### **BUDGET INSURANCE COMPANY LIMITED**

Return to the Insurance and Friendly Societies
Division of the Financial Services Authority
FOR THE YEAR ENDING
30<sup>TH</sup> JUNE 2000

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### Covering sheet to Form 9

Name of company

Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

P A Winslow

Director/Chief Executive

IR Leech

Director/Company Secretary

### Statement of solvency

Global business

Financial year ended 30th June 2000		Company registration number	GLUKICM	Period er day month			Units
	R9	2593721	GL	30	06	2000	2000
	<del></del>	As at the end of this financial year	As at the end of the previous year			Source	
		11	. 2	Form		.ine	Column

### **GENERAL BUSINESS**

### Available assets

Other than long term business assets allocated towards general business required minimum margin	11	12,646	10,979	See instructions 1 and 2
Required minimum margin				
Required minimum margin for general business	12	3,818	4,452	12 49
Excess (deficiency) of available assets over the required minimum margin (11-12)	13	8,828	6,527	

### LONG TERM BUSINESS

### Available assets

Long term business admissible assets	21	-	-	10 11
Other than long term business assets allocated towards long term business required minimum margin	22	-	_	See instructions 1 and 3
Total mathematical reserves (after distribution of surplus)	23	-	-	See instruction 4
Other insurance and non-insurance liabilities	24	-	-	See instruction 5
Available assets for long term business required minimum margin (21+22-23-24)	25		-	

## Implicit Items admitted under regulation 23(5) of the Insurance Companies Regulations 1994

Future profits	31	-	-	
Zillmerising	32		-	
Hidden reserves	33	-	-	

	1			
Total of available assets and implicit items (25+31+32+33)	34		_	l t
, , , , , , , , , , , , , , , , , , , ,	۳.			1
		<del></del>	<del></del>	<del></del>

### Required minimum margin

Required minimum margin for long term business	41	_	-	60	69	
Explicit required minimum margin (1/6 x 41, or minimum guarantee fund if greater)	42	_	-			
Excess (deficiency) of available assets over explicit required minimum margin (25-42)	43	_	~			
Excess (deficiency) of available assets and implicit items over the required minimum margin (34-41)	44	-	-			

### CONTINGENT LIABILITIES

Quantifiable contingent liabilities in respect of other than long term business as shown in a supplementary note to Form 15	51	-	-	See instruction 6
Quantifiable contingent liabilities in respect of long term business as shown in a supplementary note to Form 14	52	-	-	See instruction 6

### Statement of net assets

Name of company Budget Insurance Company Limited

(61 to 65)

inancial year ended 3	30 June 2000	re	ompany egistration number	GUUKICM	Period day mor	ended	_ Units
		R10	2593721	GL	30 06 2000		£000
	<b>-</b>		As at the end of this financial year	As at the end of the previous year		Source	
			1	2	Form	Line	Column
ong term business - adn	nissible assets	11		-	13	89	1
ong term business - liab	ilities and margins	12		-	14	59	1
Other than Long term bus	siness - admissible assets	21	44,464	62,999	13	89	1
Other than Long term but	siness - liabilities	22	32,773	53,133	15	69	1
Net admissible assets (2	1-22)	23	11,691	9,866			
Other assets allowed to be taken into account in	Unpaid amounts (including share premium) on partly paid shares	24	-	-			
covering the required minimum margin	Supplementary contributions for a mutual carrying on general business	25		-			
Liabilities allowed to be left out of account in	Subordinated loan capital	26	955	1,113			
covering the required minimum margin	Cumulative preference share capital	27		-			
Available assets (23 to 2	27)	29	12,646	10,979	)		
Represented by:							
Paid up share capital (o share capital)	ther than cumulative preference	51	15,60	15,600			
Amounts included in line	es 24 to 27 above	52	95	5 1,113	3		
Amounts representing t	he balance of net assets	56	(3,909	(5,734	)		
Total (51 to 56) and equ		59	12,64	6 10,97	9	· <u>-</u> -	
Movement of balance purposes - as per lin	e of net assets for solvency e 56						
Balance brought forwar	d at the beginning of the financial	61	(5,73	(17,284	1) 10	56	3 :
Retained profit/(loss) fo	or the financial year	62	3,94	3 35	8 16	5 59	9
Movement in asset vali	uation differences	63	(2,11	7) (6,809	9) See	instruct	ion 2
Decrease/(increase) in	the provision for adverse change	s 64		-	- See	instruct	ion 3
of supplementary note		65		- 18,00	0		
Balance carried forwar	d at the end of the financial year	69	(3,90	9) (5,73	5)		

### General business: Calculation of required margin of solvency - first method

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

	Company registration number		GL/U	JK/CM		eriod e month		Units
	R11	2593721	G	SL	30	06	2000	£000
	<u></u>	<del></del>	<u></u>		This	financ	cial year	Previous year
						1		2
Gross premiums	s receivable			11			12,902	5,720
Premium taxes		12			_	-		
Sub-total A (11		13			12,902	5,720		
Adjusted Sub-to period to produ		cial year is not a 12 month I figure		14				
Up to and including sterling equivalent of 10M ECU x 18/100				15			1,151	1,030
Sub-total A (or adjusted	health insurance	Excess (if any) over 10M ECU x 16/100		16			1,041	
Sub-total A if appropriate)	Health	Up to and including sterling equivalent of 10M ECU x 6/		17				
	insurance	Excess (if any) over 10M ECU x 16/300		18				
Sub-total B (1	5+16+17+18	)		19			2,192	1,03
Claims paid				21			22,58	22,32
Claims outstar carried forward	-	For business accounted for on an underwriting year bas		22				-
end of the fina	ncial year	For business accounted for on an accident year basis	r	23			30,67	1 49,20
Claims outstar brought forwa	•	For business accounted for on an underwriting year bar		24				-
beginning of the For business accounted for financial year on an accident year basis				25			49,20	6 65,33
Sub-total C (2	21+22+23-(24	4+25))		29			4,04	6 6,2
Amounts reco		reinsurers in respect		30			(4,08	7,3
Sub-total D (	29-30)			39			8,12	27 (1,17
First result Sub-total B x a greater frac		/Sub-total C) (or, if 1/2 is		41			2,19	92 5

# General business: Calculation of required margin of solvency - second method, and statement of required minimum margin

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

				reg	mpany gistrati mber	GL/UK/CM		Period ended day month year			ş
			R12	2	593721	GL	30 06 2000		2000	£00	
						This financial year	Pr	evious	year	Sour	[
eference period (No. of finan ference period otherwise ins		ert "0" if there is no	3		11		ha lin	2	S	ee instruc	
aims paid in reference perio	d				21	82,241	· · · · · · · · · · · · · · · · · · ·		99,435		
laims outstanding carried orward at the end of the	For business basis	accounted for on a	n underwriting ye	ear	22	-			-		
eference period		accounted for on a	accounted for on an accident year basis			30,746			49,206		
laims outstanding brought brward at the beginning of	vard at the beginning of basis					-					
reference period  For business accounted for on an accident year bas					25	64,951	51 34,447				
Sub-total E (21+22+23-(24+	-25))				29	48,036			114,194		
Sub-total F - Conversion of S livide by number of months i			ly by 12 and		31	16,012			38,065		
Division of Sub-total F	Other than	Up to and including sterling equivalent of 7M ECU x 26/100			32	1,164	1,284				
	health insurance	Excess (if any) ov	er 7M ECU x 23	3/100	33	2,654			7,619		
	Health				34	-			-		
	insurance	Excess (if any) ov	ver 7M ECU x 23	3/300	35		-	·	-		
Subtotal G (32 to 35)		·			39	3,818	3		8,903		
Second result	Sub-total G	Sub-total D Sub-total C	(or, if 1/2 is a fraction,	_	41	3,818	3		4,452		
							Т-				
First result					42	2,19	2		515	11 4	11
Required margin of solvenc	y (the higher of	f lines 41 and 42)			43	3,81	8		4,452	L	
Minimum guarantee fund					44	25	6		282		
							1			1	
Required minimum margin	(the higher of I	ines 43 and 44)			49	3,81	8		4,452	}	

