

# **BA (GI) Limited**

**Annual PRA Insurance Returns for the year ended**

**31 December 2013**

**IPRU(INS) Appendices 9.1, 9.2, 9.5, 9.6**

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**Statement of solvency - general insurance business**Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

Solo solvency calculation

R1	Company registration number	GL/UK/CM	day month year			Units
			31	12	2013	
	<b>3002</b>	<b>GL</b>				<b>£000</b>
			<b>As at end of this financial year</b>			<b>As at end of the previous year</b>
			<b>1</b>			<b>2</b>

**Capital resources**

Capital resources arising outside the long-term insurance fund	<b>11</b>	12703	12195
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	<b>12</b>		
Capital resources available to cover general insurance business capital resources requirement (11-12)	<b>13</b>	12703	12195

**Guarantee fund**

Guarantee fund requirement	<b>21</b>	3146	2984
Excess (deficiency) of available capital resources to cover guarantee fund requirement	<b>22</b>	9557	9211

**Minimum capital requirement (MCR)**

General insurance capital requirement	<b>31</b>	410	399
Base capital resources requirement	<b>33</b>	3146	2984
Individual minimum capital requirement	<b>34</b>	3146	2984
Capital requirements of regulated related undertakings	<b>35</b>		
Minimum capital requirement (34+35)	<b>36</b>	3146	2984
Excess (deficiency) of available capital resources to cover 50% of MCR	<b>37</b>	11130	10703
Excess (deficiency) of available capital resources to cover 75% of MCR	<b>38</b>	10343	9957

**Capital resources requirement (CRR)**

Capital resources requirement	<b>41</b>	3146	2984
Excess (deficiency) of available capital resources to cover general insurance business CRR (13-41)	<b>42</b>	9557	9211

**Contingent liabilities**

Quantifiable contingent liabilities in respect of other than long-term insurance business as shown in a supplementary note to Form 15	<b>51</b>		
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Components of capital resources

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

	Company registration number	GL/UK/CM	day	month	year	Units	
	R3	3002	GL	31	12	2013	£000
		General insurance business	Long-term insurance business	Total as at the end of this financial year	Total as at the end of the previous year		
		1	2	3	4		

**Core tier one capital**

Permanent share capital	11	50		50	50
Profit and loss account and other reserves	12	17706		17706	17435
Share premium account	13				
Positive valuation differences	14				
Fund for future appropriations	15				
Core tier one capital in related undertakings	16				
Core tier one capital (sum of 11 to 16)	19	17756		17756	17485

**Tier one waivers**

Unpaid share capital / unpaid initial funds and calls for supplementary contributions	21				
Implicit Items	22				
Tier one waivers in related undertakings	23				
Total tier one waivers as restricted (21+22+23)	24				

**Other tier one capital**

Perpetual non-cumulative preference shares as restricted	25				
Perpetual non-cumulative preference shares in related undertakings	26				
Innovative tier one capital as restricted	27				
Innovative tier one capital in related undertakings	28				

<b>Total tier one capital before deductions (19+24+25+26+27+28)</b>	<b>31</b>	<b>17756</b>		<b>17756</b>	<b>17485</b>
Investments in own shares	32				
Intangible assets	33				
Amounts deducted from technical provisions for discounting	34	5053		5053	5290
Other negative valuation differences	35				
Deductions in related undertakings	36				
Deductions from tier one (32 to 36)	37	5053		5053	5290
<b>Total tier one capital after deductions (31-37)</b>	<b>39</b>	<b>12703</b>		<b>12703</b>	<b>12195</b>

**Components of capital resources**

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

	Company registration number	GL/UK/CM	day month year			Units	
	<b>R3</b>	<b>3002</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2013</b>	<b>£000</b>
		General insurance business	Long-term insurance business	Total as at the end of this financial year		Total as at the end of the previous year	
		<b>1</b>	<b>2</b>	<b>3</b>		<b>4</b>	

**Tier two capital**

Implicit items, (tier two waivers and amounts excluded from line 22)	<b>41</b>				
Perpetual non-cumulative preference shares excluded from line 25	<b>42</b>				
Innovative tier one capital excluded from line 27	<b>43</b>				
Tier two waivers, innovative tier one capital and perpetual non-cumulative preference shares treated as tier two capital (41 to 43)	<b>44</b>				
Perpetual cumulative preference shares	<b>45</b>				
Perpetual subordinated debt and securities	<b>46</b>				
Upper tier two capital in related undertakings	<b>47</b>				
<b>Upper tier two capital (44 to 47)</b>	<b>49</b>				

Fixed term preference shares	<b>51</b>				
Other tier two instruments	<b>52</b>				
Lower tier two capital in related undertakings	<b>53</b>				
<b>Lower tier two capital (51+52+53)</b>	<b>59</b>				

<b>Total tier two capital before restrictions (49+59)</b>	<b>61</b>				
Excess tier two capital	<b>62</b>				
Further excess lower tier two capital	<b>63</b>				
<b>Total tier two capital after restrictions, before deductions (61-62-63)</b>	<b>69</b>				

Components of capital resources

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

Company registration number	GL/ UK/ CM	day month year			Units	
R3	3002	GL	31	12	2013	£000
		General insurance business	Long-term insurance business	Total as at the end of this financial year		Total as at the end of the previous year
		1	2	3		4

Total capital resources

Positive adjustments for regulated non-insurance related undertakings	71				
<b>Total capital resources before deductions (39+69+71)</b>	<b>72</b>	12703		12703	12195
Inadmissible assets other than intangibles and own shares	73				
Assets in excess of market risk and counterparty limits	74				
Deductions for related ancillary services undertakings	75				
Deductions for regulated non-insurance related undertakings	76				
Deductions of ineligible surplus capital	77				
<b>Total capital resources after deductions (72-73-74-75-76-77)</b>	<b>79</b>	12703		12703	12195

Available capital resources for GENPRU/INSPRU tests

Available capital resources for guarantee fund requirement	81	12703		12703	12195
Available capital resources for 50% MCR requirement	82	12703		12703	12195
Available capital resources for 75% MCR requirement	83	12703		12703	12195

Financial engineering adjustments

Implicit items	91				
Financial reinsurance - ceded	92				
Financial reinsurance - accepted	93				
Outstanding contingent loans	94				
Any other charges on future profits	95				
<b>Sum of financial engineering adjustments (91+92-93+94+95)</b>	<b>96</b>				

## Calculation of general insurance capital requirement - premiums amount and brought forward amount

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

General insurance business

		Company registration number	GL/UK/CM	day month year			Units	
		R11	3002	GL	31	12	2013	£000
				This financial year 1			Previous year 2	
Gross premiums written				11				9
Premiums taxes and levies (included in line 11)				12				
Premiums written net of taxes and levies (11-12)				13				9
Premiums for classes 11, 12 or 13 (included in line 13)				14				
Premiums for "actuarial health insurance" (included in line 13)				15				
<b>Sub-total A (13 + 1/2 14 - 2/3 15)</b>				16				9
Gross premiums earned				21				
Premium taxes and levies (included in line 21)				22				
Premiums earned net of taxes and levies (21-22)				23				
Premiums for classes 11, 12 or 13 (included in line 23)				24				
Premiums for "actuarial health insurance" (included in line 23)				25				
<b>Sub-total H (23 + 1/2 24 - 2/3 25)</b>				26				
<b>Sub-total I (higher of sub-total A and sub-total H)</b>				30				9
<b>Adjusted sub-total I if financial year is not a 12 month period to produce an annual figure</b>				31				
Division of gross adjusted premiums amount sub-total I (or adjusted sub-total I if appropriate)	x 0.18			32				2
	Excess (if any) over 61.3M EURO x 0.02			33				
<b>Sub-total J (32-33)</b>				34				2
Claims paid in period of 3 financial years				41			3805	6308
Claims outstanding carried forward at the end of the 3 year period	For insurance business accounted for on an underwriting year basis			42				
	For insurance business accounted for on an accident year basis			43			52477	51844
Claims outstanding brought forward at the beginning of the 3 year period	For insurance business accounted for on an underwriting year basis			44				
	For insurance business accounted for on an accident year basis			45			51876	53783
<b>Sub-total C (41+42+43-44-45)</b>				46			4406	4369
Amounts recoverable from reinsurers in respect of claims included in Sub-total C				47			850	(1451)
<b>Sub-total D (46-47)</b>				48			3557	5820
<b>Reinsurance Ratio (Sub-total D /sub-total C or, if more, 0.50 or, if less, 1.00)</b>				49			0.81	1.00
<b>Premiums amount (Sub-total J x reinsurance ratio)</b>				50				2
Provision for claims outstanding (before discounting and net of reinsurance)				51			42507	43918
Provision for claims outstanding (before discounting and gross of reinsurance) if both 51.1 and 51.2 are zero, otherwise zero				52				
<b>Brought forward amount (See instruction 4)</b>				53			386	61
Greater of lines 50 and 53				54			386	61

