsurers' share	16		1463	238	1702
	Net (15-16)	17		32782	21182	53964
	Claims management costs	18		1866	91	1957
Provision for unexpired risks		19				
Net operating expenses	Commissions	21	402	1192	67	1527
	Other acquisition expenses	22	269	1576	293	1553
	Administrative expenses	23		3884		3884
	Reinsurance commissions and profit participations	24		(4260)		(4260)
	Total (21+22+23-24)	29	671	10912	359	11224
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31				
	Reinsurers' share	32				
	Claims management costs	33				
	Total (31-32+33)	39				
Split of line 29	Prior financial years	41				
	This financial year	42	671	10912	359	11224
Split of line 39	Incidents occurring prior to this financial year	51				
	Incidents occurring in this financial year	52				

Form 22

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

Name of company **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative personal lines motor business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R22	1179980	GL	31	12	2010	£000	120

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	1046903	286418	1862549	1102064
	Reinsurers' share	12	177293	9890	763265	595862
	Net (11-12)	13	869610	276528	1099284	506202
	Claims management costs	14	15109	17182	8902	10976
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		217351	527883	745235
	Reinsurers' share	16		20	95288	95308
	Net (15-16)	17		217332	432595	649927
	Claims management costs	18		18040	3843	21883
Provision for unexpired risks		19				
Net operating expenses	Commissions	21	5180	9843	3981	11041
	Other acquisition expenses	22	22635	26905	11988	37552
	Administrative expenses	23		39021		39021
	Reinsurance commissions and profit participations	24		189799		189799
	Total (21+22+23-24)	29	27815	(114031)	15969	(102185)
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	48348		1056253	1007905
	Reinsurers' share	32	41780		640645	598865
	Claims management costs	33				
	Total (31-32+33)	39	6568		415608	409040
Split of line 29	Prior financial years	41				
	This financial year	42	27815	(114031)	15969	(102185)
Split of line 39	Incidents occurring prior to this financial year	51	6568		351412	344844
	Incidents occurring in this financial year	52			64196	64196

Form 22

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

Name of company **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Primary (direct) and facultative household and domestic all risks

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R22	1179980	GL	31	12	2010	£000	160

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	114690	59700	30160	(24830)
	Reinsurers' share	12	6366	(65)	6193	(238)
	Net (11-12)	13	108323	59765	23967	(24592)
	Claims management costs	14	797	6145	338	5687
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		97491	76194	173685
	Reinsurers' share	16				
	Net (15-16)	17		97491	76194	173685
	Claims management costs	18		8068	466	8533
Provision for unexpired risks		19				
Net operating expenses	Commissions	21	23829	30024	20739	33114
	Other acquisition expenses	22	11539	17701	8769	20470
	Administrative expenses	23		21034		21034
	Reinsurance commissions and profit participations	24		(20379)		(20379)
	Total (21+22+23-24)	29	35368	89138	29509	94997
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31				
	Reinsurers' share	32				
	Claims management costs	33				
	Total (31-32+33)	39				
Split of line 29	Prior financial years	41				
	This financial year	42	35368	89138	29509	94997
Split of line 39	Incidents occurring prior to this financial year	51				
	Incidents occurring in this financial year	52				

Form 22

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

Name of company **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative personal lines financial loss business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R22	1179980	GL	31	12	2010	£000	180

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	204195	76849	60763	(66582)
	Reinsurers' share	12	1044		1044	
	Net (11-12)	13	203151	76849	59719	(66582)
	Claims management costs	14	1689	6571	789	5671
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		109055	87111	196166
	Reinsurers' share	16				
	Net (15-16)	17		109055	87111	196166
	Claims management costs	18		6845	364	7209
Provision for unexpired risks		19				
Net operating expenses	Commissions	21	3619	32630	3710	32540
	Other acquisition expenses	22	4038	7964	2682	9321
	Administrative expenses	23		30631		30631
	Reinsurance commissions and profit participations	24		(97097)		(97097)
	Total (21+22+23-24)	29	7658	168323	6392	169589
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31				
	Reinsurers' share	32				
	Claims management costs	33				
	Total (31-32+33)	39				
Split of line 29	Prior financial years	41				
	This financial year	42	7658	168323	6392	169589
Split of line 39	Incidents occurring prior to this financial year	51				
	Incidents occurring in this financial year	52				

Form 22

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

Name of company **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Balance of all treaty reinsurance accepted business

	Company registration number	GL/ UK/ CM	day	month	year	Units	Category number
R22	1179980	GL	31	12	2010	£000	709

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	302	2	307	7
	Reinsurers' share	12				
	Net (11-12)	13	302	2	307	7
	Claims management costs	14	2	(0)	2	(0)
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15				
	Reinsurers' share	16				
	Net (15-16)	17				
	Claims management costs	18		0		0
Provision for unexpired risks		19				
Net operating expenses	Commissions	21		0		0
	Other acquisition expenses	22				
	Administrative expenses	23		26		26
	Reinsurance commissions and profit participations	24		(0)		(0)
	Total (21+22+23-24)	29		26		26
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31				
	Reinsurers' share	32				
	Claims management costs	33				
	Total (31-32+33)	39				
Split of line 29	Prior financial years	41				
	This financial year	42		26		26
Split of line 39	Incidents occurring prior to this financial year	51				
	Incidents occurring in this financial year	52				

Form 23

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total business

	Company registration number	GL/ UK/ CM	day month year			Units	Category number
R23	1179980	GL	31	12	2010	£000	001

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11				456659	290537	326546			1073742	62049	1195394		89.8
12	2009	12	443714	537760		233720	150032	156155	274862	262898	2147	55769	1220477	0.4	80.6
12	2008	13	421846	483729	219515	57573	105162	133669	136853	85500	74050	59313	1208373	6.7	77.6
12	2007	14	458641	556535	312592	40409	111339	169904	131491	42849	147312	116841	1237538	14.0	88.3
12	2006	15	450135	581995	318996	43395	81226	97021	95909	30571	95162	69163	1312591	(7.1)	75.5
12	2005	16	452090	518202	332216	27038	34490	43557	53271	22959	28855	23568	1292978	(15.6)	68.8
12	2004	17	408557	449357	340416	14493	38689	31141	37784	2396	44142	20247	1203776	(5.5)	69.2
12	2003	18	327038	366394	281943	7175	12487	11244	16251	2599	12055	7852	973037	(14.6)	65.8
12	2002	19	234024	252465	213139	1701	1765	850	3907	(345)	754	806	692992	(13.9)	65.1
12	2001	20	98360	104162	96080	1025	(84)	6682	1170	616	5837		374224	(0.4)	54.0
Prior accident years		21				(1)		388		0	387				
Reconciliation		22													
Total (11 to 22)		29				883190	825642	977157	751500	450044	1484445	415608			

Form 23

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative business

	Company registration number	GL/ UK/ CM	day month year	Units	Category number
R23	1179980	GL	31 12 2010	£000	002

