

**THE YORKSHIRE
INSURANCE COMPANY
LIMITED
FINANCIAL STATEMENTS
30 JUNE 2007**

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THE YORKSHIRE INSURANCE COMPANY LIMITED

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THE YORKSHIRE INSURANCE COMPANY LIMITED

Directors and Officer

Directors:

A M Commons
D R Rose

Officer:

Company Secretary

Aviva Company Secretarial Services Limited

Auditors:

Ernst & Young LLP
Registered Auditor
1 More London Place
London
SE1 2AF

Registered Office:

St Helen's
1 Undershaft
London
EC3P 3DQ

Registered in England and Wales No 98235

The Company is a member of the Aviva plc group of companies ("the Group")

THE YORKSHIRE INSURANCE COMPANY LIMITED

Directors' Report

for the year ended 30 June 2007

The directors present their annual report and audited financial statements for The Yorkshire Insurance Company Limited ("the Company") for the year ended 30 June 2007

Directors

The names of the present directors of the Company appear on page 1

R J Harvey, A J Moss, P G Scott and P J R Snowball resigned as directors on 16 February 2007

S A R Mead was appointed a director on 16 February 2007 but subsequently resigned on 1 November 2007

D R Rose and A M Commons were appointed directors on 16 February 2007 and 1 November 2007 respectively

Principal activity and future developments

The Company formerly underwrote long-term and general insurance business and acts as a trustee. It had been in run-off since October 1998, since which date no new insurance business had been written

On 1 January 2005, the whole of the Company's long-term insurance was transferred to Norwich Union Life and Pensions Limited, a fellow Group undertaking. This transfer occurred as part of a Group exercise to reallocate long-term insurance business to those legal entities wholly engaged in writing long-term insurance business

On 28 April 2005, all the general insurance business of the Company, along with matching assets, was transferred to The Ocean Marine Insurance Company Limited, a fellow Group undertaking, by way of an insurance business transfer under Part VII of the Financial Services and Markets Act 2000

On 29 April 2005, the Company's insurance business authorisation was revoked and all its debt and other fixed income securities were transferred at market value to the Company's immediate parent undertaking, Aviva Insurance Limited. The consideration was settled via intercompany account

Business review

Basis of preparation

This business review is addressed to, and written for, the members of the Company with the aim of providing a fair review of the business development, performance and position during and at the end of the financial year. In providing this review, the aim is to present a view that is both balanced and comprehensive and that is consistent with the size and complexity of the business

Strategy and objectives

High level strategies are determined by Aviva plc and these are shown in its financial statements

Financial position and performance

The financial position of the Company at 30 June 2007 is shown in the balance sheet on page 12, with the results shown in the profit and loss account on pages 9 to 11

Risk management

The Company is in the process of being rendered dormant. As such, the principal risks and uncertainties facing the Company are limited to tax, legal, fraud and compliance relating to the past business of the Company

Major events

On 5 March 2007, the Company assigned a part of its intercompany balance with its parent Aviva Insurance Limited. This was in order to settle intercompany liabilities of £1,535,544 owed to Aviva International Insurance Limited, £406,145 owed to The Ocean Marine Insurance Company Limited and £1,074,638 owed to Aviva plc. At 30 June 2007 the Company was left only with an intercompany balance with Aviva Insurance Limited

On 17 December 2007, as part of a reorganisation, the entire issued share capital of the Company was transferred from Aviva Insurance Limited to Undershaft Limited

Share capital

At an Extraordinary General Meeting held on 7 March 2007 it was agreed that the Company would purchase 17,997,329 of its own shares from its parent, Aviva Insurance Limited. The purchase became effective on 13 April 2007 and a payment out of the Company's capital of £6,737,664 was made at that date, the repurchased shares were then cancelled

THE YORKSHIRE INSURANCE COMPANY LIMITED

Directors' Report (continued)

for the year ended 30 June 2007

Dividends

An interim dividend of £35,763,131 was paid on 15 February 2007 (18 months ended 30 June 2006 £nil) The directors do not recommend the payment of a final dividend (18 months ended 30 June 2006 £nil)

Payment policy

It is the Company's policy to pay creditors when they fall due for payment Terms of payment are agreed with suppliers when negotiating each transaction and the policy is to abide by those terms, provided that the suppliers also comply with all relevant terms and conditions

There are no amounts due to trade creditors at 30 June 2007 or 30 June 2006

Employees

All employees are employed by a fellow subsidiary undertaking of Aviva plc, Aviva Employment Services Limited Disclosures relating to employees may be found in the Annual Report and Accounts of Aviva plc

