

REPORT AND ACCOUNTSDIRECTORS' REPORT

The directors submit their Report and Accounts of the Company for the year ended 31 December 1992.

PRINCIPAL ACTIVITIES

The principal activity of the Company has not changed during the year. The Company is authorised to write general insurance business. Any business is wholly reinsured with its parent company, Commercial Union Assurance Company plc. As the Company has made neither profits nor losses, no revenue account or profit and loss account has been prepared. The directors consider that the Company's activities will continue unchanged in the foreseeable future.

DIRECTORS

The directors in office during the year were as follows:-

MR J G T CARTER
MR K N GRANT
MR J H WEBB

DIRECTORS' INTERESTS

The directors of the Company who held office at 31 December 1992 had the following interests in the shares of Commercial Union Group companies:

Commercial Union plcOrdinary Shares of 25p each

	31 December 1992		Options exercised during the year	1 January 1992	
	Shareholdings	Share Options		Shareholdings	Share Options
K N Grant	1,544	31,910	8,147	1,904	40,057
J H Webb	17,250	64,772	-	17,250	64,772

Mr Carter is a director of the Company's ultimate holding company and under the Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985 (SI 1985/802) is not required to disclose his interests in the Company's accounts. His interests can be found in the Report and Accounts of Commercial Union plc.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

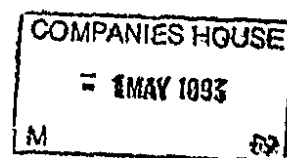
During the financial year, the Commercial Union Group effected insurance cover for the officers of the Company as permitted by Section 310 of the Companies Act 1985.

Approved and signed on
behalf of the Board

J. H. Webb
Commercial Union Company Secretarial Services Limited
Secretary

14 APRIL 1993

Registered office: St. Helen's, 1 Undershaft, London, EC3P 3DQ



P. J.

BALANCE SHEET
AT 31 DECEMBER 1992

	1992 £	1991 £
CURRENT ASSETS		
Debtors		
Amounts due from holding company	<u>50,000</u>	<u>50,000</u>
 CAPITAL AND RESERVES		
Share capital authorised: 50,000 shares of £1 each	<u>50,000</u>	<u>50,000</u>
 Share capital issued: 50,000 shares of £1 each, fully paid	<u>50,000</u>	<u>50,000</u>

Approved by the Board
on 14 APRIL 1993


Director

London

The notes on page 3 are an integral part of these accounts.
Auditor's report - page 4.

NOTES ON THE ACCOUNTS ~ 31 DECEMBER 1992

1. The accounts have been prepared in accordance with section 255A of and the special provisions relating to insurance companies of schedule 9A to the Companies Act 1985. The accounting policies adopted reflect United Kingdom financial reporting standards and statements of standard accounting practice.
2. Any business is wholly reinsured with the parent company. As the Company has made neither profits nor losses, no revenue account or profit and loss account has been prepared.
3. All expenses, including auditor's remuneration, have been borne by the parent company.
4. Directors' emoluments amounted to £Nil (1991 £Nil).
5. The ultimate holding company is Commercial Union plc, which is incorporated in England. Its group accounts are available on application to the Group Company Secretary, Commercial Union plc, St.Helen's, 1 Undershaft, London EC3P 3DQ.

The smallest group of undertakings, of which the Company is a member, that prepares group accounts is headed by Commercial Union Assurance Company plc, which is incorporated in England. Its group accounts are available to the public, on payment of the appropriate fee, from Companies Registration Office, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

Auditor's Report

To the members of The Welsh Insurance Corporation Limited

We have audited the balance sheet and notes on the accounts on pages 2 and 3 in accordance with Auditing Standards.

In our opinion the balance sheet and notes on the accounts have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to insurance companies.

Coopers & Lybrand

Coopers & Lybrand ,
Chartered Accountants and Registered Auditor,
London

14th April 1993

COOPERS & LYBRAND
INITIALLED FOR
IDENTIFICATION PURPOSES
ONLY

CTL PRNA DATE 6/4/93