Accident year ended Month	Year		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward: Reported (net)	Claims outstanding carried forward: Incurred but not reported (net)	Claims outstanding brought forward: Reported (net)	Claims outstanding brought forward: Incurred but not reported (net)	Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11				456659	290537	326546			1073742	62049	1192246		90.1
12	2009	12	440817	537760		233720	150032	156155	274862	262898	2147	55769	1213352	0.4	80.8
12	2008	13	418469	483729	219492	57573	105162	133669	136853	85500	74050	59313	1199265	6.6	77.9
12	2007	14	455034	556535	312600	40409	111339	169904	131491	42849	147312	116841	1233383	14.0	88.3
12	2006	15	450135	581995	318918	43395	81226	97021	95909	30571	95162	69163	1300249	(7.1)	76.2
12	2005	16	448888	517584	332216	27038	34490	43557	53271	22959	28855	23568	1286331	(15.5)	68.9
12	2004	17	408557	449357	340416	14493	38689	31141	37784	2396	44142	20247	1193589	(5.5)	69.8
12	2003	18	327038	366394	280904	7174	12179	11244	15950	2599	12048	7852	957564	(15.0)	66.7
12	2002	19	227141	252050	213139	1701	1765	850	3907	(345)	754	806	677682	(13.7)	65.6
12	2001	20	88027	102992	95680	1025	(84)	6682	1170	616	5837		355223	0.3	53.9
Prior accident years		21				(1)		388		0	387				
Reconciliation		22													
Total (11 to 22)		29				883188	825335	977157	751198	450044	1484437	415608			

Form 23

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total treaty reinsurance accepted business

	Company registration number	GL/ UK/ CM	day month year	Units	Category number
R23	1179980	GL	31 12 2010	£000	003

Accident year ended Month	Year		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward: Reported (net)	Claims outstanding carried forward: Incurred but not reported (net)	Claims outstanding brought forward: Reported (net)	Claims outstanding brought forward: Incurred but not reported (net)	Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11											3148		
12	2009	12	2897										7125		40.7
12	2008	13	3377		23								9108		37.3
12	2007	14	3607		(9)								4155		86.6
12	2006	15			77								12342		0.6
12	2005	16	3202	618									6647	(100.0)	48.2
12	2004	17											10187		
12	2003	18			1039	2	307		302		7		15473		8.7
12	2002	19	6883	415									15310	(100.0)	45.0
12	2001	20	10333	1170	400								19001	(65.8)	56.5
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				2	307		302		7				

Form 23

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative accident and health

	Company registration number	GL/ UK/ CM	day month year	Units	Category number
R23	1179980	GL	31 12 2010	£000	110

Accident year ended Month	Year		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward: Reported (net)	Claims outstanding carried forward: Incurred but not reported (net)	Claims outstanding brought forward: Reported (net)	Claims outstanding brought forward: Incurred but not reported (net)	Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11				32782	17058	4124			53964		65824		82.0
12	2009	12	28147	15183		11381	431	605	7613	7570	(2766)		65491	(18.2)	61.9
12	2008	13	25730	23271	12843	1301	235	374	1386	988	(464)		69714	(36.6)	58.1
12	2007	14	30176	27581	19431	367	163	122	331	404	(83)		72803	(27.1)	69.0
12	2006	15	25040	23030	14760	72	214	91	159	476	(258)		63661	(34.3)	63.1
12	2005	16	14198	17254	15578	249	67	21	70	255	12		58506	(7.8)	51.5
12	2004	17	19644	12409	20058	3	(54)	(1)	(56)	84	(80)		45542	61.2	87.1
12	2003	18	4107	3864	(3291)	9	22	0	22	96	(87)		14053	(189.0)	6.0
12	2002	19	3471	3511	3020	7	29	0	29	99	(92)		15093	(12.9)	43.3
12	2001	20	5774	2626	5949		118		118	514	(514)		21698	131.1	54.6
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				46169	18283	5337	9672	10486	49632				

Form 23

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative personal lines motor business

	Company registration number	GL/ UK/ CM	day month year			Units	Category number
R23	1179980	GL	31	12	2010	£000	120

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11				217332	186686	245909			649927	62049	535035		121.5
12	2009	12	213595	319416		122676	132147	129885	180542	138873	65292	55769	531219	20.4	112.6
12	2008	13	228713	300466	117779	40563	97536	117859	121809	46069	88081	59313	582933	24.4	103.3
12	2007	14	243519	354498	179484	31578	106832	162930	123400	21480	156460	116841	624470	35.6	116.0
12	2006	15	273371	391775	209944	36935	77957	95989	90899	17666	102316	69163	710024	7.4	97.8
12	2005	16	280799	396885	234618	23769	33026	43527	50371	19222	30728	23568	723457	(15.6)	85.1
12	2004	17	258260	340045	248374	13093	38235	31217	36861	1654	44029	20247	713789	(2.7)	82.5
12	2003	18	202885	267811	212214	6489	11721	11044	15088	1417	12749	7852	562478	(9.8)	79.0
12	2002	19	125765	185122	149985	1008	1656	888	3776	(539)	315	806	374894	(17.1)	74.5
12	2001	20	36869	71413	61537	418	(225)	6672	954	67	5843		130547	(4.2)	80.6
Prior accident years		21						388			388				
Reconciliation		22													
Total (11 to 22)		29				493859	685570	846310	623701	245909	1156129	415608			

Form 23

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Primary (direct) and facultative household and domestic all risks

	Company registration number	GL/ UK/ CM	day month year			Units	Category number
R23	1179980	GL	31	12	2010	£000	160

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11				97491	63751	12444			173685		267979		64.8
12	2009	12	95615	79008		50553	12310	1536	58603	20405	(14609)		247544	(18.5)	64.6
12	2008	13	83675	65703	41192	4641	4259	135	8008	3251	(2224)		238725	(23.6)	56.1
12	2007	14	102579	100149	69336	2259	2068	48	4610	2597	(2833)		215279	(26.4)	81.9
12	2006	15	67407	64883	43888	1575	1615	51	2442	2740	(1942)		209921	(27.4)	54.6
12	2005	16	73113	51066	37887	606	1075	19	1728	927	(956)		187769	(22.5)	60.0
12	2004	17	59657	53174	29884	228	248	20	472	545	(521)		180101	(42.9)	50.0
12	2003	18	53160	39050	31284	(84)	400	137	662	1166	(1374)		140367	(18.7)	60.5
12	2002	19	45535	31000	27318	(33)	43	2	73	67	(128)		108662	(11.8)	67.1
12	2001	20	8726	9581	10426	21			1	25	(5)		31386	9.0	61.1
Prior accident years		21				(1)					(1)				
Reconciliation		22													
Total (11 to 22)		29				157255	85768	14392	76600	31723	149093				

Form 23

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Total primary (direct) and facultative personal lines financial loss business

	Company registration number	GL/ UK/ CM	day month year	Units	Category number
R23	1179980	GL	31 12 2010	£000	180