### Analysis of admissible assets

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Category of assets

Total other than long term business assets

				Company registration number	GL/UK/CM		eriod e mont	nded h year	Units	Category of assets
			R13	2593721	GL	30	06	2000	£000	1
nvestments					<del>-                                    </del>	<u>.                                    </u>	·		As at the end of this financial year	As at the end of the previous year
									1	2
and and buildings							11	[	-	
Shares UK insurance							2	 I	-	
	dependants	Debt securities is:	ebt securities issued by, and loans to, dependants 22					2	-	
Shares Other insurance							2	3		
	dependants	Debt securities is	sued by,	and loans to, dep	pendants		24			-
Investments in group undertakings	Non-insurance	Shares		25			5		-	
and participating interests	dependants	Debt securities is	ssued by	, and loans to, de	pendants		2	6		-
		Shares					2	7		
	Other group undertakings and	undortokinge	ssued by	, and loans to, gro	oup			8		-
	participating interests  Participating interests						29			
				, and loans to, un s a participating in		1	;	30		-
Total sheet 1 (11	to 30)	·L				1	;	39		-

### Analysis of admissible assets

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Category of assets

		1	Company registration number	GL/UK/CM		riod e mont	nded h year	Units	Category of assets
		R13	2593721	GL	30	06	2000	£000	1
	ontinued) eding undertakings cover linked liabilitie	s						As at the end of this financial year	As at the end of the previous year
	Equity shares					41			
	Other shares and other	er variable yield se	curities			42	2	-	
Ī	Holdings in collective	investment schem	es	<del></del>		43	3	-	-
ļ	Rights under derivativ	re contracts	· · · ·	·	1	44	,	-	-
ŀ	· · · · · · · · · · · · · · · · · · ·	Fixed interest	Approved s	ecurities	<u> </u>	4	5	-	
	Debt securities and		Other		1	41	 6	-	-
	other fixed income	Variable interest	Approved s	ecurities	1	4	7	-	-
			Other		T	4	8	-	-
Other financial	Participation in inves	tment pools	L		1	4	9	-	
rvestments	Loans secured by me	ortgages			1	5	0	-	-
		Loans to public on nationalised indu				-5	1		-
	Other loans	Loans secured b	y policies of	7	1	5	2		_
		Other	<u> </u>	<u>, y</u>		5	3		-
	Deposits with approved credit institutions and	Withdrawal subj				5	34	7,988	10,798
	approved financial institutions	Withdrawal subj restriction of mo					55		
	Other					£	66		-
Deposits with o	ceding undertakings						57		-
Assets held to	match linked	Index linked		·			58		-
liabilities		Property linked					59		-
		Provision for un	earned pren	niums			60		-
Reinsurers' sh provisions	are of technical	Claims outstand	ding	<del></del>			61	30,27	0 48,80
_		Provision for un	nexpired risk	s	1	-	62		-
		Other			$\top$	*	63		-
Total sheet 2	(41 to 63)				十		69	38,25	8 59,60

### Analysis of admissible assets

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Category of assets

Total other than long term business assets

			Company registration number	<u>е</u> плиси		eriod e mont	nded h year	Units	Category of assets
•		R13	2593721	GL	30	06	2000	9003	1
ebtors ther assets		<u> </u>	<u> </u>	<u>- L </u>	<u> </u>			As at the end of this financial year	As at the end of the previous year 2
ebtors arising out	Policyholders					71		-	
direct insurance perations	Intermediaries	i				72	2	-	-
alvage and subrogat	tion recoveries					73	3	-	-
ebtors arising out	Due from cedi business acce		d intermediaries under reinsurance			74	1	3,818	1,389
perations	Due from rein	surers and inte	rmediaries under reinsurance contra	acts ceded		7!	5	1,534	1,061
	Due from	Due in 12 mg	onths or tess after the end of the fina	ncial year		70	6	-	
Other debtors	dependants	Due more tha	an 12 months after the end of the fin	ancial year		7	7	-	
	Other	Due in 12 mo	onths or less after the end of the fina	ncial year		7	8	330	36
		Due more tha	an 12 months after the end of the fin	ancial year	T	7	9	-	
angible assets						8	0	-	
Cash at bank and			restriction on withdrawal, with approvancial institutions and local authorities			8	1	4	8
n hand	Cash in hand	i			T	8	2		
Other assets (particu	lars to be spec	ified by way of	supplementary note)		7	8	3		·
	Accrued inte	rest and rent			T		34		
Prepayments and accrued income	Deferred acc	quisition costs			$\int_{-}$	ε	35	-	
	Other prepa	yments and acc	crued income			8	36	519	50
Deductions (under r 1994) from the aggr			of the Insurance Companies Regula	tions	T	8	37	-	
Total sheet 3 (71 to	86 less 87)					1	38	6,205	3,39
Grand total of admis	ssible assets (3	9+69+88)					89	44,464	62,99
Reconciliation to shareholder acc		s determined	I in accordance with the						
Total admissible as	sets (as per lin	e 89 above)					91	44,464	62,9
			Schedule 12 of the Insurance Compa nose Regulations before applying add				92	9,188	7,0
Solvency margin de	eduction for ins	urance depend	lants				93		
Other differences in	n the valuation	of assets (othe	r than for assets not valued above)				94		-
Assets of a type no	ot valued above	(as valued in	accordance with the shareholder ac	counts rules)	$\int$		95		
Total assets deterr	mined in accord	fance with the	shareholder accounts rules (91 to 95	i)			99	53,652	70,0
Amounts included in line 89 attributable to debts due from related companies, other the									<del></del>

### Liabilities (other than long term business)

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

ision for unearned premiums outstanding ision for unexpired risks alisation provisions er al (11 to 16) ation er	Ims	Credit business Other than credit business	16 19	As at the this fine year	ancial ar	£000 As at the end of the previous year 2 252
ns outstanding ision for unexpired risks alisation provisions er al (11 to 16) ation	ums	<b></b>	12 13 14 15 16 19	this fina yea	ancia <b>l</b> ar -	the previous year 2
ns outstanding ision for unexpired risks alisation provisions er al (11 to 16) ation	ums	<b></b>	12 13 14 15 16 19		30,745	
ision for unexpired risks alisation provisions er al (11 to 16) ation		<b></b>	13 14 15 16 19		30,745	49,400
alisation provisions er al (11 to 16) ation		<b></b>	14 15 16 19		-	
er al (11 to 16) ation		<b></b>	15 16 19		-	
er al (11 to 16) ation		Other than credit business	16 19		-	
al (11 to 16) ation			19		-	
ation					— <del>——</del> —	
er			1		30,745	49,65
			21		-	
om reinsurers			22		-	
			31		-	
		Direct business	41			
sing out of insurance oper	ations	Reinsurance accepted	42		-	
		Reinsurance ceded	43		-	1.79
benture loans		Secured	44		-	
		Unsecured	45		-	
ounts awed to credit instit	tutions		46		-	,
		Taxation	47		-	
ner creditors		Recommended dividend	48	1	-	
		Other	49		-	
red income			51		378	
			59		31,123	51,4
		dance with regulation 61	61		-	
ence share capital			62			
capital			63		1,650	1,6
			69		32,773	53,4
	red income se changes (calculated in ompanies Regulations 19 ance share capital	red income se changes (calculated in accord ompanies Regulations 1994) ence share capital	Recommended dividend Other  red income se changes (calculated in accordance with regulation 61 ompanies Regulations 1994) ence share capital	Taxation	Taxation 47  Recommended dividend 48  Other 49  red income 51  se changes (calculated in accordance with regulation 61 ornpanies Regulations 1994)  rince share capital 62  capital 63	Taxation 47 - Recommended dividend 48 - Other 49 - red income 51 378 59 31,123 se changes (calculated in accordance with regulation 61 ompanies Regulations 1994) rince share capital 62 - capital 63 1,650