Directors' interests

The requirement for directors to disclose their share interests in Aviva plc in the directors' report was repealed by the Companies Act 2006 (s 1195 and SI 2007/1093) with effect from 6 April 2007 None of the directors who held office at 31 December 2007 had any interest in the Company's shares

Directors' liabilities

Aviva plc, the ultimate parent undertaking, has granted an indemnity to the directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006 Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report

Directors' statement as to disclosure of information to auditors

Each person who was a director of the Company on the date that this report was approved, confirms that so far as the director is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing his report, of which the auditor is unaware Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

THE YORKSHIRE INSURANCE COMPANY LIMITED

Directors' Report (continued)

for the year ended 30 June 2007

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping proper accounting records, which are intended to disclose with reasonable accuracy, at any time, the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Acts 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



Authorised signatory for and on behalf of Aviva Company Secretarial Services Limited
Secretary

3 April 2008

THE YORKSHIRE INSURANCE COMPANY LIMITED

Independent Auditor's Report

To the members of The Yorkshire Insurance Company Limited

We have audited the Company's financial statements for the year ended 30 June 2007 which comprise the statement of Accounting Policies, Profit and Loss Account, Balance Sheet and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

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

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and financial statements in accordance with applicable United Kingdom law and accounting standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

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

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 30 June 2007 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information in the Directors' Report is consistent with the financial statements.



Ernst & Young LLP
Registered Auditor
London

8 April 2008

THE YORKSHIRE INSURANCE COMPANY LIMITED

Statement of Accounting Policies

(a) Basis of accounts

The financial statements have been prepared on the basis of the accounting policies set out below. They have been prepared in accordance with Section 255 of, and Schedule 9A to, the Companies Act 1985 (the "Act") and with the Statement of Recommended Practice on Accounting for Insurance Business issued by the Association of British Insurers in December 2005 as amended in December 2006. The accounting policies adopted reflect United Kingdom financial reporting standards and statements of standard accounting practice applicable at 30 June 2007, as considered appropriate for an insurance company.

On 29 April 2005, the Company's general insurance business authorisation was revoked, such that the Company is now required to prepare financial statements in accordance with the provisions of Section 226 of, and Schedule 4 to, The Companies Act 1985, rather than the special provisions of Section 255 of, and Schedule 9A to, the Act relating to insurance companies. However the directors consider that, as the Company carried on business as an insurance company for part of the previous period, it is necessary, in order to show a true and fair view, for the financial statements to continue to be prepared in accordance with the special provisions of the Act relating to insurance companies.

(b) Premiums

Premiums are accounted for in the year in which the risk commences. Written premiums include an estimate of pipeline premiums less a provision for anticipated lapses.

(c) Claims

Claims incurred include all losses occurring during the period, whether reported or not, related handling costs and any adjustments to claims outstanding from previous years. Significant delays are experienced in the notification and settlement of certain claims, particularly in respect of liability business, the ultimate cost of which cannot be known with certainty at the balance sheet date.

(d) Technical provisions

- (i) Outstanding claims provisions are based on the estimated ultimate cost of all claims incurred but not settled at the balance sheet date, whether reported or not, together with related claims handling costs. Any estimate represents a point within a range of possible outcomes. Further details of estimates and techniques are given in note 10.
- (ii) Exchange differences arise on the translation of amounts due in foreign currencies in respect of outstanding claims brought forward and related to reinsurers' share. Such differences are included as part of the change in provision for claims in the technical account.

Any differences between the provisions at the balance sheet date and settlements and provisions in the following year are included in the technical account for that period.

THE YORKSHIRE INSURANCE COMPANY LIMITED

Statement of Accounting Policies (continued)

(e) Investment income and unrealised investment gains and losses

Investment income consists of interest, dividends and rents receivable for the period together with realised investment gains. Income from listed stocks and shares is included in the financial statements when the security becomes ex-dividend, except for income from certain overseas stocks and shares which is accounted for when received. Income is credited to the profit and loss account at the amount receivable, with no associated tax credit for income from the United Kingdom. Interest and rents receivable are accounted for on an accruals basis.

Net realised gains on investments are calculated as the difference between net sales proceeds and the cost of acquisition.

Unrealised gains and losses on investments represent the difference between the carrying value at the period end and the carrying value at the previous period end or purchase value during the period. Net movements in the period are taken to the profit and loss account and disclosed either as net unrealised gains or net unrealised losses.