## Calculation of general insurance capital requirement - claims amount and result

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

General insurance business

		Company registration number	GL/UK/CM	day month year			Units	
		R12	3002	GL	31	12	2013	£000
					This financial year 1			Previous year 2
Reference period (No. of months) See INSPRU 1.1.63R				11	36			36
Claims paid in reference period				21	3805			6308
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	52477			51844
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	51876			53783
Claims incurred in reference period (21+22+23-24-25)				26	4406			4369
Claims incurred for classes 11, 12 or 13 (included in 26)				27	2907			474
Claims incurred for "actuarial health insurance" (included in 26)				28				
<b>Sub-total E (26 +1/2 27 - 2/3 28)</b>				29	5860			4606
<b>Sub-total F - Conversion of sub-total E to annual figure (multiply by 12 and divide by number of months in the reference period)</b>				31	1953			1535
Division of sub-total F (gross adjusted claims amount)	x 0.26			32	508			399
	Excess (if any) over 42.9M EURO x 0.03			33				
<b>Sub-total G (32-33)</b>				39	508			399
<b>Claims amount Sub-total G x reinsurance ratio (11.49)</b>				41	410			399
Higher of premiums amount and brought forward amount (11.54)				42	386			61
<b>General insurance capital requirement (higher of lines 41 and 42)</b>				43	410			399



**Analysis of admissible assets**

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

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

	Company registration number	GL/UK/CM	day month year			Units	Category of assets
	R13	3002	GL	31	12	2013	£000
						As at end of this financial year	As at end of the previous year
						1	2
Land and buildings				11			

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	21		
	Debts and loans	22		
Other insurance dependants	Shares	23		
	Debts and loans	24		
Non-insurance dependants	Shares	25		
	Debts and loans	26		
Other group undertakings	Shares	27		
	Debts and loans	28		
Participating interests	Shares	29		
	Debts and loans	30		

**Other financial investments**

Equity shares	41		
Other shares and other variable yield participations	42		
Holdings in collective investment schemes	43	4865	8241
Rights under derivative contracts	44		
Fixed interest securities	Approved	45	50528
	Other	46	
Variable interest securities	Approved	47	
	Other	48	
Participation in investment pools	49		
Loans secured by mortgages	50		
Loans to public or local authorities and nationalised industries or undertakings	51		
Loans secured by policies of insurance issued by the company	52		
Other loans	53		
Bank and approved credit & financial institution deposits	One month or less withdrawal	54	
	More than one month withdrawal	55	
Other financial investments	56		
Deposits with ceding undertakings	57		
Assets held to match linked liabilities	Index linked	58	
	Property linked	59	

**Analysis of admissible assets**

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

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

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	3002	GL	31	12	2013	£000	1
					As at end of this financial year	As at end of the previous year	
					1	2	

**Reinsurers' share of technical provisions**

Provision for unearned premiums	60		
Claims outstanding	61	9970	7926
Provision for unexpired risks	62		
Other	63		

**Debtors and salvage**

Direct insurance business	Policyholders	71	
	Intermediaries	72	44
Salvage and subrogation recoveries		73	
Reinsurance	Accepted	74	
	Ceded	75	
Dependants	due in 12 months or less	76	
	due in more than 12 months	77	
Other	due in 12 months or less	78	
	due in more than 12 months	79	

**Other assets**

Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81	38	26
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		
Accrued interest and rent	84	518	523
Deferred acquisition costs (general business only)	85		
Other prepayments and accrued income	86	8	8

Deductions from the aggregate value of assets	87		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	65971	69331
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**Analysis of admissible assets**

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

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

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	3002	GL	31	12	2013	£000	1
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					1	2	

**Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	65971	69331
Admissible assets in excess of market and counterparty limits	92		
Inadmissible assets directly held	93		
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98		
Deferred acquisition costs excluded from line 89	99		
Reinsurers' share of technical provisions excluded from line 89	100		
Other asset adjustments (may be negative)	101		
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	65971	69331
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		

**Liabilities (other than long term insurance business)**Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

Company registration number	GL/UK/CM	day	month	year	Units	
R15	3002	GL	31	12	2013	£000
				As at end of this financial year	As at end of the previous year	
				1	2	

**Technical provisions (gross amount)**

Provisions for unearned premiums	11		
Claims outstanding	12	52477	51844
Provision for unexpired risks	13		
Equalisation provisions	Credit business	14	
	Other than credit business	15	
Other technical provisions	16		
Total gross technical provisions (11 to 16)	19	52477	51844

**Provisions and creditors**

Provisions	Taxation	21		
	Other risks and charges	22		
Deposits received from reinsurers	31			
Creditors	Direct insurance business	41		
	Reinsurance accepted	42		
	Reinsurance ceded	43	610	622
Debenture loans	Secured	44		
	Unsecured	45		
Amounts owed to credit institutions	46			
Creditors	Taxation	47	82	
	Foreseeable dividend	48		
	Other	49	68	4660
Accruals and deferred income	51	31	11	
Total (19 to 51)	59	53268	57136	
Provision for "reasonably foreseeable adverse variations"	61			
Cumulative preference share capital	62			
Subordinated loan capital	63			
Total (59 to 63)	69	53268	57136	

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance	71		
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Amounts deducted from technical provisions for discounting	82	5053	5290
Other adjustments (may be negative)	83		
Capital and reserves	84	17756	17485
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (69-82+83+84)	85	65971	69332

**Profit and loss account (non-technical account)**Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

		Company registration number	GL/ UK/ CM	day	month	year	Units	
		<b>R16</b>	<b>3002</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2013</b>	<b>£000</b>
				<b>This financial year</b>			<b>Previous year</b>	
				<b>1</b>			<b>2</b>	
Transfer (to)/from the general insurance business technical account	From Form 20	<b>11</b>				456	4315	
	Equalisation provisions	<b>12</b>						
Transfer from the long term insurance business revenue account		<b>13</b>						
Investment income	Income	<b>14</b>				1727	1347	
	Value re-adjustments on investments	<b>15</b>						
	Gains on the realisation of investments	<b>16</b>						
Investment charges	Investment management charges, including interest	<b>17</b>						
	Value re-adjustments on investments	<b>18</b>				1824	477	
	Loss on the realisation of investments	<b>19</b>				7		
Allocated investment return transferred to the general insurance business technical account		<b>20</b>						
Other income and charges (particulars to be specified by way of supplementary note)		<b>21</b>					11291	
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)		<b>29</b>				353	16476	
Tax on profit or loss on ordinary activities		<b>31</b>				82	4127	
Profit or loss on ordinary activities after tax (29-31)		<b>39</b>				271	12350	
Extraordinary profit or loss (particulars to be specified by way of supplementary note)		<b>41</b>						
Tax on extraordinary profit or loss		<b>42</b>						
Other taxes not shown under the preceding items		<b>43</b>						
Profit or loss for the financial year (39+41-(42+43))		<b>49</b>				271	12350	
Dividends (paid or foreseeable)		<b>51</b>						
Profit or loss retained for the financial year (49-51)		<b>59</b>				271	12350	