### Profit and loss account (non-technical account)

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

				Company registration number	GL/UK/CM	day	Period er month			Units	
			R16	2593721	GL	30	06	2000		£00(	,
	_		<u> </u>		This financial year		Previo yea			Soul	rce
				:	1		2		Form	Line	Column
Fransfer (to)/from the	e	From Form 20	)	11	3,441			(293)	20	59	
technical account		Equalisation p	provisions	12	-						
Transfer from the lor	ng term	business reve	nue account	13	-			-	40	26	
	Incom	е		14	502			608			
Investment income	Value invest	re-adjustments ments	on	15	-			-			
	Gains invest	on the realisat ments	ion of	16							
	1	ment manager ing interest	nent charges,	17				-			
Investment charges		re-adjustments ments	s on	18							
		on the realisation	on of	19		-	<u></u>				
Allocated investment business technical			the general	20					20	51	
Other income and of by way of supplemental			be specified	21		-		43	3		
Profit or loss on ord (11+12+13+14+15-			tax	29	3,943	3		358	3		
Tax on profit or loss	s on ord	linary activities		31		-					
Profit or loss on ord	dinary a	ctivities after ta	ax (29-31)	39	3,94	3		35	3		
Extraordinary profit by way of supplem			be specified	41		_			-	<u>-</u>	
Tax on extraordina				42		-			1		
Other taxes not sho	own un	der the preced	ing items	43		+		<del></del>	1		
Profit or loss for the	e financ	cial year (39+4	1-(42+43))	49	3,94	3		35	8	-	
Dividends (paid an	ıd propo	osed)		51		-			1		
Profit or loss retain	ed for f	the financial ye	ar (49-51)	59	3,94	3	<del></del>	35	8		

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Accounting/ business class Summary

			Company registration number	GL/UK/C	day	Period e		Units	çla	counti ss/ nmary	_
		R20	2593721	GL	30	90	2000	£000		00	1
ems to be sh	own net of reinsurance				Ti	his fina	ancial ar	Previous year		Sourc	
		<del>-</del> ,				1		2	Form	Eine	Column
	Earned premium			11	<u> </u>		12,850	4,564	21	19	5
	Claims incurred			12			8,704	3,714	22	17	4
his year's Inderwriting	Claims management costs			13			-	225	22	18	4
accident year inccounting)	Adjustment for discounting			14			•	-	22	52	4
	Increase in provision for une	xpired risk	s	15					. 22	19	4
	Other technical income and be specified by way of supplemental to the control of			16		~	-	<u> </u>			
	Net operating expenses			17			1,282	1,373	22	42	4
	Balance of year's underwriti	ng (11-12-	13+14-15+16-17	19			2,864	(748)			
	Balance of year's underwriting (11-12-13+14-15+16-1  Earned premium  Claims incurred  Claims management costs		21	1		-	(4,433)	21	11	5	
			22			(577)	(4,888)	22	13	4	
Adjustment for	Claims management costs			23			-	-	22	14	4
prior years' underwriting	Adjustment for discounting			24			-	-	22	51	4
(accident year accounting)	Other technical income or of be specified by way of supp			25				-			
	Net operating expenses	<del> </del>		26				-	22	41	4
	Balance (21-22-23+24+25-	26)		29		•	57	455			
Balance from	Per Form 24			31			-	-	24	69	99-99
underwriting year	Other technical income and be specified by way of sup	d charges plementar	(particulars to y note)	32			-				
accounting	Total			39					$\cdot$		
Balance of all	years' underwriting (19+29+3	9)		49			3,441	(293	3)		
Allocated inve	stment return	<del></del>		51			- <del></del>		-		
Transfer to no	n-technical account (49+51)	<del></del> -	<del></del>	59			3,44	(29:	3)		

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Accounting/business class Motor

			Company registration number	GL/UK/C	P day	eriod e mont		Units	cia	counti ss/ nman	•
		R20	2593721	GL	30	06	2000	£000		2	
<u> </u>		<u></u>	<del></del>		Th		ancial	Previous year		Sourc	e
tems to be sh	own net of reinsurance					yea	ar	2	Form	Line	Column
	Earned premium		<del></del>	11			-	431	21	19	5
	Claims incurred			12		•	-	725	22	17	4
This year's underwriting	Claims management costs			13				225	22	18	4
(accident year accounting)	Adjustment for discounting	<del></del>	· · · · · · · · · · · · · · · · · · ·	14			-		22	52	4
	Increase in provision for une	xpired risl	(S	15			-	•	22	19	4
	Other technical income and be specified by way of suppl	tees 17 1,282 derwriting (11-12-13+14-15+16-17) 19 (1,282) (1,282) - (4,282)	16				-				
	Net operating expenses		1,297	22	42	4					
	Balance of year's underwriting	ng (11-12-	mentary note)	) 19			(1,282)	(1,816)			
, , ,	Earned premium			21			-	(4,433)	21	11	5
	Claims incurred	21 22 23		<u>.</u>	(577)	(4,888)	22	13	4		
Adjustment for	Claims management costs		23	1				22	14	4	
prior years' underwriting	Adjustment for discounting	<del></del>		24					22	51	4
(accident year accounting)	Other technical income or of be specified by way of supp			25			-				
	Net operating expenses		<del></del>	26			-		- 22	41	4
ļ	Balance (21-22-23+24+25-	26)	· · · · · ·	29	<u> </u>		577	455	5		
Balance from	Per Form 24			31	<b>†</b>	<del></del>		-	- 24	69	99-99
underwriting year	Other technical income and be specified by way of support			32				-	1		
accounting	Total		<del></del>	39				-	1		
Balance of all	years' underwriting (19+29+3	9)		49			(705	) (1,361	)		
Allocated inve	stment return		<del></del>	51				-	-		
Transfer to no	n-technical account (49+51)			59			(705	(1,36	1)		

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Accounting/business class Non-proportional treaty

			Company registration number	GI/UK/CM_	P day	eriod e		Units	cla	ountir ss/ nmary	ng
		R20	2593721	GL	30	06	2000	£000		9	_
tame to be ab	own net of reinsurance	·	<u> </u>		TI	nis fina yea	ancial ar	Previous year		Sourc	e
tems to be sir	own het or temporatice					1		2	Form	Line	Column
	Earned premium			11			12,846	4,129	21	19	5
	Claims incurred	. <u>.</u>		12			8,704	2,989	22	17	4
This year's underwriting	Claims management costs			13		_	7	-	22	18	4
(accident year accounting)	Adjustment for discounting			14				-	22	52	4
	Increase in provision for une	xpired risk	s	15			-	-	22	19	4
	Other technical income and be specified by way of supp			16		<del></del>		_		-	
	Net operating expenses			17			-	76	22	42	4
	Balance of year's underwriti	ng (11-12-	13+14-15+16-17	7) 19			4,142	1,064		·	
	Earned premium			21		_	-	-	21	11	5
	Claims incurred			22					22	13	4
Adjustment for	Claims management costs			23				-	22	14	4
prior years' underwriting	Adjustment for discounting			24			-		22	51	4
(accident year accounting)	Other technical income or of be specified by way of supp			25		· · ·					
	Net operating expenses			26			-		22	41	4
	Balance (21-22-23+24+25-	26)		29				-	-		
Balance from	Per Form 24			31	1				- 24	69	99-96
underwriting year	Other technical income and be specified by way of sup			32					1		
accounting	Total			39				-	-		
Balance of all	years' underwriting (19+29+3	9)		49			4,142	2 1,06	4		
Allocated inves	stment return			51				-			
Transfer to no	n-technical account (49+51)			59			4,14	2 1,06	4		<del>-</del>

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Accounting/business class Household

