
General Accident
Life Assurance

Report and Accounts 1993



General Accident

GENERAL ACCIDENT LIFE ASSURANCE LIMITED
Registered in England and Wales No. 2111222 Registered Office: 1 Ropemaker Street, York, England. YN1 1ER

Chairman

The Rt Hon The Earl of Arlcliffe, KT, GCVO, PC

Directors

The Rt Hon The Lord Bolton, BA, FRCS

B Holder, FCCA

W H Jack

I A H Johnston, BSc

W N Robertson, MA, FCH

M N Urnston, BA, FIA

Executive

W H Jack, General Manager

P R Hales, ACH Assistant General Manager

B M McAllister-Rae, FBCS, FInstAM Assistant General Manager

M N Urnston, BA, FIA Assistant General Manager and Chief Actuary

Secretary

A D Graham, LLB

Auditors

KPMG Pent Marwick

Chartered Accountants

Registered Auditors



GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Contents	Page
Directors' Report	4
Auditors' Report	6
Actuary's Certificate	6
Consolidated Long Term Revenue Account	7
Profit and Loss Account	8
Consolidated Long Term Balance Sheet	9
Parent Company Long Term Balance Sheet	10
Shareholders' Balance Sheet	11
Shareholders' Statement of Total Recognised Gains and Losses	12
Notes to the Accounts	13
Review of Progress	20

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Directors' Report

The Directors submit their annual report and accounts for the year ended 31st December 1993

Principal Activity

The principal activity of the Company and of the group continued to be the transaction of long term insurance business other than industrial life business

Operations

With effect from 1st January 1993:

- (i) The Long Term Business Fund acquired an additional 20% of the issued share capital of Assecura Versicherungsholding SA, the holding company of a financial services group whose principal operations are in Germany. The acquisition increases the total holding to 60% of the issued share capital of that company. The Company has consolidated Assecura Versicherungsholding SA group results for the first time reflecting the majority shareholding and the exercise of management control.
- (ii) The Long Term Business Fund also acquired 78% of the issued share capital of NZI Life (Ireland) Limited, a life insurance company based in the Republic of Ireland. It was purchased from The Southern Cross Assurance Company Limited, which is a wholly owned subsidiary of General Accident Life Holdings Limited. During the year, the Company increased its total interest in the issued share capital of NZI Life (Ireland) Limited to 79%.

New Business	1993 £m	1992 £m	1991 £m
New net sums assured	4,228	3,892	4,220
New annuities (per annum)	21	21	28
Permanent Health benefits (per annum)	15	19	20
These benefits were secured by:			
New annual premiums	60	49	43
New single premiums	305	353	160
Shareholders' share of profits	23	18	15
Fund	2,955	2,361	1,883

The annual valuation of the liabilities and assets of the Company is made as at 31st December 1993 and the details of the valuation and distribution of profit will be furnished in due course in the returns to the Department of Trade and Industry

Dividends

An interim dividend of £315 per share was paid in July 1993. In December 1993, the Directors resolved to pay a second interim dividend of £350 per share payable in January 1994.

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Directors

The names of the present Directors of the Company appear on page 1.

Mr M N Urnston was appointed a Director on 1st October 1993. He will retire at the forthcoming annual general meeting in accordance with the Articles of Association and, being eligible, offer himself for re-election.

Mr J H E Tonks resigned from the Board with effect from 31st March 1993.

The Directors retiring by rotation are The Rt Hon The Lord Bolton and Mr B Helder, both of whom, being eligible, offer themselves for re-election.

The beneficial interests of Directors in shares of the ultimate parent company, excluding those of Directors who are also Directors of the ultimate parent company, are as follows:-

Share Interests

Ordinary Shares

	At 1st January 1993 or on appointment if later	At 31st December 1993
The Rt Hon The Lord Bolton	-	3,992
Mr W H Jack	2,286	967
Mr I A H Johnston	928	2,207
Mr M N Urnston	2,998	-

Share Options

	At 1st January 1993 or on appointment if later	Options granted during the year	Options exercised or lapsed during the year	At 31st December 1993
Mr W H Jack	79,208	6,790	27,721	49,277
Mr M N Urnston	5,348	-	-	5,868

Auditors

A resolution for the re-appointment of JPMG Peat Marwick as auditors of the Company is to be proposed at the forthcoming annual general meeting.

