AC1684.

BUDGET INSURANCE COMPANY LIMITED

Return to the Insurance Firms
Division of the Financial Services Authority
FOR THE YEAR ENDING
30TH JUNE 2003

Return to the Insurance Firms Division of the Financial Services Authority **Form 9**

Covering sheet to Form 9

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2003

P A Winslow **Director/Chief Executive**

I R Leech **Director/Deputy Chief Executive**

Statement of solvency

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units
R9	2593721	GL	30	6	2003	£000

		As at the end of this financial year 1	As at the end of the previous year 2	Source Form	Line	Column
GENERAL INSURANCE BUSINESS						
Available assets						
Other than long term insurance business assets allocated towards general insurance business required minimum margin	11	15243	10213	See instructions 1 and 2		
Required minimum margin						
Required minimum margin for general insurance business	12	4481	2019	12	49	
Excess (deficiency) of available assets over the required minimum margin (11-12)	13	10762	8194			
LONG TERM INSURANCE BUSINESS						
Available assets						
Long term insurance business admissible assets	21			10	11	
towards long term insurance 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 insurance business required minimum margin (21+22-23-24)	25					
Implicit items admitted under Rule 2.10(5) as modified						
Future profits	31					
Zillmerising	32					
Hidden reserves	33					
Total of available assets and implicit items (25+31+32+33)	34					
Required minimum margin						
Required minimum margin for long term insurance 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 insurance business as shown in a supplementary note to Form 15	51		1014	See instruction 6		
Quantifiable contingent liabilities in respect of long term insurance business as shown in a supplementary note to Form 14	52			See instruction 6		

Form 10

Statement of net assets

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units
R10	2593721	GL	30	6	2003	£000

			As at the end of this financial year 1	As at the end of the previous year 2	Source Form	Line	Column
Long term insurance business - admissible assets		11			13	89	1
Long term insurance business - liabilities and margins		12			14	59	1
Other than Long term insurance business - admissible asse		21	35551	28202	13	89	1
Other than Long term insurance business - liabilities		22	21428	18494	15	69	1
Net admissible assets (21-22)		23	14123	9708			
Other assets allowed to be taken into account in covering the required minimum margin	Unpaid amounts (including share premium) on partly paid shares	24					
	Supplementary contributions for a mutual carrying on general insurance business	25					
Liabilities allowed to be left out of account in covering the required minimum margin	Subordinated loan capital	26	1120	505			
	Cumulative preference share capital	27					
Available assets (23 to 27)		29	15243	10213			

Represented by:

Paid up share capital (other than cumulative preference share capital)	51	15600	15600	
Amounts included in lines 24 to 27 above	52	1120	505	
Amounts representing the balance of net assets	56	(1477)	(5892)	
Total (51 to 56) and equal to line 29 above	59	15243	10213	

Movement of balance of net assets for solvency purposes - as per line 56

				Form	Line	Column
Balance brought forward at the beginning of the financial year	61	(5892)	(3089)	10	56	2
Retained profit/(loss) for the financial year	62	2749	1575	16	59	1
Movement in asset valuation differences	63	1665	(4378)	See instruction 2		
Decrease/(increase) in the provision for adverse changes	64			See instruction 3		
Other movements (particulars to be specified by way of supplementary note)	65					
Balance carried forward at the end of the financial year (61 to 65)	69	(1478)	(5892)			

Form 11

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

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units
R11	2593721	GL	30	6	2003	£000

				This financial year 1	Previous year 2
Gross premiums receivable			11	27215	11843
Premium taxes and levies (included in line 11)			12		
Sub-total A (11-12)			13	27215	11843
Adjusted Sub-total A if financial year is not a 12 month period to produce an annual figure			14		
Division of Sub-total A (or adjusted Sub-total A if appropriate)	Other than health insurance	Up to and including sterling equivalent of 10M EURO x 18/100	15	1139	1118
		Excess (if any) over 10M EURO x 16/100	16	3342	901
	Health insurance	Up to and including sterling equivalent of 10M EURO x 6/100	17		
		Excess (if any) over 10M EURO x 16/300	18		
Sub-total B (15+16+17+18)			19	4481	2019
Claims paid			21	15715	13803
Claims outstanding carried forward at the end of the financial year		For insurance business accounted for on an underwriting year basis	22		
		For insurance business accounted for on an accident year basis	23	7926	10289
Claims outstanding brought forward at the beginning of the financial year		For insurance business accounted for on an underwriting year basis	24		
		For insurance business accounted for on an accident year basis	25	10289	19570
Sub-total C (21+22+23-(24+25))			29	13352	4522
Amounts recoverable from reinsurers in respect of claims included in Sub-total C			30	(332)	(671)
Sub-total D (29-30)			39	13684	5193
First result Sub-total B x (Sub-total D /Sub-total C) (or, if 1/2 is a greater fraction, x 1/2)			41	4481	2019

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

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units
R12	2593721	GL	30	6	2003	£000

				This financial year 1	Previous year 2	Source Form	Line	Column
Reference period (No. of financial years) Insert "0" if there is no reference period otherwise insert "3" or "7" 3			11			See instruction 1		
Claims paid in reference period			21	50025	56931			
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis		22					
	For insurance business accounted for on an accident year basis		23	7926	10289			
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis		24					
	For insurance business accounted for on an accident year basis		25	30270	49206			
Sub-total E (21+22+23-(24+25))			29	27681	18014			
Sub-total F - Conversion of Sub-total E to annual figure (Multiply by 12 and divide by number of months in reference period)			31	9227	6005			
Division of Sub-total F	Other than health insurance	Up to and including sterling equivalent of 7M EURO x 26/100	32	1151	1131			
		Excess (if any) over 7M EURO x 23/100	33	1104	381			
	Health insurance	Up to and including sterling equivalent of 7M EURO x 26/300	34					
		Excess (if any) over 7M EURO x 23/300	35					
Subtotal G (32 to 35)			39	2255	1512			
Second result	Sub-total G	x Sub-total D / Sub-total C (or, if 1/2 is a greater fraction, x 1/2)	41	2255	1512			
First result			42	4481	2019	11	41	
Required margin of solvency (the higher of lines 41 and 42)			43	4481	2019			
Minimum guarantee fund			44	253	249			
Required minimum margin (the higher of lines 43 and 44)			49	4481	2019			

Form 13
(Sheet 1)

Analysis of admissible assets

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Category of assets **Total other than long term insurance business assets**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Category of assets
R13	2593721	GL	30	6	2003	£000	1