			Company registration number	GL/UK/CM	P day	eriod e mont		Units	cla	countin ss/ mmary	ıg
		R20	2593721	GL	30	06	2000	£000		6	}
tome to be ch	own net of reinsurance	·	·		Th	is fina	ancial ar	Previous year		Sourc	е
tems to be sit	own her or remoundince					1	[	2	Form	Line	Column
	Earned premium			11			4	4	21	19	5
Ì	Claims incurred			12			_		- 22	17	4
This year's underwriting	Claims management costs			13			-		- 22	18	4
(accident year accounting)	Adjustment for discounting	<u> </u>		14					- 22	52	4
	Increase in provision for una	xpired risl	(S	15			-		- 22	19	4
	Other technical income and be specified by way of supp			16	-	,	-		1		_
	Net operating expenses			17		<del>-</del>			- 22	42	4
	Balance of year's underwriti	ng (11-12-	13+14-15+16-17	19		,,,,,,	4	4		•	
	Earned premium			21			-		- 21	11	5
	Claims incurred			22					- 22	13	4
Adjustment for	Claims management costs			23				-	- 22	14	4
prior years' underwriting	Adjustment for discounting			24		_			- 22	. 51	4
(accident year accounting)	Other technical income or of be specified by way of support			25				-	-	,	
	Net operating expenses			26			·	-	- 22	2 41	4
	Balance (21-22-23+24+25-	26)		29	1			-	-		
Balance from	Per Form 24			31				-	- 24	4 69	99-99
underwriting year	Other technical income and be specified by way of sup			32				-	1		
accounting	Total			39				-	_		
Balance of all	years' underwriting (19+29+3	9)		49			4		4		
Allocated inves	stment return			51	1		<del></del>	-			
Transfer to no	n-technical account (49+51)		· · · · · · · · · · · · · · · · · · ·	59			4		4		

Returns under Insurance Companies Legislation

General business (accident year accounting) : Analysis of premiums

Global business

Financial year ended 30th June 2000

				Company registration number	GL/UK/CM	Period ended	ended oth year	Units	Accounting class
			R21	2593721	G.	30 06	2000	£000	00
			Gross prem	Gross premiums written	Reinsure	Reinsurers share		Net of re	Net of reinsurance
Premiums receivable	Premiums receivable during the financial year	·· ' , , ,-	Earned in previous financial years		Earned in previous financial years			Earned in previous financial years 5	
In respect of risks incep	In respect of risks incepted in previous financial years	7			•				
			Earned In this financial year	Unearned at end of this financial year	Earned In this financial year	Unearned at end o	Unearned at end of this financial year	Earned in this financial year	Unearned at end of this financial year
			-	2	3	4		5	9
In respect of risks Incep	In respect of risks Incepted in previous financial years	12	-	•			'		-
	For periods of less than 12 months	13	£	•	•		'	•	•
In respect of risks Fo	For periods of 12 months	14	12,650	1	52	1	•	12,598	•
financial year Fo	For periods of more than 12 months	15	1	•	1		'		1
Premiums receivable (less rebates a previous financial years not earned brought forward to the financial year	Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	252	ı	1		•	252	1
Total (12 to 16)		19	12,902	•	52		-	12,850	

Returns under Insurance Companies Legislation

General business (accident year accounting) : Analysis of premiums

Global business

Financial year ended 30th June 2000

Unearned at end of this financial year Accounting Net of reinsurance class Earned in previous Earned in this financial year financial years 0003 Units 'n 2000 Unearned at end of this financial year day month year Period ended 90 Reinsurers share စ္တ Earned in previous Earned In this financial year financial years **GL/UK/CM** G Unearned at end of this financial year 2593721 Gross premiums written ~ registration Company number Earned in previous financial years Earned In this tinancial year **R21** 12 13 15 16 19 7 <del>--</del> For periods of more than 12 months For periods of less than 12 months previous financial years not earned in those years and In respect of risks Incepted in previous financial years In respect of risks incepted in previous financial years Premiums receivable (less rebates and refunds) in Premiums receivable during the financial year For periods of 12 months Accounting/business class Motor brought forward to the financial year In respect of risks incepted in this Total (12 to 16) financial year

Returns under Insurance Companies Legislation

General business (accident year accounting) : Analysis of premíums

Global business

Financial year ended 30th June 2000

Accounting/busine	Accounting/business class Household			Company registration	GL/UK/CM	Period ended	ended th year	Units	Accounting class
			R21	2593721	GL	30 06	2000	0003	9
			Gross prem	Gross premiums written	Reinsure	Reinsurers share		Net of re	Net of reinsurance
Premiums receivat	Premiums receivable during the financial year		Earned in previous financial years		Earned in previous financial years			Earned in previous financial years	
In respect of risks in	In respect of risks incepted in previous financial years	=			_				
			Earned In this tinancial year	Unearned at end of this financial year	Earned In this financial year	Unearned at end of this financial year	at end of cial year	Earned In this financial year	Unearned at end of this financial year
		İ	1	2	3	4		S	9
In respect of risks In	In respect of risks Incepted in previous financial years	12	1	•	•		'	•	
	For periods of less than 12 months	13	•		-		1		
In respect of risks incepted in this	For periods of 12 months	14	4	1	4		-,-	4	
financial year	For periods of more than 12 months	15			_		•		
Premiums receivable (less rebates a previous financial years not earned i brought forward to the financial year	Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16							
Total (12 to 16)		19	4					4	

Returns under Insurance Companies Legislation

General business (accident year accounting) : Analysis of premiums

Global business

Financial year ended 30th June 2000

Unearned at end of this financial year თ 9 Accounting Net of reinsurance class Earned in previous 252 12,594 12,846 financial years Earned in this financial year £000 Units ß Unearned at end of 2000 this financial year day month year Period ended 90 Reinsurers share 30 Earned in previous 52 52 Earned In this financial year financial years GL/UK/CM g Unearned at end of this financial year 2593721 Gross premiums written registration Company number 12,898 12,646 Earned in previous 252 Earned In this financial year financial years **R24** 19 12 5 7 7 4 16 For periods of more than 12 months Accounting/business class Non-proportional treaty For periods of less than 12 months previous financial years not earned in those years and In respect of risks incepted in previous financial years In respect of risks Incepted in previous financial years Premiums receivable (less rebates and refunds) in Premiums receivable during the financial year For periods of 12 months brought forward to the financial year In respect of risks incepted in this Total (12 to 16) financial year

### General business (accident year accounting): analysis of claims, expenses and technical provisions

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Accounting/business class Summary

	_		Company registratio number	GL/UK/CM	Pe day	eriod e mont	nded h year	Units	Accounting class
		R22	2593721	GL	30	06	2000	£000	00
				Amount brought forward from previous financial year		this fir yea	ceivable ancial r	Amount carried forward to next financial year	Amount attributable to this financial year
	Gross amount		11	1 49,206		2	14,277	3 30,271	4 (4,658
Claims incurred in espect of incidents	Reinsurers' share		12	48,629	<del> </del>		14,277	30,271	(4,081
ecurring prior to his financial year	Net (11-12)	<del></del>	13	577			-	-	(57)
	Claims management co	osts	14	200			125	75	
	Gross amount		15				8,304	400	8,704
Claims incurred in respect of incidents	Reinsurers' share		16	rementation of the			-		
occurring in this financial year	Net (15-16)		17	erenden er Ledt. Handen er Kolonier			8,304	400	8,70
	Claims management c	osts	18				-	•	
Provision for unex	pired risks		19	_			energe der Grekkeringe		
	Commissions		21	-			697	-	69
	Other acquisition expe	nses	22				-		
Net operating expenses	Administrative expens		23				585		58
	Reinsurance commiss and profit participation		24					-	
<u> </u>	Total (21+22+23-24)		29	-			1,282	-	1,28
Adjustments for	Gross amount		31	-	* 14 160 14 160 14 160	) (0) (2)		-	
discounting in respect of the	Reinsurers' share		32	<u> </u>					
items shown at lines 11 to 18	Claims management	costs	33		- 1000		Arpi - 1	-	
above	Total (31-32+33)		39		-				
Split of line 29	Prior financial years		41		-		-	-	
Opin or inie 20	This financial year		42		-		1,282	-	1,2
Split of line 39	Incidents occurring potential this financial year		51		-			•	
	Incidents occurring in financial year	this	52		-			•	