Accident year ended Month	Accident year ended Year		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward: Reported (net)	Claims outstanding carried forward: Incurred but not reported (net)	Claims outstanding brought forward: Reported (net)	Claims outstanding brought forward: Incurred but not reported (net)	Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11				109055	23043	64069			196166		323408		60.7
12	2009	12	103460	124154		49111	5143	24129	28103	96051	(45770)		369097	(36.9)	49.3
12	2008	13	80351	94289	47678	11068	3132	15300	5650	35193	(11343)		307893	(18.1)	51.2
12	2007	14	78760	74327	44349	6206	2275	6804	3150	18367	(6232)		320831	(19.8)	43.1
12	2006	15	84318	102308	50327	4814	1440	889	2408	9689	(4953)		316644	(43.8)	44.8
12	2005	16	80778	52379	44133	2415	322	(10)	1102	2554	(929)		316599	(10.5)	40.3
12	2004	17	70996	43729	42100	1170	261	(96)	507	113	714		254157	(0.7)	45.0
12	2003	18	66886	55869	40696	759	36	62	178	(79)	759		240666	(25.6)	45.1
12	2002	19	52370	32417	32815	718	37	(40)	29	28	658		179033	3.4	48.0
12	2001	20	36658	19372	17769	587	23	10	96	10	513		171592	(5.1)	32.1
Prior accident years		21				0		(0)		0	(0)				
Reconciliation		22													
Total (11 to 22)		29				185904	35713	111117	41224	161926	129584				

Form 23

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

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

Balance of all treaty reinsurance accepted business

	Company registration number	GL/ UK/ CM	day month year			Units	Category number
R23	1179980	GL	31	12	2010	£000	709

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11											3148		
12	2009	12	2897										7125		40.7
12	2008	13	3377		23								9108		37.3
12	2007	14	3807		(9)								4155		86.6
12	2006	15			77								12342		0.6
12	2005	16	3202	618									6647	(100.0)	48.2
12	2004	17											10187		
12	2003	18			1039	2	307		302		7		15473		8.7
12	2002	19	6883	415									15310	(100.0)	45.0
12	2001	20	10333	1170	400								19001	(65.8)	56.5
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				2	307		302		7				

Form 30
(Sheet 1)

General insurance business : Expected income and yield from admissible assets covering discounted provisions

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	Units
R30	1179980	GL	31	12	2010	£000

Major currencies	Reporting territory code		Total admissible assets as shown on Form 13	Admissible assets hypothecated to cover the provision for outstanding claims being discounted	Expected income from assets included in column 2	Yield %	Technical provisions	Provision for outstanding claims being discounted		Unwind in the discount in the next financial year	Rates of interest at which the provision is being discounted		
								Before deduction for discounting	Deduction for discounting		Highest	Lowest	Average rate
			1	2	3	4	5	6	7	8	9	10	11
GBP	AA	11	2657785	2657785	74867	2 8	1853606	611862	415608	6829	4.5	4.5	4.5
		12											
		13											
		14											
		15											
		16											
		17											
		18											
		19											
		20											
Other currencies		21											
Total		29	2657785	2657785			1853606	611862	415608	6829			

Form 30
(Sheet 2)

General insurance business : Expected income and yield from admissible assets covering discounted provisions

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	Units
R30	1179980	GL	31	12	2010	£000

Type of asset			Value of admissible assets as shown on Form 13 1	Admissible assets hypothecated to cover the provision for outstanding claims being discounted 2	Expected income from assets included in column 2 3	Yield % 4
Land and buildings		31	754	754		
Fixed interest securities	Approved securities	32	941318	941318	25416	2.7
	Other	33	635679	635679	24156	3.8
Variable interest and variable yield securities (excluding items shown at line 36)	Approved securities	34	10017	10017	120	1.2
	Other	35	230733	230733	5538	2.4
Equity shares and holdings in collective investment schemes		36				
Loans secured by mortgages		37				
All other assets	Producing income	38	764413	764413	19638	2.6
	Not producing income	39	74871	74871		
Total		49	2657785	2657785	74867	2.8

Form 31

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

Name of insurer **UK Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Travel

	Company registration number	GL/ UK/ CM	day	month	year	Monetary units	Category number	Currency code	Reporting territory code
R31	1179980	GL	31	12	2010	000	113	GBP	AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	11	67668	21523		34245	17296	4124			55666	66470	83.7
12	2009	12	61687	517	28147	11381	431	605	7613	7570	(2766)	65953	61.5
12	2008	13	55927	185	38573	1301	235	374	1386	988	(464)	70213	57.7
12	2007	14	67086	63	49607	367	163	122	331	404	(83)	73895	68.0
12	2006	15	61672	16	39799	72	214	91	159	476	(258)	65069	61.7
12	2005	16	62029	11	44693	249	67	21	70	255	12	61701	73.0
12	2004	17	52919	3	29515	3	23	(1)	21	84	(80)	56463	52.3
12	2003	18	12806		14217	9	22	0	22	96	(87)	47092	30.3
12	2002	19	12008		16998	7	29	0	29	99	(92)	35410	48.1
12	2001	20	5792		11936		118		118	514	(514)	20779	58.0
Prior accident years		21											
Total (11 to 21)		29		22318		47632	18599	5337	9749	10486	51333		
Line 29 expressed in sterling		30				47632	18599	5337	9749	10486	51333		

Form 31

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

Name of insurer **UK Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Primary (direct) and facultative household and domestic all risks

	Company registration number	GL/ UK/ CM	day	month	year	Monetary units	Category number	Currency code	Reporting territory code
R31	1179980	GL	31	12	2010	000	160	GBP	AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	11	70664	35569		97491	63751	12444			173685	283589	61.2
12	2009	12	90895	1220	95615	50553	12310	1536	58603	20405	(14609)	264481	60.5
12	2008	13	89740	450	124868	4641	4685	135	8359	3251	(2149)	254938	52.7
12	2007	14	93470	179	171915	2259	2068	48	4610	2597	(2833)	227883	77.4
12	2006	15	84372	129	111294	1575	1615	51	2442	2740	(1942)	218215	52.5
12	2005	16	88905	48	113711	425	1075	19	1728	927	(1137)	197047	58.5
12	2004	17	155769	12	91166	228	248	20	472	545	(521)	201641	45.5
12	2003	18	701661	16	91949	(84)	1144	5137	1584	6166	(1552)	161184	60.9
12	2002	19	418720	2	76594	83	66	2	167	67	(82)	123740	62.0
12	2001	20	70152		20174	21			1	25	(5)	33175	60.9
Prior accident years		21				(1)					(1)		
Total (11 to 21)		29		37625		157190	86962	19392	77967	36723	148855		
Line 29 expressed in sterling		30				157190	86962	19392	77967	36723	148855		

Form 31

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

Name of insurer **UK Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Assistance

	Company registration number	GL/ UK/ CM	day	month	year	Monetary units	Category number	Currency code	Reporting territory code
R31	1179980	GL	31	12	2010	000	181	GBP	AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	11	579530	5960		38232	778	173			39183	72377	54.1
12	2009	12	500387	27	27767	1737	23		422	173	1165	144773	20.4
12	2008	13	441062	6	25367	39	2		36		5	50424	50.4
12	2007	14	521920	10	30228	20	5		39		(14)	64216	47.1
12	2006	15	569783		32287	11	1		38		(26)	71648	45.1
12	2005	16	591598		32537				36		(36)	70794	46.0
12	2004	17	513126		30565		0		20		(20)	81435	37.5
12	2003	18	502588		33963				2		(2)	54215	62.6
12	2002	19	55241		60234				0		(0)	46833	128.6
12	2001	20	14		27669							90350	30.6
Prior accident years		21											
Total (11 to 21)		29		6003		40039	808	173	593	173	40254		
Line 29 expressed in sterling		30				40039	808	173	593	173	40254		