Investments				As at the end of this financial year 1	As at the end of the previous year 2
Land and buildings			11		
Investments in group undertakings and participating interests	UK insurance business dependants	Shares	21		
		Debt securities issued by, and loans to, dependants	22		
	Other insurance dependants	Shares	23		
		Debt securities issued by, and loans to, dependants	24		
	Non-insurance dependants	Shares	25		
		Debt securities issued by, and loans to, dependants	26		
	Other group undertakings and participating interests	Shares	27		
		Debt securities issued by, and loans to, group undertakings	28		
		Participating interests	29		
		Debt securities issued by, and loans to, undertakings in which the company has a participating interest	30		
Total sheet 1 (11 to 30)			39		

Form 13
(Sheet 2)

Analysis of admissible assets

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Category of assets **Total other than long term insurance business assets**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Category of assets
R13	2593721	GL	30	6	2003	£000	1

Investments (continued) **Deposits with ceding undertakings** **Assets held to cover linked liabilities**				As at the end of this financial year 1	As at the end of the previous year 2
Other financial investments	Equity shares		41		
	Other shares and other variable yield securities		42		
	Holdings in collective investment schemes		43		
	Rights under derivative contracts		44		
	Debt securities and other fixed income securities	Fixed interest: Approved securities	45	5545	2242
		Fixed interest: Other	46		
		Variable interest: Approved securities	47		
		Variable interest: Other	48		
	Participation in investment pools		49		
	Loans secured by mortgages		50		
	Other loans	Loans to public or local authorities and nationalised industries or undertakings	51		
		Loans secured by policies of insurance issued by the company	52		
		Other	53		
	Deposits with approved credit institutions and approved financial institutions	Withdrawal subject to a time restriction of one month or less	54	13256	8790
		Withdrawal subject to a time restriction of more than one month	55		
	Other		56		
Deposits with ceding undertakings			57		
Assets held to match linked liabilities		Index linked	58		
		Property linked	59		
Reinsurers' share of technical provisions		Provision for unearned premiums	60		2008
		Claims outstanding	61	3384	9851
		Provision for unexpired risks	62		
		Other	63		
Total sheet 2 (41 to 63)			69	22185	22891

Form 13
(Sheet 3)

Analysis of admissible assets

Name of insurer	**Budget Insurance Company Limited**
Global business	
Financial year ended	**30 June 2003**
Category of assets	**Total other than long term insurance business assets**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Category of assets
R13	2593721	GL	30	6	2003	£000	1

Debtors **Other assets**				As at the end of this financial year 1	As at the end of the previous year 2
Debtors arising out of direct insurance operations	Policyholders		71	2663	2390
	Intermediaries		72	861	45
Salvage and subrogation recoveries			73	72	
Debtors arising out of reinsurance operations	Due from ceding insurers and intermediaries under reinsurance business accepted		74	971	878
	Due from reinsurers and intermediaries under reinsurance contracts ceded		75	539	529
Other debtors	Due from dependants	Due in 12 months or less after the end of the financial year	76		
		Due more than 12 months after the end of the financial year	77		
	Other	Due in 12 months or less after the end of the financial year	78	2544	239
		Due more than 12 months after the end of the financial year	79		
Tangible assets			80		
Cash at bank and in hand	Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities		81	2348	23
	Cash in hand		82		
Other assets (particulars to be specified by way of supplementary note)			83		
Prepayments and accrued income	Accrued interest and rent		84		8
	Deferred acquisition costs		85	2537	736
	Other prepayments and accrued income		86	831	463
Deductions (under rules 4.14(2)(b) and 4.14(3)) from the aggregate value of assets			87		
Total sheet 3 (71 to 86 less 87)			88	13366	5311
Grand total of admissible assets (39+69+88)			89	35551	28202

Reconciliation to asset values determined in accordance with the insurance accounts rules

Total admissible assets (as per line 89 above)	91	35551	28202
Total assets in excess of the admissibility limits of Appendix 4.2 (as valued in accordance with those Rules before applying admissibility limits)	92	14072	15737
Solvency margin deduction for subsidiary undertakings which are insurance undertakings	93		
Other differences in the valuation of assets (other than for assets not valued above)	94		
Assets of a type not valued above, (as valued in accordance with the insurance accounts rules)	95		
Total assets determined in accordance with the insurance accounts rules (91 to 95)	99	49623	43939

Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	100	180	217

Form 15

Liabilities (other than long term insurance business)

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units
R15	2593721	GL	30	6	2003	£000

				As at the end of this financial year 1	As at the end of the previous year 2
Technical provisions (gross amount)	Provision for unearned premiums		11	9476	3347
	Claims outstanding		12	7926	10289
	Provision for unexpired risks		13		
	Equalisation provisions	Credit business	14		
		Other than credit business	15		
	Other		16		
	Total (11 to 16)		19	17402	13636
Provisions for other risks and charges	Taxation		21		
	Other		22		
Deposits received from reinsurers			31		
Creditors	Arising out of insurance operations	Direct business	41	101	
		Reinsurance accepted	42		
		Reinsurance ceded	43	27	1959
	Debenture loans	Secured	44		
		Unsecured	45		
	Amounts owed to credit institutions		46		
	Other creditors	Taxation	47		
		Recommended dividend	48		
		Other	49	1017	285
Accruals and deferred income			51	1231	964
Total (19 to 51)			59	19778	16844
Provision for adverse changes calculated in accordance with Rule 5.3 [regulation 61 of the Insurance Companies Regulations 1994]			61		
Cumulative preference share capital			62		
Subordinated loan capital			63	1650	1650
Total (59 to 63)			69	21428	18494

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance	71		

Form 16

Profit and loss account (non-technical account)

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units
R16	2593721	GL	30	6	2003	£000

			This financial year 1	Previous year 2	Source Form	Line	Column
Transfer (to)/from the general insurance business technical account	From Form 20	11	3174	1648	20	59	
	Equalisation provisions	12					
Transfer from the long term insurance business revenue account		13			40	26	
Investment income	Income	14	754	483			
	Value re-adjustments on investments	15					
	Gains on the realisation of investments	16					
Investment charges	Investment management charges, including interest	17					
	Value re-adjustments on investments	18					
	Loss on the realisation of investments	19					
Allocated investment return transferred to the general insurance business technical account		20			20	51	
Other income and charges (particulars to be specified by way of supplementary note)		21					
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)		29	3928	2131			
Tax on profit or loss on ordinary activities		31	1179	556			
Profit or loss on ordinary activities after tax (29-31)		39	2749	1575			
Extraordinary profit or loss (particulars to be specified by way of supplementary note)		41					
Tax on extraordinary profit or loss		42					
Other taxes not shown under the preceding items		43					
Profit or loss for the financial year (39+41-(42+43))		49	2749	1575			
Dividends (paid and proposed)		51					
Profit or loss retained for the financial year (49-51)		59	2749	1575			

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting Class **Summary**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class/ summary
R20	2593721	GL	30	6	2003	£000	99