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

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Accounting/business class Motor

		Company registrati number		P. day	eriod e mont		Units	Accounting class
	R	2593721	GL	30	06	2000	£000	2
		<u> </u>	Amount brought forward from previous financial year		Amou able/reathis fin yea	ceivable ancial r	Amount carried forward to next financial year	Amount attributable to this financial year
	Gross amount	11	48,629			14,277	30,271	(4,081
Claims incurred in respect of incidents	Reinsurers' share	12	48,629			14,277	30,271	(4,081
occurring prior to his financial year	Net (11-12)	13					-	
	Claims management cost	s 14	200	_		125	75	
	Gross amount	15				-	-	
Claims incurred in respect of incidents	Reinsurers' share	16	langatas paga ara gapang			-	-	
occurring in this financial year	Net (15-16)	17						
	Claims management cos	s 18				- -		
Provision for unex	pired risks	19	_					
	Commissions	21					-	
	Other acquisition expens	es <b>22</b>				-	-	
Net operating expenses	Administrative expenses	23				585		58
	Reinsurance commission and profit participations	24						
	Total (21+22+23-24)	29		-		585		58
Adjustments for	Gross amount	31		-				
discounting in respect of the	Reinsurers' share	32		-		•	-	
items shown at lines 11 to 18	Claims management cos	sts 33		-			-	
above	Total (31-32+33)	39		-			-	
Split of line 29	Prior financial years	41		-				
Spiit of Brie 29	This financial year	42	2			585		58
Split of line 39	Incidents occurring prior this financial year	o`		- 100		76.66 y	2 (1) (2) (2) (2) (2) (2) (2) (2) (2) (2) (2	
	Incidents occurring in th financial year	is <b>5</b> :		-				-

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

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Accounting/business class Non-proportional treaty

			Company registratio number	GL/UK/CM	Po day	eriod e mont		Units	Accounting class
		R22	2593721	GL	30	06	2000	£000	9
		<u> </u>	<u>1 -                                     </u>	Amount brought forward from previous financial year 1		Amou able/red this fin yea 2	ceivable ancial	Amount carried forward to next financial year	Amount attributable to this financial year
	Gross amount		11	577				-	(577)
Claims incurred in espect of incidents	Reinsurers' share		12	-			-	-	<del></del>
occurring prior to his financial year	Net (11-12)		13	577			-	-	(577)
	Claims management o	osts	14				_	-	-
	Gross amount		15				8,304	400	8,704
Claims incurred in respect of incidents	Reinsurers' share	· -	16				•	-	_
occurring in this financial year	Net (15-16)		17				8,304	400	8,704
	Claims management of	costs	18				-	-	-
Provision for unexp	pired risks		19	_			ivo wie De ve <b>t</b>	-	-
	Commissions		21	_			697	-	697
1	Other acquisition expe	enses	22	-			-	-	
Net operating expenses	Administrative expens	es	23				-		-
· }	Reinsurance commissionand profit participation		24			~	-	-	-
	Total (21+22+23-24)		29	-			697	-	697
Adjustments for	Gross amount	-	31		189			-	-
discounting in respect of the	Reinsurers' share		32		- 37			_	-
items shown at lines 11 to 18	Claims management	costs	33		- 1			-	-
above	Total (31-32+33)		39						
Culis as line 20	Prior financial years		41		-		-	-	
Split of line 29	This financial year		42		-		697		697
Split of line 39	Incidents occurring p this financial year		51		-				
	Incidents occurring in financial year	n this	52						

Returns under Insurance Companies Legislation

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

Global business

Risk Group Motor

168.2% 83.4% 71.2% 88.6% 100.2% Accounting Claims ratio class 5 2 8 -23.56% 0.00% 70.64% -77.07% 31.14% -61.45% Deterioration/ (surplus) of original reserve 0003 Units 8 7 Period ended day month year 20,620 31,135 26,284 16,844 431 30 06 2000 premiums Earned (net) 7 Deduction for discounting from claims outstanding forward carried GL/UK/CM (net) 덩 9 Company registration number each accident Balance on (4+5+6-7-8) 2593721 year 6 Incurred but not reported Claims outstanding brought (net) 8 R23 forward Reported (net) Incurred but not reported Claims outstanding carried (net) 9 forward Reported (net) 'n Claims paid (net) during this financial year 4 since the end 1,454 15,140 7,147 Total claims 9,704 3,142 744 accident year, this financial but prior to paid (net) of the year က 25,172 5,450 accident year 6,342 19,807 2,306 436 outstanding (net) as at end of the Claims Financial year ended 30th June 2000 Claims paid (net) during the accident 906'9 725 13,235 17,878 11,194 year 3 **€** 29 7 12 5 16 17 8 4 20 22 7 Accident year ended Prior accident years 2000 1995 1999 1998 1996 1993 1997 1994 Year Total (11 to 22) Reconciliation Month 90 90 90 90 90 90 90 90

Returns under Insurance Companies Legislation

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

Global business

Troperty (Householder's & Alf Misks)   Troperty (Householder's Misks)   Troperty (	Financial year ended 30th June 2000	nded 3	Oth June 20	000							Company registration number	GLUKICM	Period ended day month year	Units	Accounting
Claims paid   Claims   Total claims   Claims outstanding carried   Claims outstanding brought   Balance on the accident (red) outstanding brought   Paid (red)   (red) during   red of the accident year   Reported (red)   Incurred but   Reported (red)   Incurred but   Reported (red)   Incurred but   Incur	Risk group Pro	oerty (h	louseholder	s & All Risk	(S)					R23	2593721	<u>م</u>	30 06 2000	0003	9
The accelent   The	Accident year ende	pe	Claims paid (net) during	Claims	Total claims paid (net)	Chairns paid (net) during	Claims outsta	nding carried ard	Claims outstar forw	nding brought ard	Balance on each accident year	Deduction for discounting from claims	Earned premiums (net)	Deterioration/ (surplus) of original	Claims ratio
11     2     3     4     5     6     7     8     9       12     3     4     5     6     7     8     9       13     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3     3	<b></b>		year	end of the accident year	of the accident year, but prior to this financial	year	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	(4+5+6-7-8)	outstanding carried forward (net)		reserve %	
11         12         13         14         15         16         17         20         21         22         23         24         25         26         27         28         29         20         21         22         23         24         25         26         27         28         29         20         20         21         22         23         24         25         26         27         28         29         20         20         21         22         23         24         25         26         27         28         29         20         21         22         23         24         25			-	2	3	4	လ	9	7	8	6	10	11	12	13
13	<del> </del> -	├					,				1	-	4		
13         14         15         16         17         20         21         22         22         23         24         25         26         27         28         29         20         21         22         23         24         25         26         27         28         29         20         21         22         23         24         25         26         27         28         29         20         20         21         22         23         24         25         26         27         28         29         20         21         22         23         24         25         26         27						•	•	· T		•	,		4 4	'	
14	<del> </del> -						•		,	1	,	,	* *		
15       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .					,					'	7	1	7 .	'	
16       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -			·			,	,	•	•	1	,	•	4 4		
17       (21)       (21)       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .       .<			1	-	-				,	•	,		7		
18       20       21       22       23       24       25       26       27       28       29       21       22       24       25       26       27       28       29       20       20       21       22       30       31       40       40       40       40       40       40       40       40       40       40       40       40       40       41       42       43       44       45       46       47       48       49       40       40       40       40       40       41       41       42       43       44       45       46       47       48       49       40       40       40       40 <td></td> <td></td> <td>-</td> <td>(21)</td> <td></td> <td>,</td> <td>,</td> <td></td> <td>•</td> <td>•</td> <td>,</td> <td>,</td> <td>,</td> <td></td> <td></td>			-	(21)		,	,		•	•	,	,	,		
20 2.1			-	34	25	•	,		•	•	,	•			
22	-	19	,	•		•	-	,	,	•	,	,	1		
22	,	20	-	,	,	,	,	,	-	,	,	•			
22	Prior accident year					-			•	,	-	,			
	Reconciliation	22				-	-		,	'	·	•			
	Total (11 to 22)	29				-	-			-					

