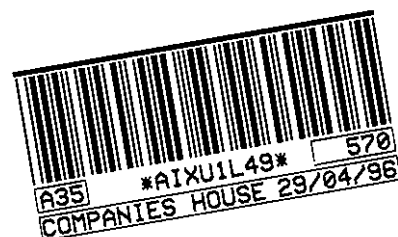




**FRIENDS' PROVIDENT
LINKED LIFE ASSURANCE LIMITED**

**ANNUAL REPORT AND ACCOUNTS
31ST DECEMBER 1995**



Company registered number: 1665500

**FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 1995**

DIRECTORS

K. SATCHELL, BSc, FIA, ASA (Executive Chairman)

G.K. ASLET, MA, FIA

B.W. SWEETLAND, LL.B

SECRETARY

B.W. SWEETLAND, LL.B

PRINCIPAL ACTIVITY

The principal activity of the company is the transaction of linked long-term reinsurance business in respect of contracts issued by Friends' Provident Life Office in the United Kingdom.

RESULTS AND BUSINESS REVIEW

The company's results for the year are shown in the profit and loss account on pages 4 and 5. The company continued to accept reinsurance business from its ultimate parent company. This was at a satisfactory level although difficult market conditions contributed to an overall decline in new business from those experienced in 1994.

DIVIDEND

An interim dividend of £1,500,000 was paid during the year (1994:£600,000). The directors do not recommend the payment of a final dividend.

DIRECTORS

The directors named above held office throughout the year. K Satchell became the Executive Chairman on 1st January 1995. No director held shares beneficially in any company of the Friends' Provident Life Office Group during the year.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Such insurance has been effected.

FORMAT OF THE FINANCIAL STATEMENTS

The format of the financial statements, including some of its accounting policies, has changed following the implementation in the UK of the EU Insurance Accounts Directive. This has prescribed in considerable detail the format and terminology to be used and is intended to promote greater uniformity in the presentation of insurers' financial statements throughout the EU. In addition, the financial statements comply with the Guidance on Accounting for Insurance Business issued by the Association of British Insurers.

AUDITORS

The directors have taken advantage of the Elective Regime, under section 386 of the Companies Act 1985, for dispensation from the annual appointment of auditors.

The auditors, Price Waterhouse, have signified their willingness to continue in office.

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

REPORT OF THE DIRECTORS (continued)

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 those 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

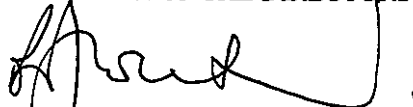
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

Pixham End,
Dorking,
Surrey, RH4 1QA

29th February 1996

Registered Number 1665500

BY ORDER OF THE DIRECTORS



B.W. SWEETLAND
SECRETARY

AUDITORS' REPORT

TO THE MEMBERS OF FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

We have audited the financial statements on pages 4 to 18 which have been prepared in accordance with the accounting policies set out on pages 9 and 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

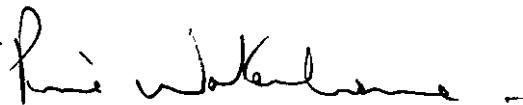
BASIS OF OPINION

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 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 of the state of affairs of the company as at 31st December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors
Southwark Towers
32 London Bridge Street
London SE1 9SY

29th February 1996

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1995

TECHNICAL ACCOUNT - LONG TERM BUSINESS

	Notes	1995 £'000	1994 Restated £'000
Earned premiums, net of reinsurance	2		
Gross premiums written		105,308	133,593
Outward reinsurance premiums		-	-
		<hr/>	<hr/>
Investment income	3	105,308	133,593
Unrealised gains on investments (net)	3	27,368	11,862
Other technical income, net of reinsurance		60,864	-
		363	619
		<hr/>	<hr/>
Total Technical Income		193,903	146,074
		<hr/>	<hr/>
Claims incurred, net of reinsurance	4		
Claims paid		45,999	37,481
Change in other technical provisions, net of reinsurance			
Other technical provisions, net of reinsurance			
Technical provisions for linked liabilities		135,340	58,592
Net operating expenses	5	3,727	4,960
Investment expenses and charges	3 & 5	455	490
Unrealised losses on investments (net)	3	-	38,637
Tax attributable to the long-term business	6	6,002	1,449
		<hr/>	<hr/>
		10,184	45,536
		<hr/>	<hr/>
Total Technical Charges		191,523	141,609
		<hr/>	<hr/>
Balance on the Technical account - Long-Term Business		2,380	4,465
		<hr/>	<hr/>

Note

All amounts above are in respect of continuing operations. The Technical account includes all recognised gains and losses attributable to policyholders.