General insurance business : Summary of business carried on

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

Category number	PRA return general insurance business reporting category	Company registration number	GL/UK/CM	day month year			units
		R20A	3002	GL	31	12	2013
		Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year		
			Reported	Incurred but not reported			
		1	2	3	4		
001	Total business	1	4017	40451			
002	Total primary (direct) and facultative business	2	2501	37408			
003	Total treaty reinsurance accepted business	3	1516	3044			

110	Total primary (direct) and facultative accident and health (category numbers 111 to 114)	4			
120	Total primary (direct) and facultative personal lines motor business (category numbers 121 to 123)	5			
160	Primary (direct) and facultative household and domestic all risks	6	12	137	
180	Total primary (direct) and facultative personal lines financial loss (category numbers 181 to 187)	7			
220	Total primary (direct) and facultative commercial motor business (category numbers 221 to 223)	8	150		
260	Total primary (direct) and facultative commercial lines property (category numbers 261 to 263)	9	58		
270	Total primary (direct) and facultative commercial lines liability business (category numbers 271 to 274)	10	2281	37271	
280	Total primary (direct) and facultative commercial lines financial loss (category numbers 281 to 284)	11			
330	Total primary (direct) and facultative aviation (category numbers 331 to 333)	12			
340	Total primary (direct) and facultative marine (category numbers 341 to 347)	13			
350	Total primary (direct) and facultative goods in transit	14			
400	Miscellaneous primary (direct) and facultative business	15			
500	Total non-proportional treaty reinsurance business accepted (category numbers 510 to 590)	16	1	2	
600	Total proportional treaty reinsurance business accepted (category numbers 610 to 690)	17	1515	3042	
700	Miscellaneous treaty reinsurance accepted business	18			
	Total (lines 4 to 18)	20	4017	40451	

General insurance business : Summary of business carried on

Name of insurer **BA (GI) Limited**  
 Global business  
 Financial year ended **31 December 2013**

Category number	PRA return general insurance business reporting category	Company registration number	GL/UK/CM	day month year			units
		R20A	3002	GL	31	12	2013
		Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year			Provision for gross unearned premium at the end of this financial year	
			Reported	Incurred but not reported			
		1	2	3		4	

Primary (direct) and facultative personal lines business

111	Medical insurance	21				
112	HealthCare cash plans	22				
113	Travel	23				
114	Personal accident or sickness	24				
121	Private motor - comprehensive	25				
122	Private motor - non-comprehensive	26				
123	Motor cycle	27				
160	Household and domestic all risks (equals line 6)	28		12	137	
181	Assistance	29				
182	Creditor	30				
183	Extended warranty	31				
184	Legal expenses	32				
185	Mortgage indemnity	33				
186	Pet insurance	34				
187	Other personal financial loss	35				

Primary (direct) and facultative commercial lines business

221	Fleets	41				
222	Commercial vehicles (non-fleet)	42		150		
223	Motor other	43				
261	Commercial property	44		58		
262	Consequential loss	45				
263	Contractors or engineering all risks	46				
271	Employers liability	47		1758	33939	
272	Professional indemnity	48				
273	Public and products liability	49		523	3331	
274	Mixed commercial package	50				
281	Fidelity and contract guarantee	51				
282	Credit	52				
283	Suretyship	53				
284	Commercial contingency	54				

Primary (direct) and facultative aviation

331	Aviation liability	61				
332	Aviation hull	62				
333	Space and satellite	63				

General insurance business : Summary of business carried on

Name of insurer **BA (GI) Limited**  
 Global business  
 Financial year ended **31 December 2013**

Category number	PRA return general insurance business reporting category	Company registration number	GL/UK/CM	day month year			units
		R20A	3002	GL	31	12	2013
		Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year		
			Reported	Incurred but not reported			
		1	2	3	4		

**Primary (direct) and facultative marine and transport**

341	Marine liability	64				
342	Marine hull	65				
343	Energy (on and off-shore)	66				
344	Protection and indemnity	67				
345	Freight demurrage and defence	68				
346	War risks	69				
347	Yacht	70				
350	Total primary (direct) and facultative goods in transit (equals line 14)	71				

**Primary (direct) and facultative miscellaneous**

400	Miscellaneous primary (direct) and facultative business (equals line 15)	72				
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**Non-proportional treaty**

510	Non-proportional accident and health	81				
520	Non-proportional motor	82				
530	Non-proportional aviation	83				
540	Non-proportional marine	84				
550	Non-proportional transport	85				
560	Non-proportional property	86				
570	Non-proportional liability (non-motor)	87		1		2
580	Non-proportional financial lines	88				
590	Non-proportional aggregate cover	89				

**Proportional treaty**

610	Proportional accident and health	91				
620	Proportional motor	92				
630	Proportional aviation	93				
640	Proportional marine	94		1501		3000
650	Proportional transport	95				
660	Proportional property	96		1		1
670	Proportional liability (non-motor)	97		14		41
680	Proportional financial lines	98				
690	Proportional aggregate cover	99				

**Treaty Reinsurance Miscellaneous**

700	Miscellaneous treaty reinsurance accepted business (equals line 18)	101				
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	<b>Total (lines 21 to 101)</b>	<b>111</b>		<b>4017</b>		<b>40451</b>
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## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total business

		Company registration number	GL/UK/CM	day	month	year	Units	Category number	
		R20	3002	GL	31	12	2013	£000	001
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11						9	
	Claims incurred (22.17.4)	12						170	
	Claims management costs (22.18.4)	13						445	
	Adjustment for discounting (22.52.4)	14						5290	
	Increase in provision for unexpired risks (22.19.4)	15							
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses (22.42.4)	17						368	
	Balance of year's underwriting (11-12-13+14-15+16-17)	19						4315	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21							
	Claims incurred (22.13.4)	22				(683)		632	
	Claims management costs (22.14.4)	23				(369)		(632)	
	Adjustment for discounting (22.51.4)	24				(237)			
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses (22.41.4)	26				359			
	Balance (21-22-23+24+25-26)	29				456			
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31							
	Other technical income or charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49				456		4315	
Allocated investment income		51							
Transfer to non-technical account (49+51)		59				456		4315	

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total primary (direct) and facultative business

		Company registration number	GL/UK/CM	day	month	year	Units	Category number	
		R20	3002	GL	31	12	2013	£000	002
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11						
	Claims incurred (22.17.4)		12						256
	Claims management costs (22.18.4)		13						(97)
	Adjustment for discounting (22.52.4)		14						5290
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17						325
	Balance of year's underwriting (11-12-13+14-15+16-17)		19						4806
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		21						
	Claims incurred (22.13.4)		22				(661)		632
	Claims management costs (22.14.4)		23				(131)		(632)
	Adjustment for discounting (22.51.4)		24				(237)		
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26				322		
	Balance (21-22-23+24+25-26)		29				234		
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)			49				234		4806
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				234		4806

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total treaty reinsurance accepted business

		Company registration number	GL/UK/CM	day	month	year	Units	Category number	
		R20	3002	GL	31	12	2013	£000	003
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11					9	
	Claims incurred (22.17.4)		12					(86)	
	Claims management costs (22.18.4)		13					542	
	Adjustment for discounting (22.52.4)		14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17					44	
	Balance of year's underwriting (11-12-13+14-15+16-17)		19					(491)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		21						
	Claims incurred (22.13.4)		22				(21)		
	Claims management costs (22.14.4)		23				(238)		
	Adjustment for discounting (22.51.4)		24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26				37		
	Balance (21-22-23+24+25-26)		29				222		
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)			49				222	(491)	
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				222	(491)	

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total primary (direct) and facultative personal lines motor business