Items to be shown net of reinsurance			This financial year 1	Previous year 2	Source Form	Line	Column
This year's underwriting (accident year accounting)	Earned premium	11	19809	7301	21	19	5
	Claims incurred	12	13979	5583	22	17	4
	Claims management costs	13			22	18	4
	Adjustment for discounting	14			22	52	4
	Increase in provision for unexpired risks	15			22	19	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	16					
	Net operating expenses	17	3403	460	22	42	4
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	2427	1258			
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21			21	11	5
	Claims incurred	22	(295)	(315)	22	13	4
	Claims management costs	23		(75)	22	14	4
	Adjustment for discountng	24			22	51	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	25					
	Net operating expenses	26	(452)		22	41	4
	Balance (21-22-23+24+25-26)	29	747	390			
Balance from underwriting year accounting	Per Form 24	31			24	69	99-99
	Other technical income and charges (particulars to be specified by way of supplementary note)	32					
	Total	39					
Balance of all years' underwriting (19+29+39)		49	3174	1648			
Allocated investment return		51					
Transfer to non-technical account (49+51)		59	3174	1648			

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer	**Budget Insurance Company Limited**
Global business	
Financial year ended	**30 June 2003**
Accounting Class	**Motor**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class/ summary
R20	2593721	GL	30	6	2003	£000	2

Items to be shown net of reinsurance			This financial year 1	Previous year 2	Source Form	Line	Column
This year's underwriting (accident year accounting)	Earned premium	11	9625	658	21	19	5
	Claims incurred	12	6222	502	22	17	4
	Claims management costs	13			22	18	4
	Adjustment for discounting	14			22	52	4
	Increase in provision for unexpired risks	15			22	19	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	16					
	Net operating expenses	17	3387	385	22	42	4
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	16	(229)			
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21			21	11	5
	Claims incurred	22	(91)	48	22	13	4
	Claims management costs	23		(75)	22	14	4
	Adjustment for discountng	24			22	51	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	25					
	Net operating expenses	26	(452)		22	41	4
	Balance (21-22-23+24+25-26)	29	543	27			
Balance from underwriting year accounting	Per Form 24	31			24	69	99-99
	Other technical income and charges (particulars to be specified by way of supplementary note)	32					
	Total	39					
Balance of all years' underwriting (19+29+39)		49	559	(202)			
Allocated investment return		51					
Transfer to non-technical account (49+51)		59	559	(202)			

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting Class **Property**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class/ summary
R20	2593721	GL	30	6	2003	£000	6

Items to be shown net of reinsurance			This financial year 1	Previous year 2	Source Form	Line	Column
This year's underwriting (accident year accounting)	Earned premium	11		4	21	19	5
	Claims incurred	12			22	17	4
	Claims management costs	13			22	18	4
	Adjustment for discounting	14			22	52	4
	Increase in provision for unexpired risks	15			22	19	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	16					
	Net operating expenses	17			22	42	4
	Balance of year's underwriting (11-12-13+14-15+16-17)	19		4			
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21			21	11	5
	Claims incurred	22			22	13	4
	Claims management costs	23			22	14	4
	Adjustment for discountng	24			22	51	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	25					
	Net operating expenses	26			22	41	4
	Balance (21-22-23+24+25-26)	29					
Balance from underwriting year accounting	Per Form 24	31			24	69	99-99
	Other technical income and charges (particulars to be specified by way of supplementary note)	32					
	Total	39					
Balance of all years' underwriting (19+29+39)		49		4			
Allocated investment return		51					
Transfer to non-technical account (49+51)		59		4			

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting Class **Non-Proportional Treaty**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class/ summary
R20	2593721	GL	30	6	2003	£000	9

Items to be shown net of reinsurance			This financial year 1	Previous year 2	Source Form	Line	Column
This year's underwriting (accident year accounting)	Earned premium	11	1049	632	21	19	5
	Claims incurred	12	12	143	22	17	4
	Claims management costs	13			22	18	4
	Adjustment for discounting	14			22	52	4
	Increase in provision for unexpired risks	15			22	19	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	16					
	Net operating expenses	17			22	42	4
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	1037	489			
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21			21	11	5
	Claims incurred	22	(23)		22	13	4
	Claims management costs	23			22	14	4
	Adjustment for discountng	24			22	51	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	25					
	Net operating expenses	26			22	41	4
	Balance (21-22-23+24+25-26)	29	23				
Balance from underwriting year accounting	Per Form 24	31			24	69	99-99
	Other technical income and charges (particulars to be specified by way of supplementary note)	32					
	Total	39					
Balance of all years' underwriting (19+29+39)		49	1060	489			
Allocated investment return		51					
Transfer to non-technical account (49+51)		59	1060	489			

Form 20

General insurance business : Technical account (excluding equalisation provisions)

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting Class **Proportional Treaty**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class/ summary
R20	2593721	GL	30	6	2003	£000	10

Items to be shown net of reinsurance			This financial year 1	Previous year 2	Source Form	Line	Column
This year's underwriting (accident year accounting)	Earned premium	11	9135	6007	21	19	5
	Claims incurred	12	7745	4938	22	17	4
	Claims management costs	13			22	18	4
	Adjustment for discounting	14			22	52	4
	Increase in provision for unexpired risks	15			22	19	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	16					
	Net operating expenses	17	16	75	22	42	4
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	1374	994			
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	21			21	11	5
	Claims incurred	22	(181)	(363)	22	13	4
	Claims management costs	23			22	14	4
	Adjustment for discountng	24			22	51	4
	Other technical income or charges (particulars to be specified by way of supplementary note)	25					
	Net operating expenses	26			22	41	4
	Balance (21-22-23+24+25-26)	29	181	363			
Balance from underwriting year accounting	Per Form 24	31			24	69	99-99
	Other technical income and charges (particulars to be specified by way of supplementary note)	32					
	Total	39					
Balance of all years' underwriting (19+29+39)		49	1555	1357			
Allocated investment return		51					
Transfer to non-technical account (49+51)		59	1555	1357			

General insurance business (accident year accounting) : Analysis of premiums

Name of insurer	**Budget Insurance Company Limited**
Global business	
Financial year ended	**30 June 2003**
Accounting class	**Motor**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class
R21	2593721	GL	30	6	2003	£000	2

Premiums receivable during the financial year			Gross premiums written		Reinsurers share		Net of reinsurance	
			Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years		11						
			Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years		12						
In respect of risks incepted in this financial year	For periods of less than 12 months	13						
	For periods of 12 months	14	10902	6129	1277	(2008)	9625	8137
	For periods of more than 12 months	15						
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		16		3347		2008		1339
Total (12 to 16)		19	10902	9476	1277		9625	9476

Form 21

General insurance business (accident year accounting) : Analysis of premiums

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting class **Property**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class
R21	2593721	GL	30	6	2003	£000	6