Returns under Insurance Companies Legislation

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

Global business

Financial year ended 30th June 2000	bapt	Oth June 20	000						- <b></b>	Company registration number	GLUKICM	Period ended day month year	Units	Accounting
Risk group Non-proportional treaty	-propor	tional treaty							R23	2593721	GL	30 06 2000	0003	<b>6</b>
Accident year ended		Claims paid	Claims	Total claims paid (net)	Ctairns paid (net) during	Claims outstanding carried forward	nding carried ard	Claims outstanding brought forward	utstanding brought forward	Balance on each accident	Deduction for discounting	Earned premiums	Deterioration/ (surplus) of original	Claims ratio
	<u> </u>	the accident	(net) as at end of the accident year	ŭ ö	this financial year	Reported (net)	Incurred but not reported	Reported (net)	Incurred but not reported	year (4+5+6-7-8)	outstanding carried forward		reserve %	
Month Year				this financial year			(net)	1	(net)	σ	10	7	12	5
	-  -	-	2	3	4	S.	400		0	8,704		12,846		67.8%
06 2000	=				*00'0	`	3		K77	(577)		4,129		58.4%
06 1999	12	2,412	'		-	,	•		7.76	(116)				
	13	,	-	•	1			•	,	`	,			
	4	,	,	1	•		,	,	,			•		
,	15	,	•	-			•	-	'	,	1	'		
	16	,		,	·		,	•	-	•	'			
1	17	,		•	•	1	,	r		,	•	•		
	18	,	'	,	•		,	1	1	`	•	•		
E .	19	,	•	-		,		-	•	`	1			
•	20	, (	-	-	,	1	•	•	•		,			
Prior accident years	\$ 21				-		•	,	,	`	•			
Reconciliation	22				-	`	,	ī.	'	,	•			
Total (11 to 22)	29				8,304		400		573	8,127	•			

Returns under Insurance Companies Legislation

General business (accident year accounting) : Analysis of net claims and premiums by category for treaty reinsurance

Global business

58.4% 67.8% Claims ratio % Currency Ą ç Accounting class (surplus) of original reserve % Deterioration/ 60 Ç 4,129 12,846 Business category Earned premiums (net) 90 ŧ Deduction for discounting from claims outstanding Monetary units carried forward (net) £000 ç (577) 8,704 Period ended day month year Balance for each accident year (4+5+6-7-8) 30 06 2000 Incurred but not reported (net) 577 Claims outstanding brought forward GLUUKICM 9 Reported (net) Company registration number 2593721 incurred but not reported (net) 400 Claims outstanding carried forward ø **R26** Reported (net) Claims paid (net) during this financial 8,304 year accident year but prior to this financial year Total claims paid (net) since the end of the (net) as at end of the Claims outstanding accident year Financial year ended 30th June 2000 Claims paid (net) during the accident Risk group Non-proportional treaty 2,412 year 13 5 Ξ 12 4 16 48 13 17 1999 2000 Accident year ended Year . Month 90 90

8,127

577

400

8,304

22 29

Reconciliation Total (11 to 22)

Prior accident years

2 2

# General business (accident year accounting) Analysis of gross claims and premiums by category for treaty reinsurance

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

67.5% 61.8% Claims ratio Currency ۸A % 5 Accounting class Deterioration/ (surplus) of original reserve % 60 12 12,898 3,900 Business category premiums (gross) Earned 20 Ξ discounting from claims outstanding Deduction for Monetary carried forward (gross) £000 \$ Period ended Balance for each accident year (4+5+6-7-8) 8,704 (577) 30 06 2000 8,127 Incurred but not reported (gross) Claims outstanding brought forward 577 577 **GL/UK/CM** 5 Company registration 2593721 Reported (gross) number Incurred but not reported (gross) 400 Claims outstanding carried 400 R27 forward Reported (gross) (gross) during this financial Claims paid 3,304 8,304 year paid (gross) since the end accident year but prior to this financial year Total claims of the end of the accident year (gross) as at outstanding Claims paid (gross) during the accident Risk group Non-proportional treaty 2,412 Ξ 7 5 4 13 9 7 18 19 22 29 20 7 Accident year ended 2000 1999 Prior accident years Year Total (11 to 22) Reconciliation Month 90 90

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

Global business

Financial year ended 30th June 2000	nded 30	ith Jur	ne 2000					Company registration number	GL/UK/CM	Period ended day month year	Monetary units	Country	Accounting class
Risk Group Householders & All Kisks	rsenoid	ers & .	AII AISAS				R31	2593721	GL	30 06 2000	£000	AA	9
							Smielo sacro	Gross claims outstanding	Gross clair	Gross claims outstanding	Balance for	Gross	Claims ratio
Accident year ended	pap		Number	Number of claims	Gross claims paid	ims paid	carried	carried forward	broug	brought forward	each accident year	earned premiums	%
			e s	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)		
Month	Year		or previous financial years										
			<b>+</b>	2	r	4	5	9	7	8	6	9	11
06 2	2000	7		,		•	•	-			,	4	,
	1999	12	,		*		1	·		,		4	•
90	1998	13		1	,	,	-	'				4	•
06	1997	4		1	-	1	1	1	1		,	4	, ]
06	1996	15	,	-	-	,	,	, [				4	
06	1995	16	-	-	,	'	,	, ,			'	4	•
00	1994	17	244	,	1				,		,	,	
06	1993	18	184	-	-	1		,		,	'	-	
,		19	-	ı	,	,	1	·		,	,	'	
		20	,	1	,	-			'		1	1	
Prior accident years		21		1		'		-					
Total (11 to 22)		29		1		,		:	,	-	- 1500 - 1 T-		
Line 29 expressed in sterling	sterling	30				,	-	-	-	,			

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

Currency

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000	ır ended 🤅	30th Ju	ıne 2000								Company registration number	GL/UK/CM	Period ended day month year	Monetary units	Country
Risk Group Motor Private Comprehensive	Motor Priv	ate Co	mprehensive	Φ						R32	2593721	G.	30 06 2000	0003	AA
								-	amide age	oribacterio	Balance on	Gross	Claims ratio	Vehicle	Claims
Accident year ended	ar ended		Number	Number of claims	Gross claims paid	ims paid	Gross claims outstanding carried forward	s claims outstanding carried forward	Gross claims outstanding brought forward	forward	each accident	earned	%	years (000's)	frequency %
			this	Reported claims outstanding	in previous financial years	in this financial year	Reported	Incurred but not reported	Reported	Incurred but	(4+5+6-7-8)				
Month	Year		years	^	м	4	'n	9	7	8	6	10	+	12	13
90	2000	= = = = = = = = = = = = = = = = = = = =	       			-					1	1		,	
3	1999	12	781	16	720	167	(397)	18	254	144	(610)	1,215	41.81%	4	19.93%
8 9	1998	i £	13,784	170	14,077	1,525	745	1,679	3,777	1,830	(1,658)	21,390	84.27%	62	22.51%
23 90	1997	4	17,726	106	20,868	1,975	2,012	364	4,384	887	(920)	25,784	97.81%	69	25.84%
3 4	1996	1.5	15,955	38	19,926	1,165	3,030	795	3,101	663	1,226	21,291	117.03%	59	27.11%
8 8	1995	5 6	8,370	13	10,052	201	3,190	80	2,797	(118)	720	12,382	108.63%	32	26.20%
90	1994	17	5,077	-	5,695	448	727	(40)	308	(434)	1,261	,	,	•	
90	1993	18	433		523	(61)	212	(8)		(41)	184	-			1
		19			,	-			-	s .	•	•			
,		20	-	,	,	,	-	•	-	•	)				
Prior accident years	ars	21				,		ą		1	B I				
Total (11 to 21)		29		344		5,420	9,519	2,816	14,621	2,931	203				
Line 29 expressed in sterling	d in sterling	30				,	1	-	-	•	<u> </u>				