Statement of Directors' Responsibilities

Company law requires the Directors to prepare accounts for each financial year for the Company and the group which have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to insurance companies. In preparing those accounts, the Directors are required to:

- select suitable accounting policies and then 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the group and to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board

A. D. Graham.

A D Graham Secretary

17th March 1994

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Auditors' Report to the Members of General Accident Life Assurance Limited

We have audited the accounts on pages 7 to 14.

Respective responsibilities of Directors and auditors

As described on page 7, the Company's Directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit of these accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the risks, based on estimates and judgements made by the Directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

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

KPMG Peat Marwick

1 The Embankment
Neville Street
Leeds
LS1 4DW

KPMG Peat Marwick
Chartered Accountants
Registered Auditors

17th March 1994

Actuary's Certificate

I certify that in my opinion the aggregate amount of the liabilities of the Company in relation to its long term business at 31st December 1993 did not exceed the amount of the Long Term Business Fund as shown in the Consolidated and Parent Company Balance Sheets.

M. J. Urmeton

M N Urmeton Actuary

17th March 1994

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Consolidated Long Term Revenue Account for the year ended 31st December 1998

			1996	1998
		Note	£m	£m
INCOME				
	Premiums	2	606.9	602.7
	Investment income		217.4	197.2
			<u>824.3</u>	<u>799.9</u>
EXPENDITURE				
	Claims	3	262.2	220.4
	Commission		61.1	60.4
	Management expenses	4	98.0	71.7
	Taxation	5	5.6	10.1
			<u>426.9</u>	<u>352.6</u>
			898.4	437.3
	Variation of investment values		2.3	-
			<u>898.6</u>	<u>437.3</u>
	Transfer from revaluation reserves	12	201.7	79.0
	Shareholders' share of profits		(26.2)	(16.4)
	Increase in fund in the year		577.1	497.9
	Minority interest		0.2	-
	Fund at the beginning of the year		2,361.4	1,888.4
	Acquisition of subsidiaries	20	16.8	80.1
	Fund at the end of the year		<u>2,956.0</u>	<u>2,361.4</u>

The notes on pages 16 to 19 form an integral part of these accounts.

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Profit and Loss Account for the year ended 31st December 1995

		1995	1994
	Note	£m	£m
Share of long term business profits		81.0	24.5
Investment income		<u>0.7</u>	<u>0.9</u>
		31.7	25.4
Taxation	5	<u>5.0</u>	<u>6.4</u>
		23.7	19.0
Dividends for the year:			17.5
Paid		3.1	-
Proposed		<u>3.5</u>	<u>-</u>
		6.6	17.5
Retained profit for the year		17.1	1.6
Retained profit at the beginning of the year		7.0	6.6
Retained profit at the end of the year		<u>24.1</u>	<u>7.0</u>

In the current and previous accounting year, there were no acquisitions or discontinued operations.

The notes on pages 18 to 19 form an integral part of these accounts.

16'05'94

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Consolidated Long Term Balance Sheet

1994 31st December 1994

		1994	1993
	Note	£m	£m
Investments	8	4,401.3	3,359.9
Current assets	9	118.7	79.5
Current liabilities	10	115.6	46.6
Net current assets		3.1	32.9
Net assets		4,404.4	3,372.8
LONG TERM BUSINESS FUND			
Life and annuity	14	2,946.5	2,354.3
Permanent health		8.6	7.1
		2,955.0	2,361.4
Revaluation reserves	12	1,447.3	1,011.4
Minority interest		2.1	-
		4,404.4	3,372.8

The accounts were approved by the Board on 17th March 1994 and were signed on its behalf by

W H Jack

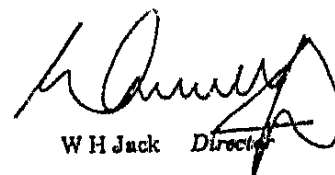
Director

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Parent Company Long Term Balance Sheet as at 31st December 1993

		1993	1992
	£m	£m	£m
	Note		
Investments	8	4,190.9	3,237.4
Current assets	9	82.0	82.5
Current liabilities	10	77.1	36.6
Net current assets		4.9	45.9
Net assets		<u>4,195.8</u>	<u>3,288.3</u>
LONG TERM BUSINESS FUND			
Life and annuity		2,780.2	2,282.5
Permanent health		8.5	7.1
		2,788.7	2,289.6
Revaluation reserves	12	1,407.1	998.7
		<u>4,195.8</u>	<u>3,288.3</u>

The accounts were approved by the Board on 17th March 1994 and were signed on its behalf by


W H Jack Director

The notes on pages 18 to 19 form an integral part of these accounts.