Form 31

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

Name of insurer **UK Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Creditor

	Company registration number	GL/ UK/ CM	day	month	year	Monetary units	Category number	Currency code	Reporting territory code
R31	1179980	GL	31	12	2010	000	182	GBP	AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	11	6145	11257		19022	8681	50649			78353	95835	81.8
12	2009	12	16282	13138	31246	24726	971	21587	13265	78639	(44620)	124053	63.3
12	2008	13	30321	3289	46327	7109	790	14412	1412	30432	(9533)	132729	51.7
12	2007	14	42328	1786	48026	4762	537	6313	744	16665	(5797)	149596	39.9
12	2006	15	38712	1134	51590	3761	299	986	564	8522	(4039)	154093	36.8
12	2005	16	32401	522	56014	1998	25	13	275	2185	(425)	155730	37.3
12	2004	17	30830	168	56046	968	3	32	6	308	690	141646	40.3
12	2003	18	29727	150	51378	716	8	34	16	17	725	109207	47.7
12	2002	19	24736	146	40609	694	2	8	4	37	662	80754	51.2
12	2001	20	12550	146	18004	546	0	0	2	(4)	549	68403	27.1
Prior accident years		21								0	(0)		
Total (11 to 21)		29		31736		64304	11316	94034	16288	136802	16564		
Line 29 expressed in sterling		30				64304	11316	94034	16288	136802	16564		

Form 31

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

Name of insurer **UK Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Pet Insurance

	Company registration number	GL/ UK/ CM	day	month	year	Monetary units	Category number	Currency code	Reporting territory code
R31	1179980	GL	31	12	2010	000	186	GBP	AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	11	84574	42793		51149	11178	7515			69842	112522	62.1
12	2009	12	129241	3206	44043	19730	1120	70	11527	12964	(3571)	100295	64.8
12	2008	13	110460	916	53474	1519	381	114	711	2699	(1396)	80000	69.4
12	2007	14	94156	393	40670	425	269	31	263	453	9	62310	66.4
12	2006	15	123094	137	40113	149	129	20	191	404	(298)	52997	76.2
12	2005	16	74921	6	29868	17	7	(0)	18	14	(9)	35402	84.4
12	2004	17	65143	3	22925	45	26	0	101	2	(32)	28509	80.7
12	2003	18	53811	3	17588	(9)	1	(1)	1	3	(12)	20653	85.1
12	2002	19	44607		12746	0		0	1	4	(4)	14254	89.4
12	2001	20	14739		4124	39		9	75	0	(27)	6453	64.7
Prior accident years		21				0				0	0		
Total (11 to 21)		29		47457		73065	13110	7758	12888	16543	64501		
Line 29 expressed in sterling		30				73065	13110	7758	12888	16543	64501		

Form 32

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

Name of insurer **UK Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Private motor - comprehensive

	Company registration number	GL/ UK/ CM	day	month	year	Monetary units	Category number	Currency code	Reporting territory code
R32	1179980	GL	31	12	2010	000	121	GBP	AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %
Month	Year		Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported	(4+5+6-7-8)				
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11	161867	62321		203371	165967	298380			667719	499687	133.6	1243	18.0
12	2009	12	214463	12455	200455	106337	110073	201113	155028	122371	140125	497089	124.3	1293	17.5
12	2008	13	241120	4350	323872	34770	93595	201867	112354	43113	174765	548625	119.2	1398	17.6
12	2007	14	287410	1987	408097	26070	93190	269743	107526	23572	257905	601930	132.4	1493	19.4
12	2006	15	318938	1073	460016	31329	133857	204775	84959	17922	267080	678411	122.3	1615	19.8
12	2005	16	326531	403	480419	19770	72137	79656	50143	10978	110442	663442	98.3	1619	20.2
12	2004	17	303241	203	479114	12679	70948	59727	36009	2029	105315	678046	91.8	1487	20.4
12	2003	18	262677	149	405240	5108	31270	52875	18873	14889	55690	552881	89.4	853	30.8
12	2002	19	182292	168	281281	408	1936	6222	2917	642	5008	376777	76.9	887	21.0
12	2001	20	71110	33	102831	(10)	668	6658	1707	98	5512	135114	81.5	336	21.2
Prior accident years		21						388			388				
Total (11 to 21)		29		83142		439832	773640	1381405	569314	235614	1789950				
Line 29 expressed in sterling		30				439832	773640	1381405	569314	235614	1789950				

Form 32

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

Name of insurer **UK Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Private motor - non-comprehensive

	Company registration number	GL/ UK/ CM	day	month	year	Monetary units	Category number	Currency code	Reporting territory code
R32	1179980	GL	31	12	2010	000	122	GBP	AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %
Month	Year		Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported	(4+5+6-7-8)				
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11	4300	4518		13981	29784	33751			77516	53381	145.2	105	8.4
12	2009	12	8472	1441	13141	16652	33162	19543	31245	20221	17890	53853	153.2	120	8.2
12	2008	13	8364	490	27754	6096	13596	7611	17047	9558	698	55801	98.7	125	7.1
12	2007	14	12673	318	45917	5782	17935	7489	20344	5967	4895	73747	104.6	162	8.0
12	2006	15	17764	198	67142	6663	15940	3737	21473	5694	(826)	103127	90.6	217	8.3
12	2005	16	22243	106	83793	7471	5756	4205	29272	11056	(22896)	136560	74.1	249	9.0
12	2004	17	22139	59	89340	4626	26400	6345	52844	317	(15790)	119655	105.9	246	9.0
12	2003	18	20431	26	73158	1984	5870	945	12980	206	(4387)	97567	84.0	154	13.3
12	2002	19	12059	11	48394	313	2711	278	3300	144	(141)	66490	77.8	133	9.1
12	2001	20	3903	2	15288	371	23	305	302	7	390	20370	78.5	52	7.5
Prior accident years		21						(0)			(0)				
Total (11 to 21)		29		7169		63937	151178	84210	188805	53171	57349				
Line 29 expressed in sterling		30				63937	151178	84210	188805	53171	57349				

Form 37

Equalisation provisions

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	Units
R37	1179980	GL	31	12	2010	£000

Calculation of the maximum provision		Business grouping A (property) 1	Business grouping B (business interruption) 2	Business grouping C (marine and aviation) 3	Business grouping D (nuclear) 4	Business grouping E (non-proportional treaty) 5	All business groupings 6	Credit insurance business 7
Total net premiums written in the previous 4 years	11	932636						
Net premiums written in the current year	12	261545						
Maximum provision	13	47767					47767	

Calculation of the transfer to/from the provision

Equalisation provision brought forward	21						15828	
Transfers in	22	7846					7846	
Total abnormal loss	23							
Provisional transfers out	24							
Excess of provisional transfer out over fund available	25							
Provisional amount carried forward (21+22-24+25)	26						23674	
Excess, if any, of 26 over 13	27							
Equalisation provision carried forward (26-27)	28						23674	
Transfer in/(out) for financial year (28-21)	29						7846	

Form 38

Equalisation provisions technical account : Accident year accounting

Name of insurer **UK Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	Units
R38	1179980	GL	31	12	2010	£000

Other than credit business		Business grouping A (property) 1	Business grouping B (business interruption) 2	Business grouping C (marine and aviation) 3	Business grouping D (nuclear) 4	Business grouping E (non-proportional treaty) 5
Net premiums earned	11	267979				
Claims incurred net of reinsurance	12	141387				
Trigger claims value	13	194284				
Abnormal loss	19					
Trigger claims ratio		72.5%	72.5%	95%	25%	100%

Credit business

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

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Supplementary notes to the Return

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

0101 Modification to the Return

This return has been prepared in accordance with the Accounts and Statements Rules as modified by the following written concession:

Rule INSPRU 2.1.22R is amended by the addition of the following new subparagraph (7): "(7) For the purpose of this rule, a group of persons is not closely related by reason of the relationship described in INSPRU 2.1.40R(1) if control is exercised by, or on behalf of, HM Treasury."