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

Currency

Name of company Budget Insurance Company Limited

Global business

ļ !											, man 200				
Financial year ended 30th June 2000	ar ended 🤅	30th Ju	ine 2000								registration	GL/UK/CM	Period ended day month year	Monetary units	Country
Risk Group	Motor Prive	ate No	Risk Group Motor Private Non - Comprehensive	hensive										\   	
-										R32	2593721	GL GL	30 06 2000	5000	AA
						diec a	Gross claims	Gross claims outstanding	Gross claims brought	Gross claims outstanding brought forward	Balance on each accident	<u> </u>	Claims ratio %	Vehicle years	Claims frequency
Accident year ended	ar ended	_	Number	Number of claims	Gross dalins pain	all is pain					year	premiums		(s 000)	°
			Closed at some cost during this or previous	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)				
Month	Year		years 1	2	n	4	ъ	ę,	7	8	σ	9	17	12	13
90	2000	1					,	-			1	,		,	1
3 9	1000	1,	138	82	137	101	(23)	26	140	64	(100)	351	68.66%		14.60%
25 85	1998	i &	5,053	186	6,748	2,108	1,205	1,240	5,433	1,625	(2,505)	14,186	79.66%	94	11.39%
20 8	1997	4	12,812	205	21,641	4,272	6,993	555	11,824	1,570	(1,574)	28,785	116.24%	91	14.30%
3 8	1006		13.497	87	25,654	2,793	3,721	1,141	7,152	1,326	(823)	25,828	128.96%	86	15.80%
3 8	100%	9 9	5,711	15	9,763	243	1,899	722	743	(97)	1,723	12,957	93.63%	, 40	14.32%
3 8	1994	17	3,012	2	5,833	(231)	629	(104)	1,570	(392)	(884)			,	ī
90	1993	48	339	2	532	35	413	14	146	(26)	342	-		,	'
		19			,		,	,	,			,			1
,		20		E .		,	'	,	,	,	,				
Prior accident years	ars	21		b		ı	1		-	,	'				
Total (11 to 21)		29		505		9,321	14,837	3,099	27,008	4,070	(3,821)				
Line 29 expressed in sterling	ed in sterling	30				-	-	-	'	-	-				

Notes to the Return

Name of Company Budget Insurance Company Limited

Financial year ended 30th June 2000

### Form 9

### Code 0901 - Section 68 Order

In June 1999, the Treasury, on the application of the company, made an order under section 68 of the Insurance Companies Act 1982. The effect of the order was to permit the Company to take deposits with certain approved credit institutions into account to a greater extent than specified by regulation 57 of, and Schedule 12 to, the Insurance Companies Regulations 1994.

### Code 1001 - Reconciliation of net assets to accounts

Reconciliation of net assets	2000	1999
	£000	£000
Net assets per the FSA Return		
Line 99 on Form 13	53,652	70,069
Line 59 on Form 15	<u>(31,123</u> )	<u>(51,483)</u>
	22,529	18,586
Difference	<u>(1,650)</u>	<u>(1,650)</u>
Capital and reserves as per shareholders accounts	<u> 20,879</u>	<u>16,934</u>

The difference above is attributable to hybrid capital.

### Code 1002 - Reconciliation of net assets brought forward and carried forward

In accordance with the High Court of Justice, Chancery Division, Companies Court dated 16 June 1999, share premium of £7,000,000 and £11,000,000 ordinary shares of £1 each were cancelled and a special reserve for £18,000,000 was created. The reserve was applied against the accumulated deficit on the profit and loss account at 30<sup>th</sup> June 1999.

### Code 1003 - Section 68 order

The Secretary of State for Trade and Industry, in exercise of his powers under Section 68 of the Insurance Companies Act 1982 has allowed Budget Insurance Company Limited, for the purposes of calculating its margin of solvency, part of the £1,650,000 subordinated loan. The total subordinated Ioan may rank as a component of the Company's solvency margin up to a limit of 25% of the Company's required margin of solvency as determined in accordance with Section 32 of the Act.

### Form 13

### Code 1305 - Maximum counterparty limit

The company's investment guidelines regarding counterparty exposure is that the maximum exposure to any one approved counterparty shall not exceed 20% of the GBA.

### Code 1306 - Large counterparties

As at 30<sup>th</sup> June 2000 Approved Credit Institutions

		£	<u>Maturity</u>
1.	Sun Banking Plc	1,000,000	03/07/00
2.	Lloyds/TSB Plc	988,329	03/07/00
3.	Irish Intercontinental Bank Ltd	1,000,000	03/07/00
4.	Hamburgische Landesbank	1,000,000	03/07/00
5.	Lazard Brother & Co. Ltd	1,000,000	03/07/00
6.	First Active Bank	1,000,000	03/07/00
7.	MBNA International Bank Limited	1,000,000	05/07/00
8.	Barclays Bank Pic	1,000,000	03/07/00

In calculating available assets, limits are applied under the concession dated 30<sup>th</sup> June 1999 from HM Treasury, other than this, all debts due from approved credit institutions are restricted to 20% of the General Business Account.

### Code 1308 - 1313

None

### Form 15

### Code 1501 - Provision for adverse changes

No provision for adverse changes has been made as at 30 June 2000 as the Company has not entered into any derivative contracts or contracts that have an equivalent effect to a derivative contract during the year.

### Code 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.
- d) There are no other contingent liabilities.
- e) None.

# Code 1603 - Profit and Loss Account (Non-Technical) - analysis of other income and charges

Other income	2000 £000	1999 £000
Legal protections	-	42

### Code 1702 - Quasi Derivatives

The company does not use derivative instruments. Form 17 is omitted.

### Form 20

### Code 2002 - Business accounted for within Accounting Class

All premiums written in the UK

### Code 2004 - Reinsurance disclosure

The company has entered into reinsurance agreements, which fall to be treated in accordance with FRS 5 to the extent that part of the premium payable is matched by amounts receivable under an existing contract of reinsurance.

	2000	1999
	£000	£000
Total premium payable	4,750	11,395
Less set off under FRS5	<u>(6,400)</u>	(9,600)
Net premium (receivable)/payable	(1,484)	<u>1,795</u>

### Form 21

### Code 2102 - Provision for unearned premium calculation

Premiums are deemed to accrue evenly on a daily basis over the period of insurance.

### Form 22

### Code 2202 - Claims management costs

Claims management costs are derived from detailed management reports, which attribute general overhead and directly incurred costs to each area of activity within the business. The proportion of total claims management cost attributed to claims carried forward is determined by reference to the projected cost of handling all outstanding claims.