			Gross premiums written		Reinsurers share		Net of reinsurance	
Premiums receivable during the financial year			Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years		11						
			Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years		12						
In respect of risks incepted in this financial year	For periods of less than 12 months	13						
	For periods of 12 months	14						
	For periods of more than 12 months	15						
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						

General insurance business (accident year accounting) : Analysis of premiums

Name of insurer	**Budget Insurance Company Limited**
Global business	
Financial year ended	**30 June 2003**
Accounting class	**Non-Proportional Treaty**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class
R21	2593721	GL	30	6	2003	£000	9

			Gross premiums written		Reinsurers share		Net of reinsurance	
Premiums receivable during the financial year			Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years		**11**						
			Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6
In respect of risks Incepted in previous financial years		**12**						
In respect of risks incepted in this financial year	For periods of less than 12 months	**13**						
	For periods of 12 months	**14**	1049				1049	
	For periods of more than 12 months	**15**						
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**	1049				1049	

Form 21

General insurance business (accident year accounting) : Analysis of premiums

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting class **Proportional Treaty**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class
R21	2593721	GL	30	6	2003	£000	10

Premiums receivable during the financial year			Gross premiums written		Reinsurers share		Net of reinsurance	
			Earned in previous financial years 1		Earned in previous financial years · 3		Earned in previous financial years 5	
In respect of risks incepted in previous financial years		11						
			Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years		12						
In respect of risks incepted in this financial year	For periods of less than 12 months	13						
	For periods of 12 months	14	9134		(1)		9135	
	For periods of more than 12 months	15						
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	9134		(1)		9135	

Form 22

General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisio

Name of company **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting class **Motor**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class
R22	2593721	GL	30	6	2003	£000	2

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	10066	3630	4962	(1474)
	Reinsurers' share	12	9851	5191	3277	(1383)
	Net (11-12)	13	215	(1561)	1685	(91)
	Claims management costs	14				
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		4509	2764	7273
	Reinsurers' share	16		944	107	1051
	Net (15-16)	17		3565	2657	6222
	Claims management costs	18				
Provision for unexpired risks		19				
Net operating expenses	Commissions	21		216		216
	Other acquisition expenses	22	452	4268	2537	2183
	Administrative expenses	23		536		536
	Reinsurance commissions and profit participations	24				
	Total (21+22+23-24)	29	452	5020	2537	2935
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31				
	Reinsurers' share	32				
	Claims management costs	33				
	Total (31-32+33)	39				
Split of line 29	Prior financial years	41	452	1633	2537	(452)
	This financial year	42		3387		3387
Split of line 39	Incidents occurring prior to this financial year	51				
	Incidents occurring in this financial year	52				

Form 22

General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisio

Name of company **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting class **Property**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class
R22	2593721	GL	30	6	2003	£000	6

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11				
	Reinsurers' share	12				
	Net (11-12)	13				
	Claims management costs	14				
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15				
	Reinsurers' share	16				
	Net (15-16)	17				
	Claims management costs	18				
Provision for unexpired risks		19				
Net operating expenses	Commissions	21				
	Other acquisition expenses	22				
	Administrative expenses	23				
	Reinsurance commissions and profit participations	24				
	Total (21+22+23-24)	29				
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31				
	Reinsurers' share	32				
	Claims management costs	33				
	Total (31-32+33)	39				
Split of line 29	Prior financial years	41				
	This financial year	42				
Split of line 39	Incidents occurring prior to this financial year	51				
	Incidents occurring in this financial year	52				

Form 22

General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisio

Name of company **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting class **Non-Proportional Treaty**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class
R22	2593721	GL	30	6	2003	£000	9

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	23			(23)
	Reinsurers' share	12				
	Net (11-12)	13	23			(23)
	Claims management costs	14				
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		12		12
	Reinsurers' share	16				
	Net (15-16)	17		12		12
	Claims management costs	18				
Provision for unexpired risks		19				
Net operating expenses	Commissions	21				
	Other acquisition expenses	22				
	Administrative expenses	23				
	Reinsurance commissions and profit participations	24				
	Total (21+22+23-24)	29				
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31				
	Reinsurers' share	32				
	Claims management costs	33				
	Total (31-32+33)	39				
Split of line 29	*Prior financial years*	41				
	This financial year	42				
Split of line 39	Incidents occurring prior to this financial year	51				
	Incidents occurring in this financial year	52				

Form 22

General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisio

Name of company	**Budget Insurance Company Limited**
Global business	
Financial year ended	**30 June 2003**
Accounting class	**Proportional Treaty**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class
R22	2593721	GL	30	6	2003	£000	10

			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	200	19		(181)
	Reinsurers' share	12				
	Net (11-12)	13	200	19		(181)
	Claims management costs	14				
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		7545	200	7745
	Reinsurers' share	16				
	Net (15-16)	17		7545	200	7745
	Claims management costs	18				
Provision for unexpired risks		19				
Net operating expenses	Commissions	21				
	Other acquisition expenses	22				
	Administrative expenses	23		16		16
	Reinsurance commissions and profit participations	24				
	Total (21+22+23-24)	29		16		16
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31				
	Reinsurers' share	32				
	Claims management costs	33				
	Total (31-32+33)	39				
Split of line 29	Prior financial years	41				
	This financial year	42		16		16
Split of line 39	Incidents occurring prior to this financial year	51				
	Incidents occurring in this financial year	52				

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

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting class **Motor**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class
R23	2593721	GL	30	6	2003	£000	2

Accident year ended Month	Year		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward Reported (net)	Claims outstanding carried forward Incurred but not reported (net)	Claims outstanding brought forward Reported (net)	Claims outstanding brought forward Incurred but not reported (net)	Balance on each accident year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11				901	1967	794			3662		9625		38.0
6	2002	12	570	(68)		717	3		(174)	106	788		658	(1158.8)	196.0
6	2001	13	767	682	411	130	147		283		(6)		1344	0.9	108.3
6	2000	14													
6	1999	15	725										431		168.2
6	1998	16	13235	6342	1454	49	520	161			730		20620	(65.6)	74.8
6	1997	17	17878	25172	9704	67	209	79			355		31135	(60.0)	89.7
6	1996	18	11194	19807	15140	140	76	29			245		26284	(22.3)	101.1
6	1995	19	6906	5450	7147		259	98			357		16844	37.7	85.5
6	1994	20		2306	3142									36.3	
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				2004	3181	1161	109	106	6131				

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

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting class **Property**

	Company registration number	GL/UK/CM	Period ended day	month	year	Units	Accounting class
R23	2593721	GL	30	6	2003	£000	6

Accident year ended Month	Year		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward: Reported (net)	Claims outstanding carried forward: Incurred but not reported (net)	Claims outstanding brought forward: Reported (net)	Claims outstanding brought forward: Incurred but not reported (net)	Balance on each accident year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11													
6	2002	12													
6	2001	13													
6	2000	14													
6	1999	15													
6	1998	16													
6	1997	17													
6	1996	18													
6	1995	19													
6	1994	20			(21)										
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29													