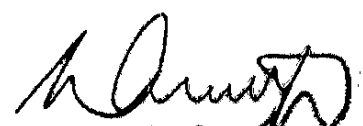
GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Shareholders' Balance Sheet

as at 31st December 1993

		1993	1992
	£m	£m	£m
Notes			
Investments	8	13.4	13.2
Current assets	9	25.8	6.3
Current liabilities	10	<u>3.6</u>	<u>3.4</u>
Net current assets		21.7	2.9
Net assets		<u>35.1</u>	<u>16.1</u>
CAPITAL AND RESERVES			
Share capital	11	0.3	0.3
Revaluation reserves	12	10.7	8.3
Profit and loss account		24.1	7.0
		<u>35.1</u>	<u>16.1</u>

The accounts were approved by the Board on 17th March 1994 and were signed on its behalf by


W H Jack Director

The notes on pages 19 to 22 form an integral part of these accounts.

Shareholders' Statement of Total Recognised Gains and Losses
for the year ended 31st December 1948

	1948 £m	1947 £m
Profit for the financial year	22.7	19.0
Realised profit on sales of investments	0.3	0.3
Unrealised surplus on revaluation of investments	1.7	0.6
Total recognised gains and losses relating to the year	<u>25.6</u>	<u>20.2</u>

The notes on pages 16 to 19 form an integral part of these accounts.

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Notes to the Accounts

1 ACCOUNTING POLICIES

(a) Basis of Preparation

The accounts are prepared under the historical cost convention as modified by the revaluation of investments and in accordance with applicable accounting standards and the Companies Act 1986, sections 257, 258, 260 and Schedule 9 and with other requirements of the Companies Act 1985 applicable to insurance companies.

The accounts have been prepared in accordance with the Statement of Recommended Practice issued by the Association of British Insurers in May 1990.

(b) Subsidiary and Associated Undertakings

The accounts of the Company and its subsidiaries, all of which have a common year end date, have been consolidated. The subsidiaries are all investments of the Long Term Business Fund and do not therefore contribute directly to the Shareholders' Fund. Any goodwill arising on acquisition is eliminated against reserves in the year of acquisition.

Associated undertakings are accounted for using the equity method.

Shares in subsidiary and associated undertakings in the Parent Company's accounts are included at net asset value or cost less a provision for diminution in value where appropriate.

(c) Shareholders' Share of Profits

The distributable surplus of the Long Term Business Fund is determined annually by actuarial valuation. The amount of surplus allocated to the Shareholders' profits included in the Profit and Loss Account is Articles of Association. The transfer of Shareholders' profits included in the Profit and Loss Account is stated gross of the most appropriate rate of taxation between that applicable to franked investment income and corporation tax at the valuation date.

(d) Investments

Listed securities are included in the balance sheets at middle market value. Investments in properties are carried in the balance sheets at open market value as determined by the group's professionally qualified internal valuers and by external valuers for a proportion of these properties.

Profits and losses on realisation of investments, after adjusting for taxation, and unrealised gains and losses on investments are transferred to revaluation reserves.

Transfers between revaluation reserves and revenue are determined by the Directors, having regard to the Actuary's Valuation Report.

Revenue is credited with dividends received (including the related tax credits), with rents and income from fixed interest securities, mortgages, loans and deposits as they accrue. No depreciation is charged on freehold properties, all of which are held as investments.

(e) Premiums

Premiums are accounted for when due for payment.

(f) Claims

Claims by death or maturity are charged against revenue when the insured event is notified or becomes due; surrenders when payment is made; annuities in the period in which each payment becomes due.

(g) Deferred Taxation

Deferred taxation is provided on all material timing differences unless the liability is unlikely to become payable in the foreseeable future.

(h) Turnover

Turnover is represented by premiums appearing in the Consolidated Long Term Revenue Account together with investment income appearing in the Consolidated Long Term Revenue and Profit and Loss Accounts.

(i) Foreign Currencies

The accounts of overseas subsidiary undertakings and other foreign assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. The exchange differences arising on the retranslation of opening net assets are taken directly to revaluation reserves.