		Company registration number	GL/UK/CM	day	month	year	Units	Category number	
		R20	3002	GL	31	12	2013	£000	120
Items to be shown net of reinsurance				This financial year				Previous year	
				1				2	
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11						
	Claims incurred (22.17.4)		12						
	Claims management costs (22.18.4)		13						
	Adjustment for discounting (22.52.4)		14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17					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 (21.11.5)		21						
	Claims incurred (22.13.4)		22						
	Claims management costs (22.14.4)		23						
	Adjustment for discounting (22.51.4)		24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26						
	Balance (21-22-23+24+25-26)		29						
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31						
	Other technical income or 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 income			51						
Transfer to non-technical account (49+51)			59					(4)	

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total primary (direct) and facultative commercial lines liability business

		Company registration number	GL/UK/CM	day	month	year	Units	Category number	
		R20	3002	GL	31	12	2013	£000	270
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11						
	Claims incurred (22.17.4)		12					217	
	Claims management costs (22.18.4)		13					(91)	
	Adjustment for discounting (22.52.4)		14					5290	
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17					315	
	Balance of year's underwriting (11-12-13+14-15+16-17)		19						4849
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		21						
	Claims incurred (22.13.4)		22				(656)	1727	
	Claims management costs (22.14.4)		23				(140)		
	Adjustment for discounting (22.51.4)		24				(237)		
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26				319		
	Balance (21-22-23+24+25-26)		29				240	(1727)	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)			49				240	3122	
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				240	3122	

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Balance of all primary (direct) and facultative business

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	3002	GL	31	12	2013	£000	409
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11						
	Claims incurred (22.17.4)		12						40
	Claims management costs (22.18.4)		13						(6)
	Adjustment for discounting (22.52.4)		14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17						6
	Balance of year's underwriting (11-12-13+14-15+16-17)		19						(40)
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		21						
	Claims incurred (22.13.4)		22				(6)		(1095)
	Claims management costs (22.14.4)		23				8		(632)
	Adjustment for discounting (22.51.4)		24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26				3		
	Balance (21-22-23+24+25-26)		29				(5)		1727
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)			49				(5)		1687
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				(5)		1687

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total non-proportional treaty reinsurance business accepted

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	3002	GL	31	12	2013	£000	500
Items to be shown net of reinsurance			This financial year 1				Previous year 2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11						5	
	Claims incurred (22.17.4)	12						(31)	
	Claims management costs (22.18.4)	13						542	
	Adjustment for discounting (22.52.4)	14							
	Increase in provision for unexpired risks (22.19.4)	15							
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses (22.42.4)	17							
	Balance of year's underwriting (11-12-13+14-15+16-17)	19						(506)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21							
	Claims incurred (22.13.4)	22					(17)		
	Claims management costs (22.14.4)	23					(238)		
	Adjustment for discounting (22.51.4)	24							
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses (22.41.4)	26							
	Balance (21-22-23+24+25-26)	29					254		
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31							
	Other technical income or charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49					254	(506)	
Allocated investment income		51							
Transfer to non-technical account (49+51)		59					254	(506)	

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total proportional treaty reinsurance business accepted

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	3002	GL	31	12	2013	£000	600
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11						4
	Claims incurred (22.17.4)		12						(55)
	Claims management costs (22.18.4)		13						
	Adjustment for discounting (22.52.4)		14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17						44
	Balance of year's underwriting (11-12-13+14-15+16-17)		19						16
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		21						
	Claims incurred (22.13.4)		22				(4)		
	Claims management costs (22.14.4)		23						
	Adjustment for discounting (22.51.4)		24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26					37	
	Balance (21-22-23+24+25-26)		29					(32)	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)			49				(32)		16
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				(32)		16



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

Name of company BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	3002	GL	31	12	2013	£000	001
				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	43453		440		44468	1454	
	Reinsurers' share	12	7926		93		9970	2137	
	Net (11-12)	13	35528		347		34498	(683)	
	Claims management costs	14	8391		12		8009	(369)	
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			359			359	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29			359			359	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	5063				4856	(208)	
	Reinsurers' share	32							
	Claims management costs	33	227				198	(29)	
	Total (31-32+33)	39	5290				5053	(237)	
Split of line 29	Prior financial years	41			359			359	
	This financial year	42							
Split of line 39	Incidents occurring prior to this financial year	51	5290				5053	(237)	
	Incidents occurring in this financial year	52							

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

Name of company **BA (GI) Limited**

Global business

Financial year ended **31 December 2013****Total primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	3002	GL	31	12	2013	£000	002
				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		38285		363	39908	1987	
	Reinsurers' share	12		2835		14	5469	2648	
	Net (11-12)	13		35450		349	34439	(661)	
	Claims management costs	14		1471		26	1313	(131)	
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				322		322	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29				322		322	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31		5063			4856	(208)	
	Reinsurers' share	32							
	Claims management costs	33		227			198	(29)	
	Total (31-32+33)	39		5290			5053	(237)	
Split of line 29	Prior financial years	41				322		322	
	This financial year	42							
Split of line 39	Incidents occurring prior to this financial year	51		5290			5053	(237)	
	Incidents occurring in this financial year	52							

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

Name of company BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total treaty reinsurance accepted business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	3002	GL	31	12	2013	£000	003
				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	5169		77		4559	(532)	
	Reinsurers' share	12	5091		79		4501	(511)	
	Net (11-12)	13	77		(3)		59	(21)	
	Claims management costs	14	6920		(14)		6696	(238)	
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			37			37	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29			37			37	
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			37			37	
	This financial year	42							
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 claims, expenses and technical provisions

Name of company BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total primary (direct) and facultative personal lines motor business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	3002	GL	31	12	2013	£000	120
				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	430		6			(424)	
	Reinsurers' share	12	430		6			(424)	
	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							

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

Name of company BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total primary (direct) and facultative commercial lines liability business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	3002	GL	31	12	2013	£000	270
				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		37134	353		39551	2771	
	Reinsurers' share	12		1812	2		5236	3427	
	Net (11-12)	13		35322	352		34315	(656)	
	Claims management costs	14		1471	18		1313	(140)	
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			319			319	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29			319			319	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31		5063			4856	(208)	
	Reinsurers' share	32							
	Claims management costs	33		227			198	(29)	
	Total (31-32+33)	39		5290			5053	(237)	
Split of line 29	Prior financial years	41			319			319	
	This financial year	42							
Split of line 39	Incidents occurring prior to this financial year	51		5290			5053	(237)	
	Incidents occurring in this financial year	52							

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

Name of company BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Balance of all primary (direct) and facultative business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	3002	GL	31	12	2013	£000	409
				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	721		4		357	(361)	
	Reinsurers' share	12	593			6	232	(355)	
	Net (11-12)	13	128			(2)	125	(6)	
	Claims management costs	14				8		8	
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				3		3	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29				3		3	
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				3		3	
	This financial year	42							
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 claims, expenses and technical provisions

Name of company **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

## Total non-proportional treaty reinsurance business accepted

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	3002	GL	31	12	2013	£000	500
				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	16	(3)	3	(17)			
	Reinsurers' share	12							
	Net (11-12)	13	16	(3)	3	(17)			
	Claims management costs	14	6920	(14)	6696	(238)			
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							

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

Name of company BA (GI) Limited

Global business

Financial year ended 31 December 2013

## Total proportional treaty reinsurance business accepted

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	3002	GL	31	12	2013	£000	600
				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	5153		80		4557	(515)	
	Reinsurers' share	12	5091		79		4501	(511)	
	Net (11-12)	13	61		1		56	(4)	
	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			37			37	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29				37		37	
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				37		37	
	This financial year	42							
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 **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

**Total business**

Accident year ended	Month	Year	Company registration number										Units	Category number			
			R23	3002	GL	31	12	2013	£000	001							
			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 forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %	
			1	2	3	4	5	6	7	8	9	10	11	12	13		
12	2013	11															
12	2012	12	(33631)	33801		347	1721	31140	1378	32423	(593)	4856		9	(1.8)	(4958.2)	
12	2011	13															
12	2010	14															
12	2009	15															
12	2008	16															
12	2007	17															
12	2006	18															
12	2005	19															
12	2004	20															
Prior accident years							5	1632	95	1632	(90)						
Reconciliation																	
Total (11 to 22)						347	1726	32772	1473	34055	(663)	4856					