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

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting class **Non-Proportional Treaty**

	Company registration number	GL/UK/CM	Period ended day month year			Units	Accounting class
R23	2593721	GL	30	6	2003	£000	9

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Balance on each accident year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original reserve %	Claims ratio %
Month	Year						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11				12					12		1049		1.1
6	2002	12	120	23						23	(23)		632	(100.0)	19.0
6	2001	13											719		
6	2000	14											911		
6	1999	15													
6	1998	16													
6	1997	17													
6	1996	18													
6	1995	19													
6	1994	20													
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				12				23	(11)				

Form 23

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

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Accounting class **Proportional Treaty**

	Company registration number	GL/UK/CM	Period ended day month year			Units	Accounting class
R23	2593721	GL	30	6	2003	£000	10

Accident year ended Month	Year		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward: Reported (net)	Claims outstanding carried forward: Incurred but not reported (net)	Claims outstanding brought forward: Reported (net)	Claims outstanding brought forward: Incurred but not reported (net)	Balance on each accident year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11				7545		200			7745		9135		84.8
6	2002	12	4738	200						200	(200)		6007	(100.0)	78.9
6	2001	13	8160	363		19					19		11970	(94.8)	68.3
6	2000	14	8304	400									11935	(100.0)	69.6
6	1999	15	2412	577									4129	(100.0)	58.4
6	1998	16													
6	1997	17													
6	1996	18													
6	1995	19													
6	1994	20													
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				7564		200		200	7564				

Form 26

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

Name of insurer	**Budget Insurance Company Limited**	Accounting class	**Non-Proportional Treaty**
Global business		Currency	**Sterling**
Financial year ended	**30 June 2003**		
Category	**Property**		

	Company registration number	GL/UK/CM	Period ended day month year	Monetary units	Business category	Accounting class	Currency
R26	2593721	GL	30 6 2003	000	f	9	AA

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Balance for each accident year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original reserve %	Claims ratio %
Month	Year						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	**11**				12					12		1049		1.1
6	2002	**12**	120	23						23	(23)		632	(100.0)	19.0
6	2001	**13**											719		
6	2000	**14**											911		
6	1999	**15**													
6	1998	**16**													
6	1997	**17**													
6	1996	**18**													
6	1995	**19**													
6	1994	**20**													
Prior accident years		**21**													
Reconciliation		**22**													
Total (11 to 22)		**29**				12				23	(11)				

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

Name of insurer	**Budget Insurance Company Limited**	Accounting class	**Proportional Treaty**
Global business		Currency	**Sterling**
Financial year ended	**30 June 2003**		
Category	**Motor**		

	Company registration number	GL/UK/CM	Period ended day month year			Monetary units	Business category	Accounting class	Currency
R26	2593721	GL	30	6	2003	000	b	10	AA

Accident year ended Month	Accident year ended Year		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward: Reported (net)	Claims outstanding carried forward: Incurred but not reported (net)	Claims outstanding brought forward: Reported (net)	Claims outstanding brought forward: Incurred but not reported (net)	Balance for each accident year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11				6036		200			6236		7307		85.3
6	2002	12	3790	200						200	(200)		4806	(100.0)	78.9
6	2001	13	6528	363		19					19		9576	(94.8)	68.4
6	2000	14	6643	400									9548	(100.0)	69.6
6	1999	15	1930	577									3303	(100.0)	58.4
6	1998	16													
6	1997	17													
6	1996	18													
6	1995	19													
6	1994	20													
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				6055		200		200	6055				

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

Name of insurer	**Budget Insurance Company Limited**	Accounting class	**Proportional Treaty**
Global business		Currency	**Sterling**
Financial year ended	**30 June 2003**		
Category	**Property**		

	Company registration number	GL/UK/CM	Period ended day month year	Monetary units	Business category	Accounting class	Currency
R26	2593721	GL	30 6 2003	000	f	10	AA

Accident year ended Month	Accident year ended Year		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward: Reported (net)	Claims outstanding carried forward: Incurred but not reported (net)	Claims outstanding brought forward: Reported (net)	Claims outstanding brought forward: Incurred but not reported (net)	Balance for each accident year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11				1509					1509		1828		82.5
6	2002	12	948										1201		78.9
6	2001	13	1632										2394		68.2
6	2000	14	1661										2387		69.6
6	1999	15	482										826		58.4
6	1998	16													
6	1997	17													
6	1996	18													
6	1995	19													
6	1994	20													
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				1509					1509				

Form 27

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

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Category **Property**

Accounting class **Non-Proportional Treaty**

Currency **Sterling**

	Company registration number	GL/UK/CM	Period ended day	month	year	Monetary units	Business category	Accounting class	Currency
R27	2593721	GL	30	6	2003	000	f	9	AA

Accident year ended Month	Year		Claims paid (gross) during the accident year 1	Claims outstanding (gross) as at end of the accident year 2	Total claims paid (gross) since the end of the accident year but prior to this financial year 3	Claims paid (gross) during this financial year 4	Claims outstanding carried forward Reported (gross) 5	Claims outstanding carried forward Incurred but not reported (gross) 6	Claims outstanding brought forward Reported (gross) 7	Claims outstanding brought forward Incurred but not reported (gross) 8	Balance for each accident year (4+5+6-7-8) 9	Deduction for discounting from claims outstanding carried forward (gross) 10	Earned premiums (gross) 11	Deterioration/ (surplus) of original reserve % 12	Claims ratio % 13
6	2003	11				12					12		1049		1.1
6	2002	12	120	23						23	(23)		632	(100.0)	19.0
6	2001	13											719		
6	2000	14											911		
6	1999	15													
6	1998	16													
6	1997	17													
6	1996	18													
6	1995	19													
6	1994	20													
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				12				23	(11)				

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

Name of insurer **Budget Insurance Company Limited**

Accounting class **Proportional Treaty**

Global business

Currency **Sterling**

Financial year ended **30 June 2003**

Category **Motor**

	Company registration number	GL/UK/CM	Period ended day	month	year	Monetary units	Business category	Accounting class	Currency
R27	2593721	GL	30	6	2003	000	b	10	AA

Accident year ended Month	Year		Claims paid (gross) during the accident year	Claims outstanding (gross) as at end of the accident year	Total claims paid (gross) since the end of the accident year but prior to this financial year	Claims paid (gross) during this financial year	Claims outstanding carried forward Reported (gross)	Claims outstanding carried forward Incurred but not reported (gross)	Claims outstanding brought forward Reported (gross)	Claims outstanding brought forward Incurred but not reported (gross)	Balance for each accident year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (gross)	Earned premiums (gross)	Deterioration/ (surplus) of original reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11				6036		200			6236		7307		85.3
6	2002	12	3790	200						200	(200)		4829	(100.0)	78.5
6	2001	13	6528	363		19					19		9576	(94.8)	68.4
6	2000	14	6643	400									9548	(100.0)	69.6
6	1999	15	1930	577									3303	(100.0)	58.4
6	1998	16													
6	1997	17													
6	1996	18													
6	1995	19													
6	1994	20													
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				6055		200		200	6055				