This direction is given by the FSA under section 148 of the Financial Services and Markets Act 2000 ("the Act"). The direction takes effect from 16 June 2009 and ends on 31 March 2012.

0301 – Reconciliation of Net Admissible Assets to Available Capital Resources

	2010	2009
	£000s	£000s
Form 13 line 89	2,968,185	2,912,094
Form 15 line 69	2,342,934	2,177,137
Net admissible assets	625,251	734,957
Rounding	(1)	-
Total capital resources after deductions (Form 3 line 79)	625,250	734,957

0310 – Net valuation Differences

The following net valuation differences have been included in Form 3 to the Return:

	2010	2009
	£000s	£000s
Line 35 – other negative valuation differences	23,674	15,828

The negative valuation differences represent a claims equalisation reserve of £23,674,000 which has been included in the Company's statutory accounts as Other Reserves.

0313 – Reconciliation of Movement in Reserves to Retained Profit for the Year

	2010
	£000s
Form 3 col 3 line 12 (reserves c/f)	197,962
Form 3 col 4 line 12 (reserves b/f)	(187,031)
Movement on reserves	10,931
Movement on claims equalisation reserve	(7,846)
Form 16 Line 59 – Profit retained for the financial year	3,085

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Supplementary notes to the Return

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

1104 Discounting

Provision for claims outstanding at Form 11 line 51 are shown net of discounting for Periodical Payment Order (PPO) liabilities which are awards made by the Courts Act 2003. These awards involve a series of payments at fixed intervals, guaranteed for a fixed number of years or the lifetime of one or more individuals. The PPO liabilities included in the technical provisions are either in respect of annuities which have been awarded or reserves which are being held in anticipation of an obligation to pay out future annuities once an order is made by the Courts. These liabilities have thus been treated as annuities for the purpose of this return.

1305 – Maximum Counterparty Limits

The Company's investment guideline regarding counterparty exposures is that the maximum exposure to any one approved counterparty is continually reviewed and set as appropriate.

1306 – Exposure to Large Counterparties

The company had the following exposure to large counterparties at the year end:

	2010
	£000s
The Royal Bank of Scotland Group plc	119,764
Lloyds TSB Group plc	138,676
	258,440

1315 – Other Assets

	2010	2009
	£000s	£000s
Line 83 – Current Tax Asset	10,991	6,866

1501 – Provision for Reasonably Foreseeable Adverse Variations

No provision is required in respect of foreseeable adverse variations. The Company has no derivative contracts and all obligations to deliver an asset or to make a payment were felt to be prudently provided in the accounts.

1502 – Other than Long Term Business Assets/Liabilities

a) No charge has been made on the assets of the Company to secure the liabilities of any other person.

b) There is no potential capital gains tax liability

c) There are no guarantees, indemnities or other contractual commitments, effected other than in the ordinary course of insurance business, in respect of related companies

d) There are no other contingent liabilities

e) There are no fundamental uncertainties

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Supplementary notes to the Return

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

1507 – Other Adjustment to Liabilities

An amount of £23,674,000 has been included in Form 15 line 83 in respect of claims equalisation reserves. The claims equalisation reserve is now regarded as part of Capital and Reserves in Form 15 line 84. If the adjustment had not been made in Form 15 line 83 then the equalisation reserves would be double counted as they are also shown in Form 15 Lines 14/15.

1601 – Basis of Conversion

Assets and liabilities denominated in foreign currencies are included within the return at exchange rates ruling at the end of the accounting period. Items of income and expenditure denominated in foreign currencies are included within the return at exchange rates ruling at the end of the month in which the income or expenditure arose.

1700 – Derivative Contracts

No Form 17 has been presented as the company did not enter into any derivative contracts during the year, and no such contract was outstanding at year end.

20Ab – Risk Categories

The following risk categories include contracts of insurance against risk of death or injury to passengers:
121 – Private motor comprehensive
122 – Private motor non comprehensive
113 – Travel

20Ae – Facultative Business

There is no facultative reinsurance business included.

20Af – Balances Reported Under Category 113

All the balances reported under Category 113 relate to category 1 Accident and Health under IPRU(INS) Annex 11.2 Part ii.

20Ag – Gross Premiums Written Attributable to Overseas Countries

There were gross premiums written in the Republic of Ireland as at 31 December 2010, totalling £18,629,000.

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Supplementary notes to the Return

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

2007 – Particulars of Material Connected Party Transactions

i. The company has entered into banking arrangements with National Westminster Bank plc, a fellow subsidiary of The Royal Bank of Scotland Group plc. The exposure to the Royal Bank of Scotland plc is detailed in Note 1306.

ii. A fellow subsidiary, RBS Insurance Services Limited (RBSIS), provides staff/administration services to the Company. During the course of 2010, an amount of £181.8 million was recharged to the Company by RBSIS. At 31 December 2010, the Company owed an amount of £30.2 million to RBSIS in respect of these services.

In the opinion of the directors all the above transactions have been conducted on an arms length basis

2102 – Provision for Unearned Premium

The provision for unearned premiums accounted on an accident year basis is calculated using a daily basis, 24th basis or 12th basis. The relevant method is employed as being the most accurate possible given the Company's data and existing systems.

2202 – Claims Management Expenses

The costs of administering claims are specifically identified within the company's costing system and these, together with the appropriate share of support costs, make up the claims handling costs stated in the Return. Claims handling expenses are carried forward based on an estimate of the likely costs to be incurred in settling all outstanding claims. No provision is made for the cost of settling claims on proportional and non proportional inwards treaty reinsurance business, as these costs are incurred by the reinsured.

2204 – Acquisition Costs

The costs of acquiring business are specifically identified within the Company's costing system and these, together with the appropriate share of support costs, make up the non-commission acquisition costs stated in the Return. Such acquisition costs are carried forward as a percentage of unearned premiums, derived as the ratio of non commission acquisition costs incurred to gross premiums written.

2205 – Unexpired Risk Reserve

In setting an unexpired risk reserve, the Company offsets surpluses in one class of business against deficits in other classes within the same business segment on the grounds that all business classes within each business segment are managed together. In setting the reserve, investment income is taken into consideration. No provision is required at 31 December 2010.

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Supplementary notes to the Return

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

*3001**3003* Discounting

An adjustment for discounting has been made in the following categories:

Private motor - comprehensive (121).

The expected yield used in Form 30 is the annualised interest received on a non-compounding basis, divided by the current FV of the assets.