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

2 PREMIUMS

Analysis by class	Total Premiums		New Business	
	1993	1992	Annualised Regular Premiums	Singles Premiums
	£m	£m	1993 £m	1992 £m
Life and Annuity	683.0	628.3	64.5	377.2
Permanent Health	3.0	2.9	0.5	-
Gross	686.0	631.2	65.0	377.2
Reassurances	(80.1)	(28.5)	(4.7)	(72.2)
Net	<u>605.9</u>	<u>602.7</u>	<u>60.3</u>	<u>305.0</u>

Analysis by territory	Total Premiums	
	1993 £m	1992 £m
United Kingdom	595.6	580.3
France	53.3	50.9
Germany	27.4	-
Republic of Ireland	9.7	-
Gross	686.0	631.2
Reassurances	(80.1)	(28.5)
Net	<u>605.9</u>	<u>602.7</u>

3 CLAIMS

	1993 £m	1992 £m
Claims	164.0	128.3
Surrenders	89.4	82.6
Annuities	22.8	20.9
Gross	276.2	231.5
Reassurances	(14.0)	(11.4)
Net	<u>262.2</u>	<u>220.4</u>

4 MANAGEMENT EXPENSES

Under a management agreement General Accident Life Services Limited, a fellow group undertaking, supplies and makes a charge for the provision of operational assets and staff to the Company. Accordingly, the relevant notes in relation to operational assets and employees are included in the accounts of General Accident Life Services Limited.

5 TAXATION

- The charge for taxation in the Consolidated Long Term Revenue Account has been computed in accordance with the current legislation appropriate to the business of each company.
- The charge in the Profit and Loss Account is UK corporation tax at a rate of 33% (1992 33%) together with taxation on franked investment income.

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

(c) The amounts charged in these accounts are made up as follows :-

	1998		1992	
	Consolidated Long Term Revenue Account £m	Profit and Loss Account £m	Consolidated Long Term Revenue Account £m	Profit and Loss Account £m
Corporation tax	8.2	0.1	(1.7)	0.2
Tax attributable to UK dividends received	10.7	0.1	12.0	0.1
Overseas taxation	0.7	-	0.6	-
	19.6	0.2	10.9	0.3
Adjustments in respect of prior years	(14.0)	-	(0.8)	-
	5.6	0.2	10.1	0.3
Shareholders' attributable taxation	-	7.8	-	6.1
	5.6	8.0	10.1	6.4

6 AUDITORS' REMUNERATION

Total remuneration in respect of audit services payable by the Company and its subsidiary companies amounted to £185,008 (1992 £56,330) of which £49,820 (1992 £48,798) related to the Parent Company. The amount payable to the auditors in respect of other services amounted to £67,980 (1992 £59,020) of which £21,280 (1992 £38,757) related to the Parent Company.

7 DIRECTORS AND OTHER OFFICERS

(a) Directors' emoluments in respect of services as Directors

	1998 £'000	1992 £'000
In respect of services as Directors of the Company and its subsidiaries	6	6
Emoluments of the Chairman	-	-
Emoluments of the highest paid Director	£3,000	£3,000
Number of Directors whose emoluments fall within the bands :		
Nil	6	7
£1 to £5,000	2	2

(b) Directors' emoluments in respect of management of the Company

As detailed in note 4, a management charge in respect of administration services has been made by General Accident Life Services Limited, which includes an element in respect of Directors' time spent in managing the Company. It is not possible to separately identify these group costs on a company by company basis. Directors' emoluments in respect of management of the group are provided in the accounts of General Accident Life Services Limited.

(c) Loans to Directors

The following loans have been granted by the Company to Executive Directors of the Company and the ultimate parent company under the staff house purchase scheme on the same terms and conditions as are applicable to all eligible members of staff at annual rates of interest between 3.5% and 9.3%. These loans are secured by mortgages on private residences and policies of assurance maturing at various dates or on the earlier death of the borrower.

	At 1st January 1998 or date of appointment if later £	Maximum loan during the year £	At 31st December 1998 £
Directors of the Company			
W N Robertson *	14,798	14,798	-
M N Urnston	57,924	57,924	57,924
Directors of the ultimate parent company			
R A Scott	80,000	80,000	-

* W N Robertson is also a Director of the ultimate parent company.