Form 27

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

Name of insurer	**Budget Insurance Company Limited**	Accounting class	**Proportional Treaty**
Global business		Currency	**Sterling**
Financial year ended	**30 June 2003**		
Category	**Property**		

	Company registration number	GL/UK/CM	Period ended day	month	year	Monetary units	Business category	Accounting class	Currency
R27	2593721	GL	30	6	2003	000	f	10	AA

Accident year ended Month	Year		Claims paid (gross) during the accident year	Claims outstanding (gross) as at end of the accident year	Total claims paid (gross) since the end of the accident year but prior to this financial year	Claims paid (gross) during this financial year	Claims outstanding carried forward: Reported (gross)	Claims outstanding carried forward: Incurred but not reported (gross)	Claims outstanding brought forward: Reported (gross)	Claims outstanding brought forward: Incurred but not reported (gross)	Balance for each accident year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (gross)	Earned premiums (gross)	Deterioration/ (surplus) of original reserve %	Claims ratio %
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11				1509					1509		1827		82.6
6	2002	12	948										1207		78.5
6	2001	13	1632										2394		68.2
6	2000	14	1661										2387		69.6
6	1999	15	482										826		58.4
6	1998	16													
6	1997	17													
6	1996	18													
6	1995	19													
6	1994	20													
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				1509					1509				

Form 31

Name of insurer **Budget Insurance Company Limited**

Global business

Financial year ended **30 June 2003**

Risk Group **Property**

Accounting class **Property**

Currency **Sterling**

	Company registration number	GL/UK/CM	Period ended day month year			Monetary units	Country	Accounting class
R31	2593721	GL	30	6	2003	000	AA	6

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance for each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
6	2003	11											
6	2002	12										4	
6	2001	13										4	
6	2000	14										4	
6	1999	15										4	
6	1998	16										4	
6	1997	17										4	
6	1996	18										4	
6	1995	19										4	
6	1994	20	244		58								
Prior accident years		21											
Total (11 to 22)		29											
Line 29 expressed in sterling		30											

Form 32

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

Name of insurer **Budget Insurance Company Limited**

Global business

Currency **Sterling**

Financial year ended **30 June 2003**

Risk Group **Motor Private Comprehensive**

	Company registration number	GL/UK/CM	Period ended day month year			Monetary units	Country
R32	2593721	GL	30	6	2003	000	AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance on each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %
Month	Year		Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported					
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11													
6	2002	12													
6	2001	13	672	12	1163	106	127		228		5	1410	99.0	4	17.1
6	2000	14													
6	1999	15	791	1	977	9	27	118	11	113	30	1215	93.1	4	19.8
6	1998	16	13943	10	17467	240	629	1507	1348	1678	(650)	21390	92.8	62	22.5
6	1997	17	17826	2	25353	349	256	(345)	401	(135)	(6)	25784	99.3	69	25.8
6	1996	18	15991	2	22700	503	89	(153)	52	273	114	21291	108.7	59	27.1
6	1995	19	8382	2	11377	73	790	88	1096	155	(300)	12382	99.6	32	26.2
6	1994	20	5077		6243	(1)		(148)		(145)	(4)				
Prior accident years		21						(139)		(145)	6				
Total (11 to 21)		29		29		1279	1918	928	3136	1794	(805)				
Line 29 expressed in sterling		30				1279	1918	928	3136	1794	(805)				

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

Name of insurer **Budget Insurance Company Limited**

Global business

Currency **Sterling**

Financial year ended **30 June 2003**

Risk Group **Motor Private Non - Comprehensive**

	Company registration number	GL/UK/CM	Period ended day month year	Monetary units	Country
R32	2593721	GL	30 6 2003	000	AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance on each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %
Month	Year		Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported					
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11													
6	2002	12													
6	2001	13	40	2	61	24	20		55		(11)	194	54.1	1	4.2
6	2000	14													
6	1999	15	145		342	7		31	12	36	(10)	351	108.3	1	14.5
6	1998	16	5239	5	11390	205		913	358	1002	(242)	14186	88.2	46	11.4
6	1997	17	13013	7	31201	997	56	(322)	1814	(39)	(1044)	28785	110.9	91	14.3
6	1996	18	13579	6	30751	299	309	(156)	870	460	(878)	25828	120.8	86	15.8
6	1995	19	5719	6	10443	14	1315	82	113	99	1199	12957	91.5	40	14.3
6	1994	20	3014		5863	14	119	(131)		(128)	130				
Prior accident years		21				(36)		(119)	11	(124)	(42)				
Total (11 to 21)		29		26		1524	1819	298	3233	1306	(898)				
Line 29 expressed in sterling		30				1524	1819	298	3233	1306	(898)				

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

Name of insurer **Budget Insurance Company Limited**

Global business

Currency **Sterling**

Financial year ended **30 June 2003**

Risk Group **Motor Private Comprehensive**

	Company registration number	GL/UK/CM	Period ended day month year			Monetary units	Country
R32	2593721	GL	30	6	2003	000	EA

Accident year ended: Month	Accident year ended: Year		Number of claims: Closed at some cost during this or previous years	Number of claims: Reported claims outstanding	Gross claims paid: In previous financial years	Gross claims paid: In this financial year	Gross claims outstanding carried forward: Reported	Gross claims outstanding carried forward: Incurred but not reported	Gross claims outstanding brought forward: Reported	Gross claims outstanding brought forward: Incurred but not reported	Balance on each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11	5059	1864		4326	1692	683			6701	9376	71.5	87	8.0
6	2002	12	1503	4	958	306	2		492	106	(290)	1824	69.4	1	150.7
6	2001	13													
6	2000	14													
6	1999	15													
6	1998	16													
6	1997	17													
6	1996	18													
6	1995	19													
6	1994	20													
Prior accident years		21													
Total (11 to 21)		29		1868		4632	1694	683	492	106	6411				
Line 29 expressed in sterling		30				4632	1694	683	492	106	6411				

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

Name of insurer **Budget Insurance Company Limited**

Global business

Currency **Sterling**

Financial year ended **30 June 2003**

Risk Group **Motor Private Non - Comprehensive**

	Company registration number	GL/UK/CM	Period ended day month year			Monetary units	Country
R32	2593721	GL	30	6	2003	000	EA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Balance on each accident year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %
Month	Year		Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported					
			1	2	3	4	5	6	7	8	9	10	11	12	13
6	2003	11	823	304		704	275	111			1090	1526	71.4	14	8.1
6	2002	12													
6	2001	13													
6	2000	14													
6	1999	15													
6	1998	16													
6	1997	17													
6	1996	18													
6	1995	19													
6	1994	20													
Prior accident years		21													
Total (11 to 21)		29		304		704	275	111			1090				
Line 29 expressed in sterling		30				704	275	111			1090				

APPENDIX 1

Return to the Insurance Firms Division of the Financial Services Authority

Notes to the Return

Name of Company Budget Insurance Company Limited

Financial year ended 30th June 2003

Code FF00 Omission of forms

Forms 21 and 22 accounting class 6 have been omitted, as all entries on these forms are blank.