(f) Investment expenses and charges

Investment expenses and charges include net realised losses on the disposal of investments. These are calculated as the difference between net sales proceeds and the cost of acquisition.

(g) Taxation

The tax charge is based on the taxable profits for the period, after any adjustments in respect of prior years. Tax, including tax relief for losses if applicable, is allocated over profits on ordinary activities and amounts charged or credited to reserves as appropriate.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all material timing differences, including revaluation gains and losses on investments recognised in the profit and loss account. Deferred taxation is calculated at the rates at which it is expected that the tax will arise and discounted to take into account the likely timing of payments and pattern of expected realisation of investments.

The discount rates used are the post-tax yields to maturity that could be obtained at the balance sheet date on Government bonds with maturity dates and in currencies similar to those of the deferred tax assets or liabilities.

(h) Rates of exchange

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. Foreign currency assets and liabilities held at the period end are translated at period end rates of exchange. The resulting exchange gains or losses are included in the profit and loss account.

THE YORKSHIRE INSURANCE COMPANY LIMITED

Statement of Accounting Policies (continued)

(i) Fund for future appropriations

The fund for future appropriations is used in conjunction with long-term business where the nature of the policy benefits is such that the division between shareholder's reserves and policyholder liabilities is uncertain. Amounts whose allocation either to policyholders or shareholders has not been determined by the end of the fiscal year are held in the fund for future appropriations. Transfers between the fund for future appropriations and the long-term business technical account represent changes in unallocated amounts between balance sheet dates.

(j) Long-term business provision

The long-term business provision is calculated mainly using the net premium method, based on local actuarial principles consistent with those applied in the United Kingdom. The calculation represents a point within a possible range of outcomes, and the assumptions used in the calculation depend on the circumstances prevailing in the life operation.

THE YORKSHIRE INSURANCE COMPANY LIMITED

Profit and Loss Account Technical Account - General Business for the year ended 30 June 2007

	Notes	2007 £'000	18 months to 30 June 2006 £'000
Gross premiums written	1	-	-
Outward reinsurance premiums		-	-
Net premiums written		-	-
Claims paid			
- gross amount	1, 2	-	4,480
- reinsurers' share		-	(4,480)
		-	-
Change in the provision for claims			
- gross amount	1	-	4,144
- reinsurers' share		-	(4,144)
		-	-
Claims incurred		-	-
- net of reinsurance		-	-
Net operating expenses	3	-	-
Balance on the technical account - General business *		-	-

* The balance on the technical account is otherwise referred to as the underwriting result

All of the above results relate to discontinued operations

The accounting policies on pages 6 to 8 and the notes on pages 13 to 18 form an integral part of these financial statements

THE YORKSHIRE INSURANCE COMPANY LIMITED

Profit and Loss Account

Technical Account - Long-term Business

for the year ended 30 June 2007

	Notes	2007 £'000	18 months to 30 June 2006 £'000
Gross premiums written	1	-	-
Unrealised gains on investments		-	17
		<u>-</u>	<u>17</u>
Claims paid - gross amount	1	-	113
Change in long-term business provisions		-	(12)
Net operating expenses	3	-	-
Investment expenses and charges	5	-	17
Transfers from the fund for future appropriations	9	-	(101)
		<u>-</u>	<u>17</u>
		<u>-</u>	<u>-</u>
Balance on the technical account - long-term business		<u><u>-</u></u>	<u><u>-</u></u>

All of the above results relate to discontinued operations

The accounting policies on pages 6 to 8 and the notes on pages 13 to 18 form an integral part of these financial statements

THE YORKSHIRE INSURANCE COMPANY LIMITED

Profit and Loss Account Non-technical Account for the year ended 30 June 2007

	Notes	2007 £'000	18 months to 30 June 2006 £'000
Balance on the general business technical account		-	-
Balance on the long-term business technical account		-	-
Tax attributable to the balance on the long-term business technical account	6	-	-
		-	-
Investment income	4	-	506
Unrealised gains on investments		-	569
Investment expenses and charges	5	-	(514)
Profit on ordinary activities before tax		-	561
Tax on profit on ordinary activities	6	-	(169)
Retained profit for the period		-	392

The Company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented

The accounting policies on pages 6 to 8 and the notes on pages 13 to 18 form an integral part of these financial statements