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

10 Loans to other officers

As at 31st December 1992, 2 officers of the Company and its subsidiary companies, other than Directors, had secured house purchase loans and policy loans outstanding amounting in aggregate to £21,705 (1991 2 officers £ 40,539).

9 INVESTMENTS

	Long Term				Shareholders	
	Consolidated 1993 £m	1992 £m	Parent Company 1993 £m	1992 £m	1993 £m	1992 £m
Ordinary stocks and shares	2,676.2	1,912.5	2,665.3	1,916.7	10.6	8.9
Fixed interest securities	943.4	808.0	500.0	780.9	1.3	1.2
Unit trusts	57.3	31.2	57.3	31.2	-	-
Freehold and leasehold properties	506.7	406.6	490.5	380.1	-	-
Deposits at interest	113.7	122.1	101.7	117.3	1.5	3.1
Mortgages and loans	86.0	44.7	48.3	44.4	-	-
Reservations and life interests	4.5	4.7	-	-	-	-
Subsidiary undertakings	-	-	12.3	6.7	-	-
Associated undertakings	18.3	11.3	18.5	9.3	-	-
Debentures in group undertakings	0.3	0.3	0.3	0.3	-	-
	<u>4,401.8</u>	<u>3,859.9</u>	<u>4,190.9</u>	<u>3,287.4</u>	<u>13.4</u>	<u>13.2</u>

9 CURRENT ASSETS

	Long Term				Shareholders	
	Consolidated 1993 £m	1992 £m	Parent Company 1993 £m	1992 £m	1993 £m	1992 £m
Debtors and accrued interest	41.8	29.3	25.2	21.7	-	-
Amounts owed by policyholders and agents	27.1	7.4	7.9	7.2	-	-
Amounts owed by long term business fund	-	-	-	-	26.7	8.0
Amounts owed by group undertakings	3.2	2.9	13.1	13.9	-	-
Corporation tax	14.6	21.3	10.3	21.3	-	-
Advance corporation tax	-	-	-	-	1.6	3.3
Cash at bank	32.6	13.6	25.5	13.4	-	-
	<u>118.7</u>	<u>79.5</u>	<u>82.0</u>	<u>82.5</u>	<u>28.3</u>	<u>6.3</u>

10 CURRENT LIABILITIES

	Long Term				Shareholders	
	Consolidated 1993 £m	1992 £m	Parent Company 1993 £m	1992 £m	1993 £m	1992 £m
Claims outstanding	17.3	13.9	16.0	13.7	-	-
Creditors	66.1	27.8	30.2	20.3	-	-
Amounts owed to shareholders' fund	23.7	3.0	23.7	3.0	-	-
Amounts owed to group undertakings	5.5	2.4	4.7	-	-	-
Corporation tax	-	-	-	-	0.1	-
Advance corporation tax	-	-	-	-	-	3.4
Proposed dividends	-	-	-	-	3.5	-
Provisions for liabilities and charges	2.6	-	2.6	-	-	-
	<u>115.2</u>	<u>46.6</u>	<u>77.1</u>	<u>36.6</u>	<u>3.6</u>	<u>3.4</u>

Following the SSB review of transfers and opt-outs from occupational pension schemes, the Company is reviewing the quality of advice given to all customers who purchased personal pensions from company representatives. The Company has assessed the level of potential payments for compensation together with costs of investigation and handling and accordingly the Directors have made a realistic and prudent provision of £21m which is included under provisions for liabilities and charges.

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

11 SHARE CAPITAL

	1993 £m	1992 £m
Authorized: Ordinary shares of £100 each	1.0	1.0
Allocated, called up and 25% paid: Ordinary shares of £100 each	0.25	0.25

12 REVALUATION RESERVES

	Long Term				Shareholders	
	Consolidated 1993 £m	1992 £m	Parent Company 1993 £m	1992 £m	1993 £m	1992 £m
Balance at 1st January	1,011.4	888.1	998.7	888.1	8.8	7.6
Gross movement for the financial year	687.6	287.8	615.1	289.6	1.9	1.2
Transfer to Revenue Account	(201.7)	(79.0)	(201.7)	(79.0)	-	-
Balance at 31st December	1,497.3	1,011.4	1,407.1	998.7	10.7	8.8

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1993 £m	1992 £m
Profit for the financial year	28.7	19.0
Dividends	(6.6)	(17.5)
	17.1	1.5
Other recognised gains and losses relating to the year (net)	1.9	1.2
Net addition to shareholders' funds	19.0	2.7
Opening shareholders' funds	16.1	18.4
Closing shareholders' funds	35.1	16.1

14 LONG TERM BUSINESS FUND

The Long Term Business Fund includes the following amounts attributable to policyholders of subsidiary undertakings:

	1993 £m	1992 £m
General Accident Vie SA	131	80.5
Assicura. Versicherungsanstalt SA	84.1	-
NZL Life Ireland Limited	12.3	-
	227.4	80.5

The interest of the Company in the issued share capital of the above companies is detailed in note 13.