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

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

Total primary (direct) and facultative business

Accident year ended	Month	Year	Claims paid (net) during the accident year			Claims outstanding (net) as at the 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 forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6+7+8)	Deduction for discounting from claims outstanding carried forward (net)	Eamed premiums (net)			Deterioration/ (surplus) of original claims reserve %	Claims ratio %
			1	2	3				4	5			6	7	8		
12	2013	11															
12	2012	12	(33467)	33723			349	1706	1357	32367	4856						(1.7)
12	2011	13															
12	2010	14															
12	2009	15															
12	2008	16															
12	2007	17															
12	2006	18															
12	2005	19															
12	2004	20															
Prior accident years								5	1632	1632	(90)						
Reconciliation																	
Total ('11 to 22)							349	1711	1452	33999	4856						

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

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

Total treaty reinsurance accepted business

Accident year ended	Company registration number										GL/UK/CM			day month year			Units	Category number								
	R23		3002		GL		31		12		2013		£000		003											
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		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)		Deduction for discounting from claims carried forward (net)		Earned premiums (net)		Deterioration/ (surplus) of original claims reserve %		Claims ratio %				
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
12	2013	11																								
12	2012	12	(163)	77	(3)	15	44	21	56	(21)																
12	2011	13																								
12	2010	14																								
12	2009	15																								
12	2008	16																								
12	2007	17																								
12	2006	18																								
12	2005	19																								
12	2004	20																								
Prior accident years		21																								
Reconciliation		22																								
Total (11 to 22)		29			(3)	15	44	21	56	(21)																

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

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

Total primary (direct) and facultative commercial lines liability business

Accident year ended	Month	Year	Company registration number											GL	day month year			Units	Category number
			R23		3002		GL		31		12		2013		£000		270		
			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		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %					
			1	2	3	4	5	6	7	8	9	10	11	12					
				Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)								
12	2013	11																	
12	2012	12	(33378)	33595		352	1706	30972	1357	32238	(586)	4856			(1.7)				
12	2011	13																	
12	2010	14																	
12	2009	15																	
12	2008	16																	
12	2007	17																	
12	2006	18																	
12	2005	19																	
12	2004	20																	
Prior accident years							5	1632	95	1632	(90)								
Reconciliation																			
Total (11 to 22)						352	1711	32604	1452	33870	(656)	4856							

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

Name of insurer **BA (GI) Limited**

Global business

Financial year ended **31 December 2013**

**Balance of all primary (direct) and facultative business**

Accident year ended	Month	Year	Company registration number		GL/UK/CM	day month year			Units	Category number					
			R23	3002		GL	31	12			2013	£000	409		
			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	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration (surplus) of original claims reserve %	Claims ratio %		
			1	2	3	4	5	6	7	8	9	10	11	12	13
				Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)				
12	2013	11													
12	2012	12	(89)	128		(2)		125		128	(6)			(4.5)	
12	2011	13													
12	2010	14													
12	2009	15													
12	2008	16													
12	2007	17													
12	2006	18													
12	2005	19													
12	2004	20													
Prior accident years															
Reconciliation															
Total (11 to 22)						(2)		125		128	(6)				

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

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

Total non-proportional treaty reinsurance business accepted

Accident year ended	Company registration number		GL/UK/CM		day month year		Units	Category number						
	R23	3002	GL	31 12 2013	£000	500								
Month	Year	Claims outstanding brought forward		Claims incurred (latest year) or developed during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %						
		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
12	2013	11												
12	2012	12	16		(3)	1	2	5	11	(17)		5	(105.6)	(1008.2)
12	2011	13												
12	2010	14												
12	2009	15												
12	2008	16												
12	2007	17												
12	2006	18												
12	2005	19												
12	2004	20												
Prior accident years		21												
Reconciliation		22												
Total (11 to 22)		29			(3)	1	2	5	11	(17)				

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

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

Total proportional treaty reinsurance business accepted

Accident year ended	Month	Year	Company registration number										Units	Category number		
			R23		3002		GL		GL		2013				£000	Claims ratio %
			Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed during this financial year (4+5+6-7-8)		Deduction for discounting from claims outstanding carried forward (net)		Earned premiums (net)		Deterioration/ (surplus) of original claims reserve %			
			Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	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	14
12	2013	11														
12	2012	12	(117)	61		1	14	42	16	45	(4)			4	(7.0)	(1570.9)
12	2011	13														
12	2010	14														
12	2009	15														
12	2008	16														
12	2007	17														
12	2006	18														
12	2005	19														
12	2004	20														
Prior accident years																
Reconciliation																
Total (11 to 22)						1	14	42	16	45	(4)					

General insurance business : Expected income and yield from admissible assets covering discounted provisions

Name of insurer BA (GI) Limited

Global business

Financial year ended 31 December 2013

Company registration number 3002  
GL/UK/CM  
day month year 31 12 2013  
Units

Major currencies	Reporting territory code	Total admissible assets as shown on Form 13	Admissible assets hypothecated to cover the provision for outstanding claims being discounted	Expected income from assets included in column 2	Yield %	Technical provisions	Provision for outstanding claims being discounted		Unwind in the discount in the next financial year	GL	Rates of interest at which the provision is being discounted		£000
							Before deduction for discounting	Deduction for discounting			Highest	Lowest	
		1	2	3	4	5	6	7	8	9	10	11	
Sterling	AA	56001	27337	246	0.9	34488	32390	5053	410	1.5	1.5	1.5	
		12											
		13											
		14											
		15											
		16											
		17											
		18											
		19											
		20											
Other currencies		21											
Total		29	56001	27337		34488	32390	5053	410				



General insurance business : Expected income and yield from admissible assets covering discounted provisions

Name of insurer BA (GI) Limited  
 Global business  
 Financial year ended 31 December 2013

Type of asset	R30	Company registration number	GL/UK/CIW	day month year		Units
				31 12	2013	
	3002	GL	2	3	4	£000
	Value of admissible assets as shown on Form 13	Admissible assets hypothecated to cover the provision for outstanding claims being discounted	Expected income from assets included in column 2	Yield %		
Land and buildings	31					
Fixed interest securities	32	50528	27337	246	0.9	
	33					
Variable interest and variable yield securities (excluding items shown at line 36)	34					
	35					
Equity shares and holdings in collective investment schemes	36	4865				
Loans secured by mortgages	37					
All other assets	38	38				
	39	570				
Total	49	56001	27337	246	0.9	

## Returns under the Accounts and Statements Rules

### Supplementary Notes

#### BA (GI) Limited

#### Global business

Financial year ended 31 December 2013

#### Notes to Appendix 9.1

##### \*0101\* Modification to the Return in respect of general insurance business

The Prudential Regulatory Authority ("PRA"), on the application of the firm, made a direction in September 2013 under section 138 of the Act. The effect of the direction is to exclude Forms 26 to 29, 31, 32 and 34 from the firm's returns.

##### \*0301\* Reconciliation of net admissible assets to total capital resources after deductions

	2013	2012
	£'000	£'000
Admissible assets – Form 13 line 89	65,971	69,331
Less liabilities - Form 15 line 69	(53,268)	(57,136)
Net admissible assets	<u>12,703</u>	<u>12,195</u>
Capital resources after deductions – Form 3 line 79	<u>12,703</u>	<u>12,195</u>

##### \*0313\* Reconciliation of the movement in profit and loss account and other reserves

	2013
	£'000
Profit and loss account and other reserves – Form 3 line 12 column 4	17,435
Profit and loss account and other reserves – Form 3 line 12 column 3	<u>17,706</u>
Movement	271
Represented by:	
Profit or loss retained for the financial year – Form 16 line 59	<u>271</u>

##### \*1305\* Maximum counterparty limits

The investment guidelines in force during the year state that exposure to any one counterparty shall be subject to the following upper limits:-

- (i) Exposure (excluding short term deposits) to any counterparty to be not more than 5% of the business amount.
- (ii) Exposure (including short term deposits) to any approved counterparty to be not more than 10% of the business amount.