THE YORKSHIRE INSURANCE COMPANY LIMITED

Balance Sheet

As at 30 June 2007

	Notes	2007 £'000	2006 £'000
ASSETS			
Debtors			
Amounts due from fellow Group undertakings		1	60,519
Total assets		<u>1</u>	<u>60,519</u>
LIABILITIES			
Capital and reserves			
Called up share capital	7	1	4,500
Share premium account	8	-	2,239
Profit and loss account	8	-	35,764
Shareholder's funds	8	<u>1</u>	<u>42,503</u>
Fund for future appropriations	9	-	-
Creditors			
Amounts owed to fellow Group undertakings		-	18,016
Total liabilities		<u>1</u>	<u>60,519</u>

The accounting policies on pages 6 to 8 and the notes on pages 13 to 18 form an integral part of these financial statements

Approved by the Board and signed on its behalf by



Director

3 April

2008

THE YORKSHIRE INSURANCE COMPANY LIMITED

Notes to the Financial Statements

1 Segmental information

(i) For the purposes of Statement of Standard Accounting Practice 25, "Segmental Reporting", the directors consider that the Company's business comprised almost entirely insurance underwritten in the United Kingdom

(ii) The directors consider that turnover on the destination basis was not materially different from turnover on an origin basis

(iii)

	Gross premiums written £m	Gross premiums earned £m	Gross claims incurred £m	Gross operating expenses £m	Reinsurance balance £m	Net underwriting result £m	Net technical provisions £m
Year ended 30 June 2007							
Marine, aviation and transport	-	-	-	-	-	-	-
Long-term Business	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18 months ended 30 June 2006							
Marine, aviation and transport	-	-	8,624	-	8,624	-	-
Long-term Business	-	-	101	-	-	(101)	-
	<u>-</u>	<u>-</u>	<u>8,725</u>	<u>-</u>	<u>8,624</u>	<u>(101)</u>	<u>-</u>

2 Claims

Prior to 1978, the Company underwrote general insurance risks. Claims since that date, and until the Company's authorisation was revoked were settled and accounted for by another Group company. Due to reinsurance arrangements and the transfer of the Company's general insurance business described on page 2, no effective net exposure exists to the Company.

THE YORKSHIRE INSURANCE COMPANY LIMITED

Notes to the Financial Statements (continued)

3 Net operating expenses

- (i) The Company did not incur any administrative expenses in the year to 30 June 2007 (18 months to 30 June 2006 £nil)
- (ii) None of the directors received emoluments in respect of their services as directors of the Company (18 months to 30 June 2006 £nil)
- (iii) The Company did not employ any staff during the year (18 months to 30 June 2006 nil)
- (iv) The remuneration of the auditor of £3,000 (2006 £2,000) has been borne in both the year ended 30 June 2007 and period ended 30 June 2006 by the parent undertaking, Aviva Insurance Limited

4 Investment income

	Non-technical Account	
	18 months to	
	30 June	
	2007	2006
	£'000	£'000
Income from listed investments	-	506

5 Investment expenses and charges

	Technical Account		Non-technical Account	
	Long-term Business		18 months to	
	18 months to		30 June	
	30 June		30 June	
	2007	2006	2007	2006
	£'000	£'000	£'000	£'000
Investment management expenses	-	-	-	5
Net realised losses on investments	-	17	-	509
	-	17	-	514

THE YORKSHIRE INSURANCE COMPANY LIMITED

Notes to the Financial Statements (continued)

6 Taxation

(a) Tax on profit on ordinary activities

	2007 £'000	18 months to 30 June 2006 £'000
Tax charged in the non-technical account comprises		
Current tax		
UK corporation tax	-	169
Total tax charge in the non-technical account	-	169

(b) Factors affecting current tax charge for the period

The tax assessed in the non-technical account is equal to (30 June 2006 higher than) the standard UK corporation tax rate because of the following factors

	2007 £'000	18 months to 30 June 2006 £'000
Profit on ordinary activities before tax	-	561
Current tax charge at standard UK corporation tax rate of 30% (period ended 30 June 2006 30%)	-	168
Other items	-	1
Current tax charge for the period	-	169

(c) Factors that may affect future tax charges

There is no liability for deferred taxation provided or unprovided for the 18 months ended 30 June 2006 or the year ended 30 June 2007

THE YORKSHIRE INSURANCE COMPANY LIMITED

Notes to the Financial Statements (continued)

7 Share capital

	2007 £'000	2006 £'000
Authorised		
20,000,000 (2006 20,000,000) ordinary shares of 25p each	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid		
2,671 (2006 18,000,000) ordinary shares of 25p each	<u>1</u>	<u>4,500</u>

At an Extraordinary General Meeting held on 7 March 2007 it was agreed that the Company would purchase 17,997,329 of its own shares from its parent, Aviva Insurance Limited, by way of an off-market purchase in accordance with the Companies Act 1985. The purchase became effective on 13 April 2007 and a payment out of the Company's capital of £6,737,664 was made on this date.