15 COMMITMENTS

Major investment contracts entered into but not provided for in these accounts amounted to £11 (1992: £8m).

16 CONTINGENT LIABILITY

The Company has guaranteed bank loans on behalf of a group undertaking amounting to £1.8m. These liabilities have not been provided for in the accounts.

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

17 CASH FLOW STATEMENTS

Under Financial Reporting Standard No. 1, Cash Flow Statements, the Company is exempt from the requirement to prepare a cash flow statement being a wholly owned subsidiary included in consolidated accounts of an EC parent which will include a consolidated cash flow statement.

18 ULTIMATE PARENT COMPANY

The Company is a subsidiary undertaking of General Accident plc which is incorporated in Great Britain (registered in Scotland). Copies of that company's accounts may be obtained from the Registered Office: Pitheavlis, Perth, Scotland, PH2 0NH. The largest group in which the results of the Company are consolidated is that headed by General Accident plc. No other group accounts include the results of the Company.

With effect from 1st October 1993, General Accident Life Holdings Limited (the Company's immediate parent) and its subsidiaries, were sold by General Accident Fire and Life Assurance Corporation p.l.c. to General Accident plc.

19 SUBSIDIARY UNDERTAKINGS AND OTHER SHAREHOLDINGS

Subsidiary Undertakings

	Principal Activity	Percentage of Ordinary Share Capital held	Country of Registration or Incorporation
General Accident Vie SA	Long Term Insurance	100	France
Assecura Versicherungsholding SA	Long Term Insurance	60	Luxembourg
NZI Life (Ireland) Limited	Long Term Insurance	79	Republic of Ireland
GAMAX Management AG	Fund Management	51	Luxembourg
The Lancashire and Yorkshire Reversionary Interest Company Limited	Investment in reversions and life interests	100	England & Wales
General Accident Life Developments Limited	Property Development	100	England & Wales
Stuart W & Ogilvie Estates Limited	Estate Agents	50*	Scotland
General Development Property Company Limited	Non-trading	100	England & Wales

* Remainder of shares held by General Accident Fire and Life Assurance Corporation p.l.c., a wholly owned subsidiary of General Accident plc.

Associated Undertaking

	Principal Activity	Class Held	Percentage of Ordinary Share Capital held	Country of Registration or Incorporation
The New Zealand Insurance Life Limited	Long term insurance	Ordinary	49*	New Zealand

* Remainder of shares held by General Accident Pacific Limited, a wholly owned subsidiary of General Accident plc.

Holdings in Other Companies

(in excess of 10% of the equity capital of those companies)

	Principal Activity	Class Held	Percentage of Ordinary Share Capital held	Country of Registration or Incorporation
City Commercial Real Estate Holdings Limited	Property Development	'B' Ordinary	40	England & Wales
McKay Securities plc	Investment Company	Ordinary	11	England & Wales