There were no breaches of the guidelines during the financial year.

## Returns under the Accounts and Statements Rules

### Supplementary Notes

#### BA (GI) Limited

#### Global business

Financial year ended 31 December 2013

#### Notes to Appendix 9.1 (continued)

##### \*1501\* Provision for reasonably foreseeable adverse variations

The Company does not have any obligations that would give rise to a provision for reasonably foreseeable adverse variations under INSPRU 3.2.17R to 3.2.18R and does not own any assets that would give rise to valuation adjustments or reserves under GENPRU 1.3.30R to 1.3.33R.

##### \*1502\* Contingent liabilities

- (a) There are no charges over assets.
- (b) There is no potential liability to taxation on capital gains which might arise if the insurer disposed of the assets of the other than long term business.
- (c) There are no contingent liabilities.
- (d) The insurer has no guarantees, indemnities or other contractual commitments other than those affected by the insurer in the ordinary course of its insurance business, in respect of the existing or future liabilities of related companies.
- (e) The uncertainty in the returns principally arises in respect of the long tail insurance liabilities of the Company. The technical provisions include provisions for claims reported and claims incurred but not reported.

In addition to the inherent uncertainty of having to make provision for future events, there is also considerable uncertainty with regard to the eventual outcome of the claims that have occurred by the period end but remain unsettled. This includes claims that may have occurred but have not yet been notified to the Company and those that are not yet apparent to the insured.

The provision for claims handling costs makes full allowance for the future costs of administering the run-off of the Company's liability. Once again, there is uncertainty as to the precise level of these costs to be incurred in the future.

As a consequence of this uncertainty, estimation techniques need to be applied to determine the appropriate provisions.

Due to the historic diversity of issued general insurance policies and taking into account the legal and regulatory environment for hazardous risks, it is possible that additional claims could emerge from long tail (ie 40 to 50 years) unexpired risks albeit it is not possible to predict the quantum, location or timing of such occurrences.

The estimation of the provisions for the ultimate cost of claims for asbestos and environmental pollution is subject to a range of uncertainties that is generally greater than those encountered for other classes of insurance business, both in terms of the number of claims and size of the claim values. There is also a risk of unfavourable legal and regulatory changes in the future. As a consequence of this uncertainty the eventual costs of settlement of outstanding claims and unexpired risks can vary substantially from the current estimates.

## Returns under the Accounts and Statements Rules

### Supplementary Notes

#### BA (GI) Limited

#### Global business

Financial year ended 31 December 2013

#### Notes to Appendix 9.1 (continued)

The provision for the future claims payments has primarily been assessed in accordance with actuarial methods projecting the number and amount of claims separately. Where there is a notable exposure to long-term asbestos, pollution and health hazard liabilities, the Company has recognised a prudent best estimate provided by the Company's external independent actuaries. An appropriate prudential margin is also applied to certain lines of business as it is recognised that the estimation of certain future claim payments is an inherently uncertain exercise and future experience could be more adverse.

For portfolios with minor deviations in experience during the year, the reserving is based on best estimates calculated in previous periods with appropriate roll forward adjustments made for the intervening period. Meanwhile, where statistical information is limited for selected small portfolios, a judgemental reserving approach has been adopted. This increases the uncertainty in the calculation of the reserves at the reporting date.

#### \*1601\* Basis of conversion of foreign currency

Assets and liabilities denominated in foreign currencies are translated into sterling at rates ruling at the year end. Transactions in foreign currencies are translated at the prevailing rate at the date of the transaction. For monetary assets and liabilities the resulting exchange adjustments are included within the profit and loss account (non-technical account).

#### \*1603\* Other income and charges

The amount of £11,291k during 2012 arose due to a transfer of business to the Company from Phoenix Life Assurance Limited (previously Pearl Assurance Limited) under Part VII of the Financial Services and Markets Act 2000. This amount is the excess of the value of assets transferred over the value of the liabilities assumed on the transfer of business.

#### \*1700\* Analysis of derivative contracts

Form 17 has been omitted because all entries are blank.

#### \*20Ae\* Category 002 facultative reinsurance business

The Company has no facultative reinsurance business included in Form 20A.

#### \*20Ag\* Analysis of gross premium written

All premiums relate to UK business.

#### \*20Aj\* No new contracts effected

The Company has not transacted any new contracts under any of the authorisation classes.

## Returns under the Accounts and Statements Rules

### Supplementary Notes

BA (GI) Limited

Global business

Financial year ended 31 December 2013

### Notes to Appendix 9.1 (continued)

#### \*2100\* Premiums

Form 21 has been omitted because all entries are blank.

#### \*2102\* Unearned premiums

There were no unearned premiums during the year.

#### \*2202\* Claims management expenses

Claims management expenses paid are calculated by reference to the direct costs of handling claims incurred during the year suitably loaded for estimated overheads and management costs. Carried forward claims management costs are based on the estimated direct costs of settling outstanding claims also loaded for estimated overheads and management costs.

The Company ceased underwriting new general business in 2002 and continues to manage the residual liabilities arising from business written before that date. The carried forward claims management costs represent all costs expected to be incurred during the run-off of the business.

#### \*2203\* Discounted claims management expense provisions

Provisions for claims management costs associated specifically with Employers Liability and Public and Products Liability business have been discounted using a rate of interest of 1.50% and an expected interval to settlement date of 10.0 years.

#### \*2204\* Acquisition expenses

No acquisition costs were incurred during the year.

#### \*3001\* Yield

In calculating the yield, consideration has been given to the expected income that will be earned from the hypothecated admissible assets adjusted for projected realisations to meet future claims.

#### \*3003\* Discounting methods

The risk categories where an adjustment has taken place are:-

Combined Category	Risk Category	Rate of Interest	Expected interval to settlement date
Primary (direct) and facultative commercial lines business			
Employers Liability	271	1.50%	9.9 years
Public and Products Liability	273	1.50%	9.3 years

**Returns under the Accounts and Statements Rules**

**Supplementary Notes**

**BA (GI) Limited**

**Global business**

**Financial year ended 31 December 2013**

**Notes to Appendix 9.1 (continued)**

**Methodology used:**

In calculating the technical provisions in respect of long term UK Industrial disease business the future investment income on the assets held to cover the related provisions has been taken into account by discounting future cash flows. The average period before the undiscounted liability will be settled has been estimated at 9.9 years (2012: 10.6 years) and the provision has been discounted at an interest rate of 1.5% (2012: 1.5%).

The technical provisions for future claims payments have primarily been assessed consistent with actuarial methods projecting numbers and amounts of claims separately. Where there is a notable exposure to long term asbestos, pollution and health hazard liabilities, external independent actuaries provide best estimate benchmarks. An appropriate prudential margin is applied to certain lines of business, as it is recognised that the estimation of certain future claims payments is an inherently uncertain exercise and future experience could be more adverse.

\*3700\* & \*3800\* & \*3900\*          Omission of Forms 37, 38 & 39

Forms 37, 38 and 39 have been omitted because all entries are blank.

Returns Under the Accounts and Statements Rules  
Statement of major treaty reinsurers required by rule 9.25

BA (GI) Limited

Global business

Financial year ended 31 December 2013

Full name of major reinsurer	Address	Details of connection (if any)	Proportional Treaty premiums paid in the financial year £000	Non Proportional Treaty premiums paid in the financial year £000	Debtor included at Line 75 of Form 13 £000	Deposits received included at Line 31 of Form 15 £000	Anticipated recoveries included at Line 61 of Form 13 £000
Churchill Insurance Company Limited	Churchill Court Westmoreland Road Bromley Kent BR2 1DP	None					5,469
Swiss Re Europe	Swiss Re Europe S.A., Niederlassung Deutschland Dieselstraße 11, 85774 Unterföhring bei München Germany	None					4,501
National Indemnity Company	3024 Hamey Street Omaha Nebraska 68131	None					-
European International Reinsurance Company	Chancery House High Street Bridgetown Barbados West Indies	None					-

**Returns under the Accounts and Statements Rules**

**Statement of major facultative reinsurers required by rule 9.26**

**BA (GI) Limited**

**Global business**

**Financial year ended 31 December 2013**

The Company has no major facultative reinsurer.