The method used in calculating the deduction for discounting is based on the projection of expected claims cash payments including outstanding claims and IBNR. Using cash flows derived from the expected terms of the settlements, the assumed life expectancies and adjusted for the inflation agreed in the settlements, the effect of discounting is calculated as the difference between the present value of these cash flows arising using a discount rate of interest and the undiscounted value of these cash flows.

The rate of interest used in the discounting calculations is 4.5%.

The expected average interval between the date of settlement for claims being discounted and the end of the financial year is 52 years on settled cases.

The criteria adopted for estimating the period that will elapse before claims are settled are: for each claim this is calculated as the mean of the insurer's and the claimant's expert advice on the claimant's life expectancy.

3101 *3201* Claims Volumes

The claims volumes disclosed in the FSA Return in 2009 were overstated. This overstatement had no effect on the amount of claims paid, outstanding and IBNR. The category of claims affected were 121/122/160. The volumes of claims have been correctly disclosed in the 2010 FSA Return.

Overstated by:	Category		
Accident Year	121	122	160
2009	24,178	3,679	34,902
2008	43,447	5,299	40,012
2007	49,144	8,134	42,507
2006	57,359	13,044	42,120
2005	55,050	14,995	46,658
2004	54,229	16,463	46,236
2003	41,185	13,491	48,718
2002	30,317	10,026	47,446
2001	11,105	3,558	7,232
2000	699	225	1

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.25 – Additional information on general business: Major Treaty Reinsurers

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Reinsurer details	Connection	Proportional Reinsurance Treaties £000	Non Proportional Reinsurance Treaties £000	Debts outstanding included at F13L75 £000	Deposits received included at F15L31 £000	Anticipated recoveries £000
Ace Tempest Reinsurance Ltd The Ace Tempest Re Building PO Box HM 2702 Hamilton KX Bermuda	None	-	1,549	373	-	-
Headrow Reinsurance Ltd Post Office Box 33 Maison Trinity Trinity Square St Peter Port Guernsey GY1 4AT	Wholly owned subsidiary of RBS Group, the Company's ultimate parent. Proportional Treaty commuted as at 30/09/07	-	429	1,831	-	42,412
Lloyd's of London One Lime Street London EC3M 7HA	None	-	3,324	723	-	-
Munich Reinsurance Company Koniginstrasse 107 80802 Munchen Germany	None	-	8,908	2,029	-	61,358
Swiss Reinsurance Company 30 St Mary Axe London EC3A 8EP	None		3,118	967		51,061
AXIS Speciality Limited Brandschenkestrasse 90 CH-8002 Zurich Switzerland	None		2,764	345		1,083

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.25 – Additional information on general business: Major Treaty Reinsurers

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Reinsurer details	Connection	Proportional Reinsurance Treaties £000	Non Proportional Reinsurance Treaties £000	Debts outstanding included at F13L75 £000	Deposits received included at F15L31 £000	Anticipated recoveries £000
Berkshire Hathaway 3555 Farnam Street Suite 1440 Omaha NE 68131 USA	None	-	4,265	196		9,525

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.26 – Additional information on general business: Major Facultative Reinsurers

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Reinsurer details As required by Rule 9.26:	Connection	Reinsurance premiums receivable £000	Debts outstanding included at F13L75 £000	Deposits received included at F15L31 £000	Anticipated recoveries £000	Comments
The Company has no major Faculative reinsurers						

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.27 – Information on Major General Business Reinsurance Cedents

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Reinsurer details As required by Rule 9.27:	Connection	Reinsurance premiums receivable £000	Debts outstanding included at F13L75 £000	Deposits received included at F15L31 £000	Anticipated recoveries £000	Comments £000
CPP Group Plc Holgate Park York Y026 4GA	None	1,969				

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Motor Programme Excess of Loss					
1st Layer	Risks attaching in 12 months at 1 January 2010	£15,000,000 xs £10,000,000	Unlimited free	Full indexation clause applies to bodily injury claims	Motor Liability Class
2nd Layer	Risks attaching in 12 months at 1 January 2010	Unlimited xs £25,000,000	Unlimited free	Full indexation clause applies to bodily injury claims	Motor Liability Class
3rd Layer	Risks attaching in 12 months at 1 January 2010	£75,000,000 xs £25,000,000	Unlimited free	Full indexation clause applies to bodily injury claims	Motor Liability Class
4th Layer	Risks attaching in 12 months at 1 January 2010	Unlimited xs £100,000,000	Unlimited free	Full indexation clause applies to bodily injury claims	Motor Liability Class

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Liability Programme Excess of Loss	**RBS Group Cover**				
1st Layer	Losses occurring during 12 months at 1st January 2010	£5,000,000 xs £5,000,000	2 Free, except EL which are unlimited	Group cover protecting DL / UKI / CIC / NIG	EL / PL / Pet Liability / Travel Liability
2nd Layer	Losses occurring during 12 months at 1st January 2010	£15,000,000 xs £10,000,000	2 Free, except EL which are unlimited	Group cover protecting DL / UKI / CIC / NIG	EL / PL / Pet Liability / Travel Liability

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Travel Programme Excess of Loss					
1st Layer	Losses occurring during 12 months at 1st January 2010	£500,000 xs £500,000	4 at 100% AP	Group cover protecting DL / UKI / CIC / NIG	Accident / Travel
2nd Layer	Losses occurring during 12 months at 1st January 2010	£1,000,000 xs £1,000,000	2 at 100% AP	Group cover protecting DL / UKI / CIC / NIG	Accident / Travel
3rd Layer	Losses occurring during 12 months at 1st January 2010	£5,500,000 xs £2,000,000	1 at 100% AP	Group cover protecting DL / UKI / CIC / NIG	Accident / Travel

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited – In respect of Tesco Personal Finance Only**

Global Business

Financial year ended **31 December 2010**

Description of Cover	**Period Covered**	**Limits**	**Reinstatements**	**Remarks**	**Risk Group**
Property Catastrophe Programme Excess of Loss	From 01/10/2010	**Percentages of Total Insured Value at Time of Loss**			
1st Layer	12 months at 1 October 2010	0.030194% xs 0.030194%	One at 100% additional premium	TPF Only	Householder & Motor Physical Damage Combined Losses
2nd Layer	12 months at 1 October 2010	0.060387% xs 0.060388%	One at 100% additional premium	TPF Only	Householder & Motor Physical Damage Combined Losses
3rd Layer	12 months at 1 October 2010	0.105679% xs 0.120775%	One at 100% additional premium	TPF Only	Householder & Motor Physical Damage Combined Losses

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited – In respect of Tesco Personal Finance Only**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Property Catastrophe Programme Excess of Loss	From 01/10/2009				
1st Layer	12 months at 1 October 2009	£25,000,000 xs £20,000,000	One at 100% additional premium	TPF Only	Householder & Motor Physical Damage Combined Losses
2nd Layer	12 months at 1 October 2009	£50,000,000 xs £45,000,000	One at 100% additional premium	TPF Only	Householder & Motor Physical Damage Combined Losses
3rd Layer	12 months at 1 October 2009	£55,000,000 xs £95,000,000	One at 100% additional premium	TPF Only	Householder & Motor Physical Damage Combined Losses