Form 10

Code 1001 – Reconciliation of net assets to accounts

	2003 £000	2002 £000
Net assets per the FSA Return		
Line 99 on Form 13	49,623	43,939
Line 59 on Form 15	(19,778)	(16,844)
	29,845	27,095
Difference (see below)	(1,650)	(1,650)
Capital and reserves as per shareholders accounts	28,195	25,445

The difference above is attributable to hybrid capital.

Code 1003 – Section 148 order

Under this concession the loan may rank as a component of the company's solvency margin up to a maximum of 25% of the company's margin of solvency as determined in accordance with Rule 2.1 of the Interim Prudential Sourcebook for Insurers.

Form 13

Code 1304 and 1310 - Set-off

Included in amounts in the form are amounts netted-off allowed by generally accepted accounting principles.

Code 1305 – Maximum counterparty limit

The company's investment guidelines regarding counterparty exposure are that the maximum exposure to any one approved credit institution shall not exceed 20% of the GBA or £2m if this amount is higher.

Code 1306 – Large counterparties

As at 30th June 2003
Approved Credit Institutions

Approved Counterparty	Type of account	Total amount £000	Admissible amount £000	Maturity (if applicable)
Lloyds/TSB Plc	Money market	2,000		01/07/03
Lloyds/TSB Plc	Current account	1,847		
Lloyds TSB Subtotal		3,847	3,596	
Irish Intercontinental	Money market	1,000	1,000	01/07/03
Barclays Bank PLC	Money market	2,500	2,500	01/07/03
Nord dr Landesbank	Money market	2,000	2,000	07/07/03
HSH	Money market	2,000	2,000	07/07/03
Rothschild	Money market	2,000	2,000	07/07/03
HSBC (Australia)	Deposit	1,007		
HSBC Guyerzeller Zurich	Deposit	1,000		
HSBC Subtotal		2,007	2,007	
TOTAL		**15,354**	**15,103**	

Form 15

Code 1501 – Provision for adverse changes

No provision for adverse changes has been made as at 30 June 2003 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) The company has no guarantees over its assets

d) There are no other contingent liabilities.

e) None.

Form 16

Code 1601 Basis of conversion of foreign currency

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Any resultant gains and losses on exchange are dealt with through the profit and loss account.

Code 1602 Restatement of amounts arising from currency conversion

No amounts brought forward have been restated from the corresponding carried forward amount included in the previous year's return due to reconversion of foreign currency amounts at a different rate of exchange.

Form 17

Code 1702 – Quasi Derivatives

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

Form 20

Code 2002 – Business attributable to UK and to overseas

	UK £000	Overseas £000	Total £000
Gross premium written	10,183	17,032	27,215
Reinsurers share of gross premium written	-	731	731
	10,183	17,763	27,946

Code 2007 Material connected-party transactions.

(i) During the year financing amounts were transferred to and from Budget Insurance Services Limited resulting in a net decrease of £1,020,861 on the intercompany loan account between Budget Insurance Company Limited and Budget Insurance Services Limited. The balance at the year end amounted to £1,627,932. The loan bears interest on normal commercial terms and amounted to £432,498 (2002:£308,942) Budget Insurance Services Limited is connected to Budget Insurance Company Limited, as it is a related undertaking of a participating undertaking.

(ii) During the year Budget Insurance Company Limited loaned Budget Group Limited a net amount of £165,252 increasing the balance to £11,723,649 as at 30 June 2003. Budget Group Limited is a participating undertaking of Budget Insurance Company Limited.

(iii) During the year the Budget Insurance Company Limited renewed reinsurance agreements with Auto and General Insurance Company Limited, registered in South Africa. Net premium income arising from these agreements amounted to £10,183,233 and an amount of £1,093,113 was owing to Budget Insurance Company Limited as at 30 June 2003. Auto and General Insurance Company is connected to Budget Insurance Company Limited, as it is a related undertaking of a participating undertaking.

(iv) Insurers Hotline Pty Limited (Australia) acts as agent for the Australian branch of Budget Insurance Company Limited and markets, administers policies and manages claims on behalf of Budget Insurance Company Limited. The amount charged during the period in respect of the agency agreement amounted to £528,026. *Insurers Hotline Pty Limited is connected to* Budget Insurance Company Limited, as it is a related undertaking of a participating undertaking.

Form 21

Code 2102 Basis of calculation of provision for unearned premiums

The provision for unearned premiums comprises the proportion of gross premium written which is estimated to be earned in the following or subsequent financial years, computed separately for each insurance contract using the daily pro rata method, adjusted if necessary to reflect any variation in the incidence of risk during the period covered by the contract.

Form 22

Code 2201 Differences between brought forward and carried forward amounts.

None.

Code 2202 – Claims management costs

None

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

None

Code 2204 – Basis for determining acquisition expenses

A portion of acquisition costs relating to unearned premium revenue is deferred in recognition that it contributes to a future benefit. Deferred acquisition costs are measured at the lower of cost and recoverable amount. A write-down to recoverable amount is made when the present value of expected future claims in relation to business written to the reporting date exceeds related unearned premiums. Deferred acquisition costs are amortised over the periods expected to benefit from the expenditure, which is generally a twelve-month period.

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 23

Code 2301 Differences between brought forward and carried forward amounts.

The brought forward and carried forward amounts in the previous year's return differed for accounting classes 9 and 10 due to a reclassification of reinsurance agreements between proportional and non-proportional.

Form 26

Code 2601 Differences between brought forward and carried forward amounts.

The brought forward and carried forward amounts in the previous year's return differed for accounting classes 9 and 10 due to a reclassification of reinsurance agreements between proportional and non-proportional.

Code 2602 – Basis of allocating or apportioning reinsurance treaties accepted

All treaty reinsurance is recorded in class 9 non-proportional treaty and class 10 proportional treaty in accordance with the substance of the reinsurance agreements..

Form 27

Code 2701 Differences between brought forward and carried forward amounts.

The brought forward and carried forward amounts in the previous year's return differed for accounting classes 9 and 10 due to a reclassification of reinsurance agreements between proportional and non-proportional.