**Returns under the Accounts and Statements Rules**

**Statement of major general business reinsurance cedants required by rule 9.27**

**BA (GI) Limited**

**Global business**

**Financial year ended 31 December 2013**

The Company has no major reinsurance cedants.

**Returns under the Accounts and Statements Rules**

**Statement of additional information on general insurance business ceded required by rule 9.32**

**BA (GI) Limited**

**Global business**

**Financial year ended 31 December 2013**

The non facultative reinsurance relationships in existence at year-end were transferred to the Company on 31 March 2012, under Part VII of the Financial Services and Markets Act 2000, from Phoenix Life Assurance Limited (previously Pearl Assurance Limited).

All policy terms had expired prior to the start of the present financial year, and there was therefore no maximum net probable loss arising in respect of exposure in 2013.

There were no reinsurance premiums payable during the financial year.

**Returns under the Accounts and Statements Rules**

**Statement of additional information on financial reinsurance and financing arrangements required by rule 9.32A**

**BA (GI) Limited**

**Global business**

**Financial year ended 31 December 2013**

The insurer has no contracts of insurance under which general insurance business has been ceded which meet the conditions in rule 9.32A (2).

The determination of whether a contract of insurance meets one or both of the conditions in 9.32A (2) is arrived at after taking appropriate internal and external advice regarding the value placed on future payments in respect of each contract relative to the economic value provided by that contract. Information gathered from ongoing monitoring of the reinsurers' financial position for each contract of insurance is also brought into consideration.

**Returns under the Accounts and Statements Rules**

**Statement of additional information on derivative contracts required by rule 9.29**

**BA (GI) Limited**

**Global business**

**Financial year ended 31 December 2013**

The investment guidelines do not permit the Company to enter into any derivative contracts and it has not been a party to any such contracts during 2013.

## **Returns under the Accounts and Statements Rules**

### **Statement of additional information on controllers required by rule 9.30**

#### **BA (GI) Limited**

##### **Global Business**

##### **Financial year ended 31 December 2013**

The persons who, to the knowledge of the insurer, have been controllers at any time during the financial year were:

- a) Pearl Life Holdings Limited;
- b) Impala Holdings Limited;
- c) Pearl Group Holdings (No. 2) Limited;
- d) Phoenix Life Holdings Limited;
- e) PGH (LCA) Limited;
- f) PGH (LCB) Limited;
- g) PGH (LC1) Limited;
- h) PGH (LC2) Limited;
- i) PGH (MC1) Limited;
- j) PGH (MC2) Limited;
- k) PGH (TC1) Limited;
- l) PGH (TC2) Limited;
- m) Phoenix Group Holdings;
- n) Jambright Limited #;
- o) TDR Capital Nominees Limited #; and
- p) TDR Capital LLP #

# ceased to be a controller of the insurer on 10 December 2013

In relation to each such person, the information required to be disclosed pursuant to rule 9.30 (b) is as follows:

#### **1. Pearl Life Holdings Limited**

As at 31 December 2013, Pearl Life Holdings Limited held 100% of the issued share capital of BA (GI) Limited and, to the knowledge of the insurer, was entitled at the end of the financial year to exercise 100% of the voting power at any general meeting of BA (GI) Limited.

#### **2. Impala Holdings Limited**

As at 31 December 2013, Impala Holdings Limited held 100% of the issued share capital of Pearl Life Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking, and, to the knowledge of the insurer, was entitled at the end of the financial year to exercise 100% of the voting power at any general meeting of Pearl Life Holdings Limited.

#### **3. Pearl Group Holdings (No. 2) Limited**

As at 31 December 2013, Pearl Group Holdings (No. 2) Limited held 75% of the issued share capital of Impala Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking, and, to the knowledge of the insurer, was entitled at the end of the financial year to exercise 75% of the voting power at any general meeting of Impala Holdings Limited.

## **Returns under the Accounts and Statements Rules**

### **Statement of additional information on controllers required by rule 9.30**

#### **BA (GI) Limited**

##### **Global Business**

##### **Financial year ended 31 December 2013**

(continued)

#### **4. Phoenix Life Holdings Limited**

As at 31 December 2013, Phoenix Life Holdings Limited held 100% of the issued share capital of Pearl Group Holdings (No. 2) Limited, a company of which BA (GI) Limited is a subsidiary undertaking, and, to the knowledge of the insurer, was entitled at the end of the financial year to exercise 100% of the voting power at any general meeting of Pearl Group Holdings (No. 2) Limited.

#### **5. PGH (LCA) Limited**

As at 31 December 2013, PGH (LCA) Limited held 50% of the issued share capital of Phoenix Life Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking, and, to the knowledge of the insurer, was entitled at the end of the financial year to exercise 50% of the voting power at any general meeting of Phoenix Life Holdings Limited.

#### **6. PGH (LCB) Limited**

As at 31 December 2013, PGH (LCB) Limited held 50% of the issued share capital of Phoenix Life Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking, and, to the knowledge of the insurer, was entitled at the end of the financial year to exercise 50% of the voting power at any general meeting of Phoenix Life Holdings Limited.

#### **7. PGH (LC1) Limited**

As at 31 December 2013, PGH (LC1) Limited held 12.5% of the issued share capital of Impala Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking, and, to the knowledge of the insurer, was entitled at the end of the financial year to exercise 12.5% of the voting power at any general meeting of Impala Holdings Limited.

#### **8. PGH (LC2) Limited**

As at 31 December 2013, PGH (LC2) Limited held 12.5% of the issued share capital of Impala Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking, and, to the knowledge of the insurer, was entitled at the end of the financial year to exercise 12.5% of the voting power at any general meeting of Impala Holdings Limited.

#### **9. PGH (MC1) Limited**

As at 31 December 2013, PGH (MC1) Limited held 100% of the issued share capital of PGH (LC1) Limited which in turn held 12.5% of the issued share capital of Impala Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking. At the end of the financial year, to the knowledge of the insurer, PGH (MC1) Limited was not entitled to exercise, or control the exercise of, any voting power at any general meeting of BA (GI) Limited or another company of which BA (GI) Limited is a subsidiary undertaking.

## **Returns under the Accounts and Statements Rules**

### **Statement of additional information on controllers required by rule 9.30**

#### **BA (GI) Limited**

##### **Global Business**

##### **Financial year ended 31 December 2013**

(continued)

#### **10. PGH (MC2) Limited**

As at 31 December 2013, PGH (MC2) Limited held 100% of the issued share capital of PGH (LC2) Limited which in turn held 12.5% of the issued share capital of Impala Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking. At the end of the financial year, to the knowledge of the insurer, PGH (MC2) Limited was not entitled to exercise, or control the exercise of, any voting power at any general meeting of BA (GI) Limited or another company of which BA (GI) Limited is a subsidiary undertaking.

#### **11. PGH (TC1) Limited**

As at 31 December 2013, PGH (TC1) Limited held 100% of the issued share capital of PGH (MC1) Limited which in turn held 100% of the issued share capital of PGH (LC1) Limited which in turn held 12.5% of the issued share capital of Impala Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking. At the end of the financial year, to the knowledge of the insurer, PGH (TC1) Limited was not entitled to exercise, or control the exercise of, any voting power at any general meeting of BA (GI) Limited or another company of which BA (GI) Limited is a subsidiary undertaking.

#### **12. PGH (TC2) Limited**

As at 31 December 2013, PGH (TC2) Limited held 100% of the issued share capital of PGH (MC2) Limited which in turn held 100% of the issued share capital of PGH (LC2) Limited which in turn held 12.5% of the issued share capital of Impala Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking. At the end of the financial year, to the knowledge of the insurer, PGH (TC2) Limited was not entitled to exercise, or control the exercise of, any voting power at any general meeting of BA (GI) Limited or another company of which BA (GI) Limited is a subsidiary undertaking.