Code 2203 - Investment income taken into account in determining the claims management costs

None

Code 2204 - Acquisition expenses

None

Code 2205 - General business - Investment income

Future investment income is not taken into account

Forms 24 and 25 are nil returns as the company accounts on an accident year basis

Form 26

Code 2602 - Basis of allocating or apportioning reinsurance treaties accepted

All treaty reinsurance are recorded in class 9 non-proportional treaty

Additional Information on general business: major treaty reinsurers required by regulation 19 of the Insurance Companies (Accounts and Statements)

Name of company Budget Insurance Company Limited

Global business

Financial year ended  $30^{\rm th}$  June 2000

Name	Address	Details of connection	Treaty premiums payable in the financial year	Debtor included at F1375	Deposits Received	Anticipated Recoveries
			£000,	£000	£000	£000
Euro-Reinsurance	P.O. Box HM 1669	None	1	1484	1	ı
Corporation Limited	Sedgewick House					
	31 Reid Street					
	Hamilton					
	Bermuda HMGX					
						16 700
The Hartford Fire	The Hartford Fire The London Underwriting	None	ı	ı	•	00,700
Insurance Company	Centre,				_	
	3 Minster Court					
	Mincing Lane					
	London HMGX					

# Additional Information on general business: Major facultative reinsurers required by regulation 20 of the Insurance Companies (Accounts and Statements) Regulations 1996

Name of Company

**Budget Insurance Company Limited** 

Global business

Financial year ended 30 June 2000

The company has no facultative reinsurance

Additional information of general business: major general business reinsurance cedants required by regulation 21 of the Insurance Companies (Accounts and Statements) Regulations 1996

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2000

Name and Address	Connection	Premium Receivable £000	Deposit included at Linesy for AA 13 £000	Deposit included at   Debt included at line Linesy for AA 13   74 of form 13 £000
Auto & General Insurance Ltd	Yes.	3,738	1	1,404
P.O. Box 11250	Common ultimate parent			
Johannesburg 2001	company			
SOUTH AFRICA				
The Hollard Insurance Company	None	3,117	-	
53 Main Street				
Johannesburg 2001				
SOUTH AFRICA				
Harvey Bowring Syndicate 362	None	6,042		930
Jutland House				
10-12 Alie Street				
LONDON, E1 8DE				

# Statement of Additional Information on Derivative Contracts required by regulation 23 of the Insurance Companies (Accounts and Statements) Regulations 1996

Name of Company

Budget Insurance Company Limited

Global business

Financial year ended 30 June 2000

It is not the Company's policy to enter into derivative contracts. During the financial year, the company did not enter into any derivative contracts.

# Statement of Information on Shareholder Controllers Required by Regulation 24 of the Insurance Companies (Accounts and Statements) Regulations 1996

Name of Company Budget Insurance Company Limited

### Global Business

As at 30 June 2000, Budget Group Limited owned 100% of the issued share capital of Budget Insurance Company Limited and was able to exercise 100% of the voting power at any general meeting. The other shareholder controller's interests in Budget Group Limited as at 30 June 2000 were as follows:

Name	Shares and voting rights held
Budget Holdings Limited	100% Budget Group Limited
Reef Holdings Limited	60% Budget Holdings Limited
The Trustees of the Family t'Hooft Trust (Credit Suisse Fides Trust Limited)	40% Budget Holdings Limited
The Trustees of The Concrete Trust (R & H Trust Co. (Guernsey) Limited	100% Reef Holdings Limited

Additional Information of general business ceded required by regulation 26 of the Insurance Companies (Accounts and Statements) Regulations 1996

Name of Company Budget Insurance Company Limited

Global Business

Financial year ended 30th June 2000

	Remarks	
	Reinsurers potential liablity under contract £000	Risk and catastrophe excess of loss up to ZAR 2m, clash exess of loss ZAR 500k, catastrophe excess of loss ZAR 17.5m. All ultimate net loss each and every occurrence.
	Reinsurers share of gross premiums £000	£52
net probable loss he company	Any one event £000	Ę0
Maximum net to the c	Any one risk £000	ĘO
	Period of cover	01-01-00 to 31-12-00
	Type of reinsurance cover	Excess of loss
	Type of business	Non- proportional treaty

# Certificate required by Regulation 28(a) of the Insurance Companies (Accounts and Statements) Regulations 1996

Name of Company

Budget Insurance Company Limited

Global business

Financial year ended 30 June 2000

### We certify:

1.

- (a) that in relation to the part of this return comprising Forms 9 to 13, 15 to 17, 20 to 29 and 31 to 39 (including the supplementary notes thereto) and the statements required by regulations 19 to 21, 23, 24 and 26 of the Insurance Companies (Accounts and Statements) Regulations 1996:
  - (i) the return has been prepared in accordance with the Regulations as modified by an Order made under Section 68 of the Insurance Companies Act 1982 in June 1999;
  - (ii) proper accounting records have been maintained and adequate information has been obtained by the company; and
  - (iii) an appropriate system of control has been established and maintained by the company over its transaction and records;
- (b) that reasonable enquiries have been made by the company for the purpose of determining whether any person and any body corporate are connected for the purpose of regulations 19, 20 and 21 of the Insurance Companies (Accounts and Statements) Regulations 1996;
- (c) that in respect of the company's business which is not excluded by regulation 32 of the Insurance Companies Regulations 1994, the assets held throughout the financial year enabled the company to comply with regulations 27 to 31 (matching and localisation) of those Regulations;
- 2. That the margin of solvency required by Section 32 of the Insurance Companies Act 1982 has been maintained throughout the financial year.

3.

- (a) That the systems of control established and maintained by the company in respect of its business complied at the end of the financial year with the following published guidance:
  - Prudential Guidance Note 1994/6 "Systems of control over the investments (and counterparty exposure) of insurance companies with particular reference to the use of derivatives", and

### CERTIFICATE REQUIRED BY REGULATION 28(a) (continued)

- Prudential Guidance Note 1996/1 "controls over general business claims provisions", and it is reasonable to believe that those systems continued to so comply subsequently and will continue to so comply in future;
- (b) that the return has been prepared in accordance with the following published guidance:
  - Prudential Guidance Note 1995/1 "Guidance for insurance companies and auditors on the Valuation of Assets Regulations".
  - Prudential Guidance Note 1995/3 "The use of derivatives in insurance funds";
     and
  - Prudential Guidance Note 1998/1 "the Preparation of annual returns to the Insurance Directorate of HM Treasury".

PA Winslow

Director/Chief Executive

IR Leech

Director/Company Secretary

# Report of the Auditors to the Directors pursuant to Regulation 29 of the Insurance Companies (Accounts and Statements) Regulations 1996

Name of Company

**Budget Insurance Company Limited** 

Global business

Financial year ended 30 June 2000

We have examined the following documents prepared by the company pursuant to section 17 of the Insurance Companies Act 1982 ("the Act") and the Insurance Companies (Accounts and Statements) Regulations 1996 ("the Regulations")

- forms 9 to 13, 15 to 17, 20 to 23, 26 to 27 and 31 to 32 (including the supplementary notes thereto) ("the Forms")
- the statements required by regulations 19, 20, 21 and 23 ("the statements"); and
- the certificate signed in accordance with regulation 28(a) ("the certificate")

In the case of the certificate, our examination did not extend to paragraph 1 in relation to the statements required by regulations 24 and 26, concerning shareholder controllers and general business ceded.

### Respective responsibilities of the company and its auditors

The company is responsible for the preparation of an annual return (including the forms, statements and certificate) under the provisions of the Act and the Regulations. The requirements of the Regulations have been modified by an Order issue of under Section 68 of the Act on 30 June 1999. Under regulation 5 the forms and statements are required to be prepared in the manner specified by the Regulations and to state fairly the information provided on the basis required by the Regulations.

It is our responsibility to form an independent opinion as to whether the forms and statements meet these requirements, and in the case of the certificate whether it was or was not unreasonable for the persons giving the certificate to have made the statements therein, and to report our opinions to you.

### Report of the Auditors (continued)

### Bases of opinions

We conducted our work in accordance with Practice Note 20 "The audit of insurers in the United Kingdom" 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 statements. The evidence included that previously obtained by us relating to the audit of the financial statements of the company for the financial year on which we reported on 8 December 2000. It also included an assessment of the significant estimates and judgements made by the company 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 statements are free from material misstatement, whether caused by fraud or other irregularity or error, and comply with regulation 5.

In the case of the certificate, the work performed involved a review of the procedures undertaken by the signatories to enable them to make the statements therein, and does not extend to an evaluation of the effectiveness of the company's internal control systems.

### **Opinions**

### In our opinion:

- (a) the forms and statements fairly state the information provided on the basis required by the Regulations as modified and have been properly prepared in accordance with the provisions of those Regulations; and
- (b) according to the information and explanations received by us:
  - (i) the certificate has been properly prepared in accordance with the provisions of the Regulations; and
  - (ii) it was not unreasonable for the persons giving the certificate to have made the statements therein.

Moore Stephens

Moore Shoh

Chartered Accountants

Registered Auditor

London

8 December 2000