8 Reconciliation of movements in shareholder's funds

	Share capital	Share premium account	Profit and loss account	Total shareholder's funds	
	2007 £'000	2007 £'000	2007 £'000	2007 £'000	2006 £'000
Balance at 1 January / 1 July	4,500	2,239	35,764	42,503	42,111
Capital reduction (see note 7 above)	(4,499)	(2,239)	-	(6,738)	-
Retained profit for the period	-	-	-	-	392
Dividend paid	-	-	(35,764)	(35,764)	-
Balance at 30 June	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>42,503</u>

9 Fund for future appropriations

	2007 £'000	2006 £'000
Balance at beginning of period	-	101
Transfer to long-term business technical account	-	(101)
Balance at end of period	<u>-</u>	<u>-</u>

THE YORKSHIRE INSURANCE COMPANY LIMITED

Notes to the Financial Statements (continued)

10 Provisions for outstanding claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as the Chain Ladder and Bornhuetter-Ferguson methods. Such methods extrapolate the development of paid and incurred claims, average costs per claim and ultimate claim numbers for each accident year, based upon the observed development of earlier years and expected loss ratios. The main assumption underlying these techniques is that past claims development experience can be used to project ultimate claims costs.

Judgement is used to assess the extent to which past trends may not apply in future, for example to reflect public attitudes to claiming or varying levels of claims inflation. The approach adopted takes into account, inter alia, the nature and materiality of the business and the type of data available. Case estimates are generally set by skilled claims technicians applying their experience and knowledge to the circumstances of individual claims. Additional qualitative input, such as allowance for one-off occurrences or changes in legislation, policy conditions or portfolio mix, is used in arriving at the estimated ultimate cost of claims, in order that it represents the most likely outcome, from a range of possible outcomes, taking account of all the uncertainties involved.

Provisions are calculated allowing for reinsurance recoveries and a separate asset is recorded for the reinsurers' share, having regard to collectability.

11 Long-term business provision

The long-term business provision is calculated by using the net premium valuation method. The reserve is the difference between the present value of the prospective benefits payable and the present value of the net premiums receivable. An explicit reserve is also held for future expenses. Individual sickness benefit contracts were valued according to age nearest birthday on the valuation date. The principal assumptions are as follows:

	Interest %	Mortality Table
Sickness benefits	3.75%	AM/AF80 Ultimate
Sickness claims	4%	AM/AF80 Ultimate

PHI claim inception rates have been based on CIDA rates, adjusted by factors dependent on age, occupation, gender, smoker status, location and duration in force. Further margins have been taken for prudence.

PHI claim termination rates have been based on CMIR12, adjusted by factors deferred period and duration with further margins for prudence.

THE YORKSHIRE INSURANCE COMPANY LIMITED

Notes to the Financial Statements (continued)

12 Cash flow statement

The Company is exempt under Financial Reporting Standard 1 (revised) from the requirement to prepare a cash flow statement, as it is 100% owned within the Aviva plc group. The consolidated cash flow statement which includes the Company can be found in the Group consolidated financial statements of Aviva plc.

13 Capital commitments

The Company has no capital commitments at 30 June 2007.

14 Contingent liabilities

With the approval of the Financial Services Authority, Aviva International Insurance Limited and each of its United Kingdom insurance subsidiaries transacting general insurance business, of which, until 29 April 2005, the Company was one, mutually guaranteed to discharge all liabilities attaching to their respective policies.

15 Related party transactions

As permitted under Financial Reporting Standard 8, Related Party Disclosures, transactions with entities which are part of the Aviva plc group of companies have not been disclosed as the company is a wholly owned subsidiary of Aviva plc whose financial statements are publicly available.

16 Parent undertaking

The ultimate parent undertaking is Aviva plc, registered in England and Wales. The financial statements of the ultimate parent undertaking are available from the Registered Office, St Helen's, 1 Undershaft, London EC3P 3DQ.

The Company's immediate parent undertaking at 30 June 2007 was Aviva Insurance Limited, registered in Scotland. However, the Company was transferred to Undershaft Limited, registered in England and Wales on 17 December 2007.