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited – In respect of Tesco Personal Finance Only**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Property Catastrophe Programme Excess of Loss	From 01/10/2009				
1st Layer	Risks attaching in 12 months at 1 January 2010	£2,000,000 xs £3,000,000	Unlimited Free	Full indexation clause applies to bodily injuries claims	Motor Liability Class
2nd Layer	Risks attaching in 12 months at 1 January 2010	£5,000,000 xs £5,000,000	Unlimited Free	Full indexation clause applies to bodily injuries claims	Motor Liability Class
3rd Layer	Risks attaching in 12 months at 1 January 2010	£15,000,000 xs £10,000,000	Unlimited Free	Full indexation clause applies to bodily injuries claims	Motor Liability Class
4th Layer	Risks attaching in 12 months at 1 January 2010	Unlimited xs £25,000,000	Unlimited Free	Full indexation clause applies to bodily injuries claims	Motor Liability Class

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited – In respect of Tesco Personal Finance Only**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Motor Programme Excess of Loss					
5th Layer	Risks attaching in 12 months at 1 January 2010	£75,000,000 xs £25,000,000	Unlimited Free	Full indexation clause applies to bodily injuries claims	Motor Liability Class
6th Layer	Risks attaching in 12 months at 1 January 2010	Unlimited xs £100,000,000	Unlimited Free	Full indexation clause applies to bodily injuries claims	Motor Liability Class

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Motor Programme Excess of Loss					
1st Layer	Losses occurring in 12 months at 1 January 2010	£10,000,000 xs £1,000,000	2 Free, except EL which are unlimited	TPF only	EL / PL / Pet Liability / Travel Liability

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional Information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited – In respect of Tesco Personal Finance Only**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Travel Programme Excess of Loss					
1st Layer	Losses occurring in 12 months at 1 January 2010	£500,000 xs £500,000	4 at 100% AP	TPF only	Accident / Travel
2nd Layer	Losses occurring in 12 months at 1 January 2010	£1,000,000 xs £1,000,000	1 at 100% AP	TPF only	Accident / Travel
3rd Layer	Losses occurring in 12 months at 1 January 2010	£8,000,000 xs £2,000,000	1 at 100% AP	TPF only	Accident / Travel
4th Layer	Losses occurring in 12 months at 1 January 2010	£10,000,000 xs £10,000,000	1 at 100% AP	TPF only	Accident / Travel

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Motor Programme Excess of Loss	From 1/10/2010				
1st Layer	12 months at 1 October 2010	£80,000,000 xs £170,000,000	One at 100% additional premium	RBS Group Cover	Household & Motor Physical Damage Combined Losses
2nd Layer	12 months at 1 October 2010	£200,000,000 xs £250,000,000	One at 100% additional premium	RBS Group Cover	Household & Motor Physical Damage Combined Losses
3rd Layer	12 months at 1 October 2010	£325,000,000 xs £450,000,000	One at 100% additional premium	RBS Group Cover	Household & Motor Physical Damage Combined Losses
4th Layer	12 months at 1 October 2010	£100,000,000 xs £775,000,000	One at 100% additional premium	RBS Group Cover	Household & Motor Physical Damage Combined Losses
5th Layer	12 months at 1 October 2010	£350,000,000 xs £875,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Motor Programme Excess of Loss	From 1/10/2010				
6th Layer	12 months at 1 October 2010	£50,000,000 xs £1,225,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
7th Layer	12 months at 1 October 2010	£50,000,00 xs £1,275,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Motor Programme Excess of Loss	From 1/10/2009				
1st Layer	Losses Occurring 12 months at 1 October 2009	£180,000,000 xs £220,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
2nd Layer	Losses Occurring 12 months at 1 October 2009	£250,000,000 xs £400,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
3rd Layer	Losses Occurring 12 months at 1 October 2009	£250,000,00 xs £650,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
4th Layer	Losses Occurring 12 months at 1 October 2009	£100,000,00 xs £900,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
5th Layer	Losses Occurring 12 months at 1 October 2009	£250,000,00 xs £1,000,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
6th Layer	Losses Occurring 12 months at 1 October 2009	£50,000,00 xs £1,250,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional Information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Group
Motor Programme Excess of Loss	From 1/10/2009				
7th Layer	Losses Occurring 12 months at 1 October 2009	£25,000,000 xs £1,300,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
8th Layer	Losses Occurring 12 months at 1 October 2009	£200,000,000 xs £220,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
9th Layer	Losses Occurring 12 months at 1 October 2009	£265,000,00 xs £420,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
10th Layer	Losses Occurring 12 months at 1 October 2009	£265,000,00 xs £685,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

Accounting Class	Facultative reinsurance ceded	Non facultative reinsurance ceded	Total Ceded
	£000	£000	£000
120	-	1,000	1,000
160	-	8,344	8,344
180	-	1	1
409	-	434	434
Total	0	9,779	9,779

Summary of maximum probable losses per risk group, net of reinsurance, for any one incident or series of incidents arising from the same originating cause from.

	Any one contract of insurance £000	All such contracts taken together £000
Motor	10,000	10,000
Home/ Householders (RMS 1 in 273 year return period for Windstorm and Coastal Inundation combined. RBSI excluding TPF combined policy – includes reinstatement premium)	247,340	247,340
Pet Liability	5,000	5,000
Travel	5,000	5,000
Home Liability	5,000	5,000

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32 – Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **UK Insurance Limited – In respect of Tesco Personal Finance**

Global Business

Financial year ended **31 December 2010**

Accounting Class	Facultative reinsurance ceded	Non facultative reinsurance ceded	Total Ceded
	£000	£000	£000
120	-	17,650	17,650
160	-	6,363	6,363
180	-	92	92
409	-	213	213
Total	0	24,318	24,318

Summary of maximum probable losses per risk group, net of reinsurance, for any one incident or series of incidents arising from the same originating cause from.

	Any one contract of insurance £000	All such contracts taken together £000
Motor	4,000	4,000
Home/ Householders (RMS 1 in 175 year return period for Windstorm and Coastal Inundation combined. TPF policy – includes Reinstatement premium)	6,650+0.030194% of TIV	6,650+0.030194% of TIV
Pet Liability	1,000	1,000
Travel	500	500
Home Liability - TPF	1,000	1,000

TIV = Total Insured Value

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.32A – Additional information on Financial Reinsurance and Financing arrangements: general insurers.

Name of Company **UK Insurance Limited**

Global Business

Financial year ended **31 December 2010**

UK Insurance Ltd has no financial reinsurance agreements or similar financing arrangements in respect of ceded business.

All major reinsurance arrangements are controlled centrally within RBS Insurance in accordance with the Reinsurance Policy approved by the Board. The Policy specifies the forms of reinsurance that can be used and this list does not include financial reinsurances. Any reinsurance arrangements that fall outside the policy must be specifically approved by the Board and reinsurance expenditure approval resides with a small number of senior managers who are conversant with the policy. The operation of the reinsurance purchase process and the compliance with the reinsurance policy are subject to regular internal and external audits.

Any reinsurance contract that is accounted for as reinsurance must be processed within the reinsurance accounting processes and have followed the purchase and approval procedures defined within the Reinsurance Policy. To be an acceptable form of reinsurance within the Reinsurance Policy there must be an adequate degree of risk transfer.