The notes on pages 9 to 18 form an integral part of these financial statements

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1995

NON-TECHNICAL ACCOUNT

	Notes	1995 £'000	1994 Restated £'000
Balance on the Technical account - Long-Term Business		2,380	4,465
Tax credit attributable to balance on the long-term business Technical account		1,172	2,199
		<hr/>	<hr/>
Shareholders' pre-tax profit from long-term business		3,552	6,664
Investment income	3	15	23
Unrealised gains/(losses) on investments	3	27	(72)
Realised profits on investments	3	36	-
		<hr/>	<hr/>
Profit on ordinary activities before tax		3,630	6,615
Tax on profit on ordinary activities	6	(1,177)	(2,205)
		<hr/>	<hr/>
Profit for the financial year	13	2,453	4,410
Dividend	7	(1,500)	(600)
		<hr/>	<hr/>
Retained profit for the financial year		953	3,810
		<hr/>	<hr/>

Note

All of the amounts above are in respect of continuing operations. The Non-technical account includes all recognised gains and losses attributable to shareholders. There is no difference between the results disclosed above and the results on a modified historical cost basis.

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1995

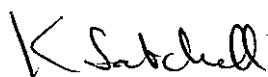
	Notes	1995 £'000	1994 Restated £'000
ASSETS			
Investments			
Other financial investments	8	5,034	3,512
		<u>5,034</u>	<u>3,512</u>
Assets held to cover linked liabilities	9	576,978	441,638
Debtors			
Other debtors	10	1,949	925
		<u>1,949</u>	<u>925</u>
Other assets			
Cash at bank and in hand		201	27
		<u>201</u>	<u>27</u>
Prepayments and accrued income			
Accrued interest and rent		170	171
Other prepayments and accrued income		-	2
		<u>170</u>	<u>173</u>
TOTAL ASSETS		<u><u>584,332</u></u>	<u><u>446,275</u></u>

The notes on pages 9 to 18 form an integral part of these financial statements

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1995

	Notes	1995 £'000	1994 Restated £'000
LIABILITIES			
Capital and reserves			
Called up share capital	11	250	250
Profit and loss account - distributable	13	197	151
- non-distributable	13	4,592	3,685
		<hr/>	<hr/>
Shareholders' funds - equity interests	12 & 13	5,039	4,086
		<hr/>	<hr/>
Technical provisions for linked liabilities	14	576,978	441,638
Creditors			
Other creditors including taxation	15	2,315	551
		<hr/>	<hr/>
		2,315	551
		<hr/>	<hr/>
TOTAL LIABILITIES		<hr/> <hr/> 584,332	<hr/> <hr/> 446,275



K SATCHELL
EXECUTIVE CHAIRMAN

29th February 1996

The notes on pages 9 to 18 form an integral part of these financial statements

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 1995

	Note	1995 £'000	1994 £'000
NET CASH INFLOW FROM CONTINUING OPERATING ACTIVITIES	16(a)	1,502	601
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		17	23
Dividends paid		(1,500)	(600)
Net cash outflow from returns on investments and servicing of finance		(1,483)	(577)
TAXATION			
Tax on investment income deducted at source		(5)	(6)
INVESTING ACTIVITIES		160	-
		---	---
NET CASH INFLOW BEFORE FINANCING		174	18
FINANCING		-	-
		---	---
INCREASE IN CASH AND CASH EQUIVALENTS	16(b)	174	18
		==	==

The notes on pages 9 to 18 form an integral part of these financial statements

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of presentation and restatement of prior year amounts

The accounts have been prepared in accordance with the UK enactment of the EU Insurance Accounts Directive as set out in the provisions of Section 255 and Schedule 9A to the Companies Act 1985 as amended by the Companies Act 1985 (Insurance Companies Accounts) Regulations 1993 ('the Accounts Regulations') with the exception that in accordance with Statement of Standard Accounting Practice No. 19, no depreciation is provided in respect of freehold and leasehold properties with over 20 years to expire (see note 1(c)(i)).