#### **13. Phoenix Group Holdings**

As at 31 December 2013, Phoenix Group Holdings held 100% of the issued share capital of PGH (LCA) Limited, PGH (LCB) Limited, PGH (TC1) Limited and PGH (TC2) Limited, which between them indirectly held 100% of the ordinary shares of Impala Holdings Limited, a company of which BA (GI) Limited is a subsidiary undertaking. At the end of the financial year, to the knowledge of the insurer, Phoenix Group Holdings was not entitled to exercise, or control the exercise of, any voting power at any general meeting of BA (GI) Limited or another company of which BA (GI) Limited is a subsidiary undertaking.

#### **14. Jambright Limited**

As at 31 December 2013, Jambright Limited, which is an associate of TDR Capital LLP within the meaning of the Financial Services and Markets Act 2000 by virtue of being a subsidiary undertaking, held 0.93% of the issued share capital of Phoenix Group Holdings, a company of which BA (GI) Limited is a subsidiary undertaking. At the end of the financial year, to the knowledge of the insurer, Jambright Limited was entitled to exercise 0.93% of the voting power at any general meeting of Phoenix Group Holdings.

## **Returns under the Accounts and Statements Rules**

### **Statement of additional information on controllers required by rule 9.30**

#### **BA (GI) Limited**

##### **Global Business**

##### **Financial year ended 31 December 2013**

(continued)

#### **15. TDR Capital Nominees Limited**

As at 31 December 2013, TDR Capital Nominees Limited, which is an associate of TDR Capital LLP within the meaning of the Financial Services and Markets Act 2000 by virtue of being a subsidiary undertaking, directly held the legal title to 5.27% of the issued share capital of Phoenix Group Holdings, a company of which BA (GI) Limited is a subsidiary undertaking.

In addition, to the knowledge of the insurer, as at 31 December 2013, TDR Capital Nominees Limited's ownership of the legal title to 91.7% of the issued share capital of Jambright Limited, ultimately entitled them to the 0.93% interest in the issued share capital of Phoenix Group Holdings held by Jambright Limited.

On this basis, as at 31 December 2013, TDR Capital Nominees Limited's overall interest in the issued share capital of Phoenix Group Holdings, a company of which BA (GI) Limited is a subsidiary undertaking, amounted to 6%.

At the end of the financial year, to the knowledge of the insurer, TDR Capital Nominees Limited was entitled to exercise, or control the exercise of, 6% of the voting power at any general meeting of Phoenix Group Holdings.

#### **16. TDR Capital LLP**

As at 31 December 2013, TDR Capital Nominees Limited, which is an associate of TDR Capital LLP within the meaning of the Financial Services and Markets Act 2000 by virtue of being a subsidiary undertaking of TDR Capital LLP, in aggregate held 6% of the issued share capital of Phoenix Group Holdings, a company of which BA (GI) Limited is a subsidiary undertaking. At the end of the financial year, to the knowledge of the insurer, TDR Capital LLP was entitled to control the exercise of 6% of the voting power at any general meeting of Phoenix Group Holdings.



**Returns under the Accounts and Statements Rules**

**Certificate required by rule 9.34(1)**

**BA (GI) Limited**

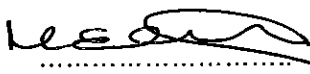
**Global business**

**Financial year ended 31 December 2013**


We certify that:

- (1) the return has been properly prepared in accordance with the requirements in IPRU(INS), GENPRU and INSPRU as modified by the waiver in supplementary note 0101; and
- (2) we are satisfied, that:
  - (i) throughout the financial year, the insurer has complied in all material respects with the requirements in SYSC and PRIN as well as the provisions of IPRU(INS), GENPRU and INSPRU; and
  - (ii) it is reasonable to believe that the insurer has continued so to comply subsequently, and will continue so to comply in future.


M Ellis

  
.....  
Director

J E MacLeod

  
.....  
Director

G A Watson

  
.....  
For and on behalf of  
Pearl Group Secretariat  
Services Limited  
Company Secretary

Date: 11 March 2014

## **Returns under the Accounts and Statements Rules**

### **Independent auditor's report to the directors pursuant to rule 9.35 of the Interim Prudential Sourcebook for Insurers**

**BA (GI) Limited**

**Global business**

**Financial year ended 31 December 2013**

We have audited the following documents prepared by the insurer pursuant to the Accounts and Statements Rules set out in Part I and Part IV of Chapter 9 to IPRU(INS) the Interim Prudential Sourcebook for Insurers, GENPRU the General Prudential Sourcebook and INSPRU the Prudential Sourcebook for Insurers ("the Rules") made by the Prudential Regulation Authority under section 137G of the Financial Services and Markets Act 2000:

- Forms 1, 3, 11 to 13, 15, 16, 20A, 20, 22, 23 and 30 (including the supplementary notes) ("the Forms"); and
- the statements required by IPRU(INS) rules 9.25, 9.26, 9.27 and 9.29 ("the statements").

We are not required to audit and do not express an opinion on:

- the statements required by IPRU(INS) rules 9.30, 9.32 and 9.32A; and
- the certificate required by IPRU(INS) rule 9.34(1).

This report is made solely to the insurer's Directors, in accordance with IPRU(INS) rule 9.35. Our audit work has been undertaken so that we might state to the insurer's Directors those matters we are required by the Rules to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the insurer for our audit work, for this report, or for the opinion we have formed.

### **Respective responsibilities of the insurer and its auditors**

The insurer is responsible for the preparation of an annual return (including the Forms and the statements) under the provisions of the Rules. The requirements of the Rules have been modified by the direction on 3 September 2013 made by the Prudential Regulation Authority under section 138A of the Financial Services and Markets Act 2000 and referred to in supplementary note 0101. Under IPRU(INS) rule 9.11 the Forms and the statements are required to be prepared in the manner specified by the Rules 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 the statements meet these requirements, and to report our opinion to you. We are also required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Forms and the statements are not in agreement with the accounting records and returns; or
- we have not received all the information we require for our audit.

### **Basis of opinion**

We conducted our work in accordance with Practice Note 20 'The audit of insurers in the United Kingdom (revised)' issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the

## Returns under the Accounts and Statements Rules

### Independent auditor's report to the directors pursuant to rule 9.35 of the Interim Prudential Sourcebook for Insurers

BA (GI) Limited

Global business

Financial year ended 31 December 2013

Forms and the statements. The evidence included that previously obtained by us relating to the audit of the financial statements of the insurer for the financial year on which we reported on 14 March 2014. It also included an assessment of the significant estimates and judgments made by the insurer in the preparation of the Forms and the 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 the statements are free from material misstatement, whether caused by fraud or other irregularity or error, and comply with IPRU(INS) rule 9.11.

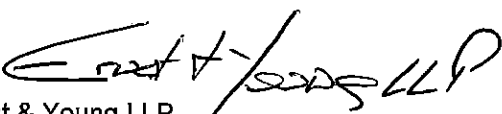
#### Emphasis of matter – provision for outstanding claims

In forming our opinion, which is not modified, we have considered the adequacy of the disclosures made in the return concerning the quantification of insurance contract liabilities. The Directors consider that the provision for insurance contract liabilities is fairly stated on the basis of the information currently available to them. However, the ultimate estimate of the insurance contract liabilities is subject to significant uncertainty and may differ materially from the estimate that is currently provided in the financial statements. Details of the circumstances relating to this fundamental uncertainty are described in note 1502 (e).

In our opinion the above is material in determining whether the insurer has available assets in excess of its capital resources.

#### Opinion

In our opinion the Forms and the statements fairly state the information provided on the basis required by the Rules as modified and have been properly prepared in accordance with the provisions of those Rules.

  
Ernst & Young LLP

Statutory Auditor

London

14 March 2014