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.29 – Additional information on Derivative and Quasi-Derivative Contracts

Name of Company	**UK Insurance Limited**
Global Business	
Financial year ended	**31 December 2010**

a) The following guidelines govern the use by the Company of derivative contracts;

Agreement is required from the Investment Committee for any direct exposure to derivatives;

The use of derivatives is permitted as and when required (e.g. to help protect the Company's solvency position) and the need for this is determined from time to time by the Investment Manager in liaison with the Funds Management Committee and other appropriate individuals;

The responsibility for the administration of the investments lies with the Finance Department so as, amongst other things, to ensure that the use of derivatives is monitored independently and any unauthorised use is immediately recognised;

All margin payments are required to be authorised by the Finance Department;

At all times the distribution of assets must be within the ranges specified in the investment policy when derivatives are taken into account. For forward contracts the test is on the basis that the contracts are settled. For option contracts the test must be satisfied both assuming that the option is exercised and that the option is not exercised;

The liabilities associated with certain derivatives based products are backed by deposits that values of which are based on the movements in the FTSE 100 Share index. The value of these deposits is guaranteed not to fall below a given level either at maturity or at certain dates during their terms. The Company has counterparty risk only. Counterparties are required to be rated at least AA for long-term deposits in accordance with the requirements of our ultimate holding company.

b) The Company's investment guidelines, as noted above, allow, amongst other things, for the use of derivatives in order to protect the Company's solvency position. Such contracts may involve rights or obligations to acquire or dispose of assets which were not, at the time the contract was entered into, reasonably likely to be exercised. All derivative contracts were entered into for hedging purposes. The expectation was, at the point of being taken out, that they were not likely to be exercised, namely that the markets would not fall below levels specified in the contracts;

c) There are no derivative contracts outstanding at 31 December 2010.

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with Rule 9.30 – Additional information on Controllers

Name of Company	**UK Insurance Limited**
Global Business	
Financial year ended	**31 December 2010**

The following persons have been shareholder controllers of the Company during the year ended 31 December 2010;

1) Green Flag Holdings Limited (GFH)

Percentage of shares in the Company held:	100%
Percentage of votes in the Company held:	100%

2) Direct Line Group Limited (DLG)

Percentage of shares in GFH held:	100%
Percentage of votes in GFH held:	100%

3) RBS Insurance Group Limited (RBSIG)

Percentage of shares in DLG held:	100%
Percentage of votes in DLG held:	100%

4) The Royal Bank of Scotland Group Plc (RBS)

Percentage of shares in RBSIG held:	100%
Percentage of votes in RBSIG held:	100%

5) The Solicitor for the Affairs of Her Majesty's Treasury as Nominee for Her Majesty's Treasury (UK Financial Investments Limited manages the shareholding)

Percentage of total share capital in RBS:	84%
Percentage of voting share capital in RBS:	70%

Name of Company **UK INSURANCE COMPANY LIMITED**

Global Business

Financial year ended **31 December 2010**

Certificate required by Rule 9.34 (Chapter 9 'Financial Reporting – Accounts and Statements') of the Interim Prudential Sourcebook for Insurers

We certify that:

1. the return, comprising Forms 1, 3, 11 to 13, 15 to 16, 20A, 20 to 23, 30 to 32, 37 and 38 (including the supplementary notes) and the statements required by rules 9.25, 9.26, 9.27, 9.29, 9.30, 9.32 and 9.32A, has been properly prepared in accordance with the Accounts and Statements Rules set out in part I and part IV of chapter 9 of IPRU(INS), the Interim Prudential Sourcebook for Insurers, GENPRU, the General Prudential Sourcebook and INSPRU, the Prudential Sourcebook for Insurers; and

2. the directors are satisfied that:

   (i) throughout the financial year, the Company has complied in all material respects with the requirements in SYSC, Senior Management Arrangements, Systems and Controls, and PRIN, Principles for Business, sections of the FSA Handbook as well as the provisions of IPRU(INS), GENPRU and INSPRU; and

   (ii) it is reasonable to believe that the Company has continued so to comply subsequently, and will continue so to comply in future.

Director Director Director

22 March 2011

Name of Company **UK INSURANCE COMPANY LIMITED**

Global Business

Financial year ended **31 December 2010**

Independent auditor's report to the directors pursuant to Rule 9.35 of the Interim Prudential Sourcebook for Insurers ("IPRU(INS)")

We have audited the following documents prepared by the insurer pursuant to the Accounts and Statements Rules set out in part I and part IV of chapter 9 to IPRU(INS) the Interim Prudential Sourcebook for Insurers, GENPRU the General Prudential Sourcebook and INSPRU the Prudential Sourcebook for Insurers, ("the Rules") made by the Financial Services Authority under section 138 of the Financial Services and Markets Act 2000:

- Forms 1, 3, 11 to 13, 15 to 16, 20A, 20 to 23, 30 to 32, 37 and 38, (including the supplementary notes) on pages 1 to 63 ("the Forms"); and
- the statements required by IPRU(INS) rules 9.25, 9.26, 9.27 and 9.29 on pages 64 to 67 and 83 ("the Statements").

We are not required to audit and do not express an opinion on:

- the statements required by IPRU(INS) rules 9.30, 9.32 and 9.32A on pages 84 and 68 to 82; and
- the certificate required by IPRU(INS) rule 9.34(1) on page 85.

Our report is provided to the directors of UK Insurance Ltd in accordance with rule 9.35 of the Interim Prudential Sourcebook for Insurers. We acknowledge that our report will be provided to the FSA for the use of the FSA solely for the purposes set down by statute and the FSA's rules. Our work has been undertaken so that we might state to the insurer's directors those matters we are required to state to them in an auditor's report on an annual FSA return for an insurer and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the FSA, and the insurer, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of the insurer and its auditor

The insurer is responsible for the preparation of an annual return (including the Forms and the Statements) under the provisions of the Rules. The requirements of the Rules have been modified by a direction issued under section 148 of the Financial Services and Markets Act 2000 on 16 June 2009. Under IPRU(INS) rule 9.11 the Forms and the Statements are required to be prepared in the manner specified by 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 the Statements meet these requirements, and to report our opinion to you. We also report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Forms and the Statements are not in agreement with the accounting records and returns; or
- we have not received all the information we require for our audit.

Basis of opinion

We conducted our work in accordance with Practice Note 20 'The audit of insurers in the United Kingdom (Revised)' 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 the Statements. The evidence included that previously obtained by us relating to the audit of the financial statements of the insurer for the financial year. It also included an assessment of the significant estimates and judgments made by the insurer 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 the Statements are free from material misstatement, whether caused by fraud or other irregularity or error and comply with IPRU(INS) rule 9.11.

Name of Company **UK INSURANCE COMPANY LIMITED**

Global Business

Financial year ended **31 December 2010**

Independent auditor's report to the directors pursuant to Rule 9.35 of the Interim Prudential Sourcebook for Insurers ("IPRU(INS)") (Continued)

Opinion

In our opinion the Forms and the Statements fairly state the information provided on the basis required by the Rules as modified and have been properly prepared in accordance with the provisions of those Rules.

Deloitte LLP

Deloitte LLP

Chartered Accountants and Statutory Auditor
London, United Kingdom
23 March 2011