Return to the Insurance Firms Division of the Financial Services Authority

Additional Information on general business: major treaty reinsurers required by rule 9.25 of the Interim Prudential Sourcebook for Insurers Instrument 2001.

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2003

Name	Address	Details of connection	Treaty premiums payable in the financial year £000	Debtor included at F1374 £000	Deposits Received £000	Anticipated Recoveries £000
The Hartford Fire Insurance Company	The London Underwriting Centre, 3 Minster Court Mincing Lane London HMGX	None	-	-	-	119
Gerling Global Reinsurance Company of Australia			-	None	-	106

Return to the Insurance Firms Societies Division of the Financial Services Authority

Additional Information on general business : Major facultative reinsurers required by rule 9.26 of the Interim Prudential Sourcebook for Insurers Instrument 2001.

Name of Company Budget Insurance Company Limited

Global business

Financial year ended 30 June 2003

The company has no facultative reinsurance

Return to the Insurance Firms Division of the Financial Services Authority

Additional information of general business: major general business reinsurance cedants required by rule 9.27 of the Interim Prudential Sourcebook for Insurers Instrument 2001

Name of company Budget Insurance Company Limited

Global business

Financial year ended 30th June 2003

Name and Address	Connection	Premium Receivable £000	Deposit included at Lines for AA 13 £000	Debt included at line 74 of form 13 £000
Auto & General Insurance Ltd P.O. Box 11250 Johannesburg 2001 SOUTH AFRICA	Yes. Common ultimate parent company	10,183	-	1,093

Return to the Insurance Firms Division of the Financial Services Authority

Statement of Additional Information on Derivative Contracts required by rule 9.29 of the Interim Prudential Sourcebook for Insurers Instrument 2001

Name of Company Budget Insurance Company Limited

Global business

Financial Year ended 30 June 2003

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.

Return to the Insurance Firms Division of the Financial Services Authority

Statement of Information on Shareholder Controllers Required by Rule 9.3 of the Interim Prudential Sourcebook for Insurers Instrument 2001

Name of Company Budget Insurance Company Limited

Global Business

As at 30 June 2003, 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 2003 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

APPENDIX 2

Auditors' Report : Regulatory Return for Budget Insurance Company Limited
Report of the auditors to the insurer pursuant to Rule 9.35

Global business
BUDGET INSURANCE COMPANY LIMITED

Financial year ended 30 June 2003

We have examined the following documents prepared by the insurer pursuant to the Accounts and *Statements Rules set out in part 1 of Chapter 9 to the Interim Prudential Sourcebook for Insurers* ("the Rules") made by the Financial Services Authority under Section 138 of the Financial Services and Markets Act 2000.

- Forms 9 to 13, 15 to 17, 20 to 23, 26 to 27 and 31 to 32 (including the supplementary notes) ("the Forms");
- the statements required by Rules 9.25, 9.26, 9.27 and 9.29 on pages 7 to 10 ("the statements"); and
- the certificate signed in accordance with Rule 9.34(a) on page 1 ("the certificate").

In the case of the certificate, our examination did not extend to page 10 to 11 in relation to the statements required by Rules 9.30, 9.32 and 9.36 concerning shareholder controllers and general business ceded.

This report is made solely to the insurer in accordance with Rule 9.35 of the Rules. Our work has been undertaken so that we might state to the insurer those matters we are required by the Rules to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the insurer for our work, for this report or the opinions we have formed.

Respective responsibilities of the company and its auditors

The insurer is responsible for the preparation of an annual return (including the Forms, statements and certificate) under the provision of the Rules. Under Rule 9.11, the Forms and statements are required to be prepared in the manner set out in the Regulations and to state fairly the information provided on the basis required by the Rules.

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. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 obtained by us relating to the audit of the financial statements of the insurer for the financial year. It also included and assessment of the significant estimates and judgements made by the insurer in the preparation of the Forms and statements.

Report of the auditors to the insurer pursuant to Rule 9.35 (continued)

Global business
BUDGET INSURANCE COMPANY LIMITED

Financial year ended 30 June 2003

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 Rule 9.11.

In the case of the certificate, the work performed involves 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 insurer's internal control systems.

Opinions

In our opinion:

(a) the Forms and statements fairly state the information provided on the basis required by the Rules and have been properly prepared in accordance with the provisions of those Rules; and

(b) based on the information and explanations received by us:

 (i) the certificate has been properly prepared in accordance with the provisions of the Rules; and

 (ii) it was not unreasonable for the persons giving the certificate to have made the *statements therein.*

Moore Stephens

Moore Stephens
St Paul's House
Warwick Lane
London
EC4P 4BN

29 September 2003

APPENDIX 3

RETURN TO THE INSURANCE FIRMS DIVISION OF THE FINANCIAL SERVICES AUTHORITY

Directors' certificate required by Rule 9.34(a)

Budget Insurance Company Limited

Global business

Financial year ended 30 June 2003

We certify:

1. (a) that in relation to the part of this return comprising Forms 9 to 13, 15 to 17, 20 to 23, 26 to 27 and 31 to 32 (including supplementary notes) and the statements required by Rules 9.25, 9.26, 9,.27, 9.29, 9.30 and 9.32:

    (i) the return has been prepared in accordance with the Accounts and Statements Rules;

    (ii) proper accounting records have been maintained and adequate information has been obtained by the insurer; and

    (iii) an appropriate systems and controls have been established and maintained by the insurer over its transactions and records;

    (b) that reasonable enquiries have been made by the insurer for the purpose of determining whether any person and any body corporate are connected for the purpose of Rules 9.25, 9.26 and 9.27;

    (c) that reasonable enquiries have been made by the insurer for the purpose of identifying material connected-party transactions;

    (d) that in respect of the insurer's business which is not excluded by Rule 7.6, the assets held throughout the financial year enabled the company to comply with Rules 7.1 to 7.5 (matching and localisation).

2. that the margin of solvency required by Rule 2.1 has been maintained throughout the financial year.

3. (a) that the systems and controls established and maintained by the insurer in respect of its business complied at the end of the financial year with the following published guidance:

    - Guidance Note P.1 *Systems and controls over the investments (and counterparty exposure) or insurers with particular reference to the use of derivatives;*

    - Guidance Note P.2 *Systems and controls over general business claims provisions;*

    - Guidance Note P.3 *Systems and controls in insurers;*

    And it is reasonable to believe that those systems and controls continued so to comply subsequently and will continue so to comply in future; and

(b) that the return has been prepared in accordance with the following published guidance:

Guidance Note 4.1 *Guidance for insurers and auditors on the Valuation of Asset Rules;*

Guidance Note 4.2 *Use of derivative contracts in insurance funds; and*

Guidance Note 9.1 *Preparation of returns.*

PA Winslow **Director/Chief Executive**

IR Leech **Director/Deputy Chief Executive**

29 September 2003