The financial statements have also been prepared in accordance with applicable accounting standards and under the historical cost convention as modified by the revaluation of investments (see note 1(c)), and comply with the Guidance on Accounting for Insurance Business ('the ABI Guidance') issued by the Association of British Insurers.

(b) Changes in accounting policies and restatement of prior year amounts

Following the introduction of the Accounts Regulations and the ABI Guidance, the financial statements of insurance companies are now required to follow prescribed formats for the profit and loss account and balance sheet. Accordingly, certain accounting policies and disclosures have been amended and comparative amounts have been restated to comply with the changes introduced by the Accounts Regulations and the ABI Guidance. Details of the more significant accounting policy changes are set out below and details of the restatement of prior year amounts are set out in notes 13 and 14.

- (i) Surpluses which were previously in the long-term business fund are now allocated to Shareholders' Funds since the policyholders do not participate in such surpluses. The surpluses are treated as realised profit to the extent that there is an excess of assets representing the fund over liabilities attributable to the fund, as shown by actuarial investigation.
- (ii) Reserves for unit linked business previously held within the long-term business fund for solvency purposes under the Insurance Companies Act 1982 have been reallocated to the technical provision for linked liabilities.

(c) Investments

Investments are stated at their current market values at the balance sheet date, calculated as follows:

- (i) Land and buildings are valued each year at open market values, determined in rotation, approximately one third by independent qualified valuers Hillier Parker May & Rowden and two thirds by Chartered Surveyors who are employees of the Friends' Provident Life Office Group.

In accordance with Statement of Standard Accounting Practice No. 19, no depreciation is provided in respect of freehold properties, or amortisation in respect of leasehold properties with over 20 years to expire. This is a departure from the requirements of the Companies Act 1985 which requires all properties to be depreciated. However, these properties are held solely for investment purposes and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuations of properties, and the amounts which might otherwise have been shown cannot reasonably be separately identified or quantified.

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

(c) Investments (continued)

- (ii) Listed investments are stated at middle market prices.
- (iii) Unit trusts are stated at prices at which the managers under the unit trust schemes would purchase the holding of units.

(d) Premiums

Premium income, not being subject to contractual regular premiums, is accounted for when received within the Friends' Provident Life Office.

(e) Claims and surrenders

Claims and surrenders are accounted for when they are paid. Claims payable include claims handling costs.

(f) Investment income and expenses

Investment income includes dividends, interest, rents, and gains and losses on the realisation of investments. Income from fixed interest securities together with interest, rents and expenses are accounted for in the year in which they accrue. Dividends are included in the profit and loss account when the securities are listed as ex-dividend. Investment expenses are accounted for on an accruals basis.

Realised gains and losses on investments are calculated as the difference between net sales proceeds and their original cost. Unrealised gains and losses on investments represent the difference between the valuation of investments at the balance sheet date and their original cost, or if they have been previously valued, that valuation at the last balance sheet date.

Realised and unrealised gains and losses on investments attributable to policyholders are dealt with in the Technical account. Realised and unrealised gains and losses on shareholders' investments are dealt with in the Non-technical account.

(g) Deferred taxation

Deferred taxation is provided on material timing differences using the liability method where the amount is reasonably expected to become payable in the foreseeable future.

Allowance is made in the technical provisions for linked liabilities for deferred taxation in respect of the unrealised gains on investments, including that relating to the deemed disposal of unit trusts which is deferred.

(h) Foreign currencies

Assets and liabilities held in foreign currencies at 31 December are expressed in sterling at rates ruling on that date. Income and expenditure denominated in foreign currencies are translated at rates ruling on the date on which the transaction occurs. All resulting exchange gains or losses are dealt with in the profit and loss accounts.

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. SEGMENTAL ANALYSIS

Premiums originate from one class of business, the transaction of investment linked life assurance long-term reinsurance business in respect of contracts issued by Friends' Provident Life Office. All business originates in the United Kingdom and comprises individual business.

(a) Gross premiums written

Gross premiums written are analysed as follows:

	1995 £'000	1994 £'000
Regular premiums	56,219	50,949
Single premiums	49,089	82,644
	<u>105,308</u>	<u>133,593</u>

(b) Assets attributable to long-term business

Of the amount of assets shown on page 6, £583,733,000 is attributable to long-term business (1994:£445,621,000).