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

20 PURCHASE OF SUBSIDIARY UNDERTAKINGS

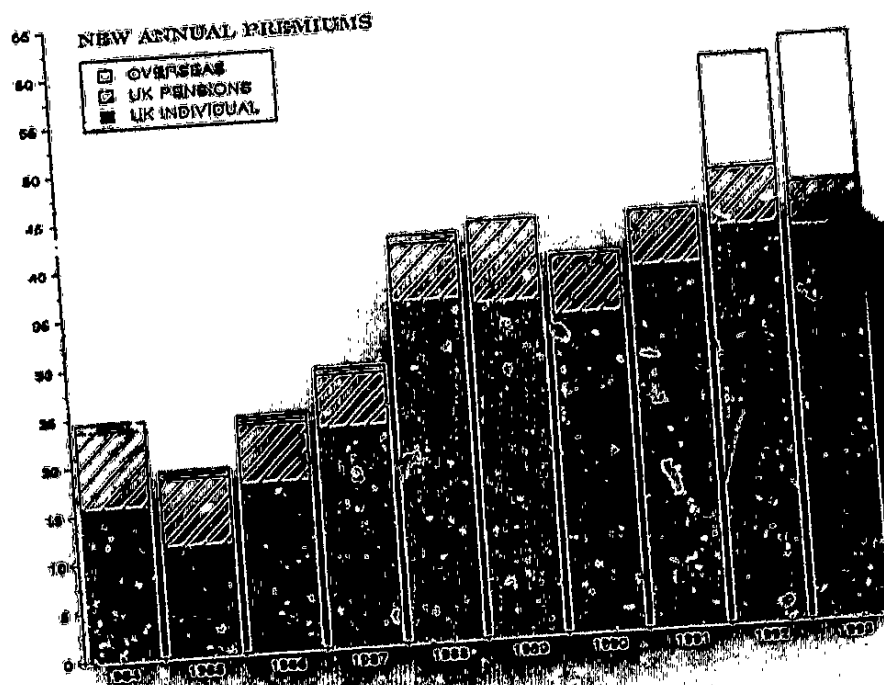
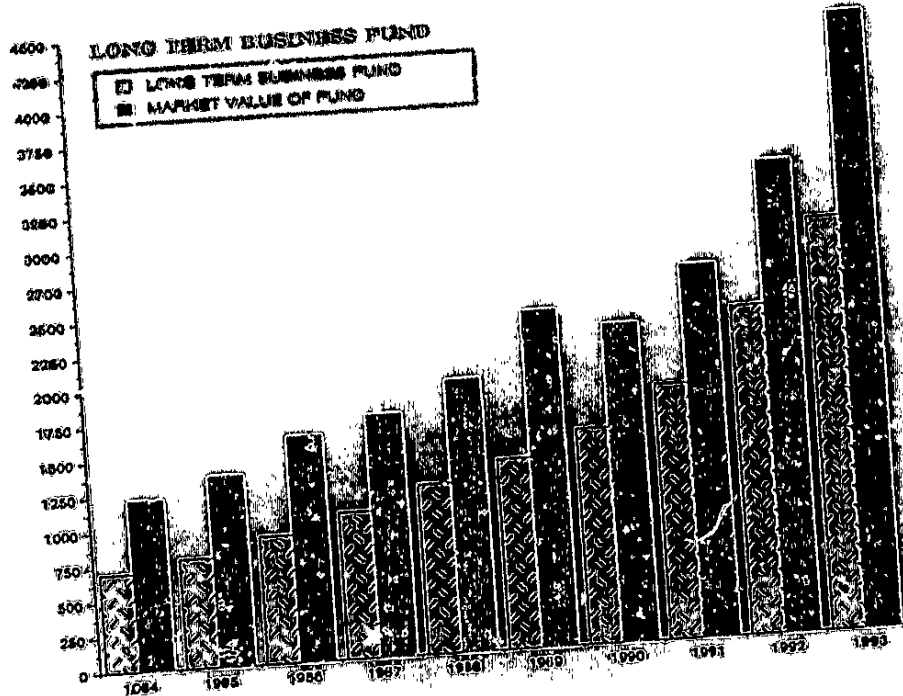
Included below are details relating to the cumulative acquisition of 60% of Assecura Versicherungsholding SA and 78% of NZI Life (Ireland) Limited with effect from 1st January 1993. Both of the subsidiaries have been consolidated using the acquisition method of accounting.

	Assecura Versicherungsholding SA At 1st January 1993 £m	NZI Life (Ireland) Limited At 1st January 1993 £m	Total At 1st January 1993 £m	General Accident Via SA At 1st January 1992 £m
Net (liabilities)/assets	(18.4)	1.2	(17.2)	5.5
Goodwill	22.7	3.7	26.4	0.8
Consideration in cash	<u>4.3</u>	<u>4.9</u>	<u>9.2</u>	<u>6.3</u>
Amounts included within the Consolidated Long Term Revenue Account	<u>13.1</u>	<u>3.2</u>	<u>16.3</u>	<u>30.1</u>

GENERAL ACCIDENT LIFE ASSURANCE LIMITED

Review of Progress

Amounts in £ millions



The figures for 1992 have been restated for new annual premiums to include the subsidiaries acquired in 1991.