3. INVESTMENT RETURN SUMMARY

(a) Technical account

	1995 £'000	1994 £'000
Investment income:		
Income from land and buildings	874	878
Income from other investments - listed	3,970	2,275
- other	11,621	8,468
Gains on the realisation of investments	10,903	241
	<u>27,368</u>	<u>11,862</u>
Unrealised gains/(losses) on investments	60,864	(38,637)
Investment management expenses, including interest	(455)	(490)
Net investment return	<u>87,777</u>	<u>(27,265)</u>

Investment management expenses include bank interest and charges on bank loans and overdrafts, repayable otherwise than by instalments within a period of 5 years, amounting to £38,000 (1994:£47,000).

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. INVESTMENT RETURN SUMMARY (continued)

(b) Non-technical account	1995 £'000	1994 £'000
Investment income:		
Income from other investments - other	15	23
Gains on the realisation of investments	36	-
	<u>51</u>	<u>23</u>
Unrealised gains/(losses) on investments	27	(72)
Investment management expenses	-	-
Net investment return	<u>78</u>	<u>(49)</u>
Total investment return	<u><u>87,855</u></u>	<u><u>(27,314)</u></u>

4. CLAIMS INCURRED

	1995 £'000	1994 £'000
Deaths	3,633	3,587
Maturities	3,956	5,432
Surrenders	38,173	28,189
	<u>45,762</u>	<u>37,208</u>
Add: Claims handling costs	237	273
	<u><u>45,999</u></u>	<u><u>37,481</u></u>

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. NET OPERATING EXPENSES AND INVESTMENT EXPENSES AND CHARGES

All the company's operating expenses, including new business acquisition costs and investment management expenses, with the exception of bank charges and interest are paid by Friends' Provident Life Office. A management fee is charged to the company to cover these expenses other than new business acquisition costs.

Net operating expenses comprise administrative expenses which include auditors remuneration for audit services of £6,200 (1994:£6,200) and auditors' remuneration for non audit services of £545 (1994:£545).

The directors consider that their services to the company were incidental to their other duties within the Friends' Provident Life Office Group and accordingly no specific remuneration incurred by the company relates to these services. All staff were employed by Friends' Provident Life Office.

6. TAXATION

United Kingdom and overseas taxation has been charged in the Technical account for long-term business and the Non-technical account on assessable profits and income for the year on the bases appropriate to the class of business and the territory.

	1995		1994	
	Technical account £'000	Non-technical account £'000	Technical account £'000	Non-technical account £'000
Corporation tax at 25%	5,728	-	2,233	-
Corporation tax at 33%	-	5	-	6
Deferred tax	135	-	228	-
Adjustment in respect of prior years	139		(1,012)	-
Tax credit attributable to balance on the long-term business Technical account at 33%	-	1,172	-	2,199
	<u>6,002</u>	<u>1,177</u>	<u>1,449</u>	<u>2,205</u>

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS(continued)

7.	DIVIDEND	1995	1994
		£'000	£'000
	Interim dividend	1,500	600
		<u>=====</u>	<u>=====</u>

8. OTHER FINANCIAL INVESTMENTS

	Current value		Cost	
	1995	1994	1995	1994
	£'000	£'000	£'000	£'000
Shares and other variable yield securities and units in unit trusts	398	495	124	249
Deposits with credit institutions	4,636	3,017	4,636	3,017
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
	5,034	3,512	4,760	3,266
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

There are no listed investments included above.

9. ASSETS HELD TO COVER LINKED LIABILITIES

	1995	1994
	£'000	£'000
Current value	576,978	441,638
	<u>=====</u>	<u>=====</u>
Cost	438,732	364,853
	<u>=====</u>	<u>=====</u>

10. OTHER DEBTORS

	1995	1994
	£'000	£'000
Amounts falling due within one year:		
Taxation recoverable	-	918
Amounts due from group undertakings	1,949	7
	<u>-----</u>	<u>-----</u>
	1,949	925
	<u>=====</u>	<u>=====</u>

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. CALLED UP SHARE CAPITAL

	1995	1994
	£'000	£'000
Authorised:		
1,000,000 ordinary shares of £1 each	1,000	1,000
	<u>=====</u>	<u>=====</u>
Allotted and fully paid:		
250,000 ordinary shares of £1 each	250	250
	<u>=====</u>	<u>=====</u>

12. SHAREHOLDERS' FUNDS

The net assets comprising the shareholders' funds are:

	1995	1994
	£'000	£'000
Assets		
Authorised unit trusts	398	495
Debtors	-	132
Amount due from long-term business account	4,449	3,439
Cash at bank	201	27
	<u>-----</u>	<u>-----</u>
	5,048	4,093
Liabilities		
Taxation	(9)	(7)
	<u>-----</u>	<u>-----</u>
Shareholders' net assets	5,039	4,086
	<u>=====</u>	<u>=====</u>

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. RECONCILIATION OF MOVEMENT IN TOTAL SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

	Share capital	Reserve account	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000	£'000
Balance at 1st January 1995 as previously stated	250	246	151	647
Prior year adjustments:				
Reallocation of shareholders' unrealised investment gains	-	(246)	246	-
Shareholders interest in profit previously recognised in the long-term business account	-	-	3,439	3,439
Balance at 1st January 1995 (restated)	250	-	3,836	4,086
Profit for the year	-	-	2,453	2,453
Dividend for the year	-	-	(1,500)	(1,500)
Balance at 31st December 1995	250	-	4,789	5,039

The profit and loss account comprises:

	Distributable reserves	Non-distributable reserves	Total reserves
	£'000	£'000	£'000
Balance at 1st January 1995 (restated)	151	3,685	3,836
Retained profit for the year	46	907	953
Balance at 31st December 1995	197	4,592	4,789

The profit and loss account includes £273,000 (1994:£246,000) representing the unrealised appreciation in the market value of the investments in the shareholders' funds.

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. RECONCILIATION OF MOVEMENT IN TOTAL SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES (continued)

The effect of the changes in accounting policies on the 1994 profit and loss account is as follows:

	1994 £'000
Retained profit for the financial year, as previously stated	17
Movement in the shareholders' interest in profit previously recognised in the long-term business account	3,865
Reallocation of unrealised investment losses	(72)
Retained profit for the financial year (restated)	<u>3,810</u>

14. POLICYHOLDER LIABILITIES

	Long-term business fund £'000	Technical provision for linked liabilities £'000
Balance at 1st January 1995 as previously stated	445,077	-
Prior year adjustments: Shareholders' interest in profit previously recognised in the long-term fund taken to the profit and loss account	(3,439)	-
Reallocation of long-term business fund	(441,638)	441,638
At 1st January 1995 (restated)	<u>-</u>	<u>441,638</u>
Movement in technical provision for the year	-	135,340
Balance at 31st December 1995	<u>-</u>	<u>576,978</u>

FRIENDS' PROVIDENT LINKED LIFE ASSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. OTHER CREDITORS INCLUDING TAXATION

	1995 £'000	1994 £'000
Amounts falling due within five years:		
Taxation payable	2,196	-
Amount due to group undertakings	-	551
Sundry creditors	119	-
	<u>2,315</u>	<u>551</u>

16. NOTES TO THE CASH FLOW STATEMENT

	1995 £'000	1994 £'000
(a) Reconciliation of profit before taxation to net cash flow from operating activities:		
<u>Continuing operations</u>		
Profit before taxation	3,630	6,615
Investment income	(15)	(23)
Unrealised (profits)/losses on investments	(27)	72
Realised profits on investments	(36)	-
Tax attributable to shareholders' profit	(1,172)	(2,199)
Increase in debtors	(878)	(3,566)
Decrease in amount due from group undertakings	-	129
Decrease in creditors	-	(427)
Net cash inflow from operating activities	<u>1,502</u>	<u>601</u>
(b) Analysis of changes in cash and cash equivalents during the year:		
Balance at 1st January	27	9
Net cash inflow	174	18
Balance at 31st December	<u>201</u>	<u>27</u>

The analysis of cash and cash equivalents comprises cash at bank.

17. ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking is Friends' Provident Life Office, which is incorporated in the United Kingdom by Act of Parliament. Copies of the Group Report and Accounts of Friends' Provident Life Office can be obtained from Pixham End, Dorking, Surrey, RH4 1QA.