

Prudential Holborn Life Limited

Incorporated in England and Wales Registered No. 793051
121 Kings Road, Reading RG1 3ES
Registered Office 142 Holborn Bars, London EC1 2NH

**Annual FSA Insurance Returns for the year ended
31st December 2004**



(Appendices 9.1 , 9.3 , 9.4 , 9.6)

Prudential Holborn Life Limited

Year ended 31st December 2004

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Statement of solvency - long-term insurance businessName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**

Solo solvency calculation

Financial year ended 31st December 2004							
Solo solvency calculation	Company registration number	GL/UK/CM	Period ended			Units	
			day	month	year		
	R2	793051	GL	31	12	2004	£000
			As at end of this financial year	As at end of the previous year			
		1	2				

Capital resources

Capital resources arising within the long-term insurance fund	11		
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	12	10651	
Capital resources available to cover long-term insurance business capital resources requirement (11+12)	13	10651	

Guarantee Fund

Guarantee Fund requirement	21	2087	
Excess (deficiency) of available capital resources to cover guarantee Fund requirement	22	8564	

Minimum capital requirement (MCR)

Long-term insurance capital requirement	31	4355	
Resilience capital requirement	32	372	
Base capital resources requirement	33	2087	
Minimum capital requirement	34	4727	
Excess (deficiency) of available capital resources to cover 50% of MCR	35	8288	
Excess (deficiency) of available capital resources to cover 75% of MCR	36	7106	

Enhanced capital requirement

With-profits insurance capital component	37		
Enhanced capital requirement	38	4727	

Capital resources requirement (CRR)

Capital resources requirement (greater of 34 and 38)	41	4727	
Excess (deficiency) of available capital resources to cover long-term insurance business CRR (13-41)	42	5924	

Contingent liabilities

Quantifiable contingent liabilities in respect of long-term insurance business as shown in a supplementary note to Form 14	51		
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Covering sheet to Form 2

Name of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**

..... **G M Wood** **Chief Executive**

..... **D J Belsham** **Director**

..... **R C Everett** **Director**

London, 24 March 2005

Components of capital resourcesName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**

	Company registration number	GL/UK/CM	Period ended			Units	
			day	month	year		
	R3	793051	GL	31	12	2004	£000
	General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3			As at the end of the previous year 4	

Core tier one capital

Permanent share capital	11		11000	11000	
Profit and loss account and other reserves	12		21720	21720	
Share premium account	13				
Positive valuation differences	14				
Fund for future appropriations	15				
Core tier one in related undertakings	16				
Core tier one capital (sum of 11 to 16)	19		32720	32720	

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

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				

Total tier one capital before deductions (19+24+25+26+27+28)	31		32720	32720	
Investments in own shares	32				
Intangible assets	33				
Amounts deducted from technical provisions for discounting	34				
Other negative valuation differences	35		22069	22069	
Deductions in related undertakings	36				
Deductions from tier one (32 to 36)	37		22069	22069	
Total tier one capital after deductions (31-37)	39		10651	10651	

Components of capital resourcesName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**

	R3	Company registration number 793051	GL/UK/CM GL	Period ended			Units £000
				day	month	year	
				31	12	2004	
		General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3		As at the end of the previous year 4	

Tier two capital

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

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

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

Components of capital resourcesName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**

	Company registration number	GL/UK/CM	Period ended			Units
			day	month	year	
R3	793051	GL	31	12	2004	£000
	General insurance Business 1	Long-Term insurance Business 2	Total as at the end of this financial year 3			As at the end of the previous year 4

Total capital resources

Positive adjustments for regulated non-insurance related undertakings	71				
Total capital resources before deductions (39+69+71)	72		10651	10651	
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				
Total deductions of ineligible surplus	77				
Total capital resources after deductions (72-73-74-76-77)	79		10651	10651	

Available capital resources for PRU tests

Available capital resources for guarantee fund requirement	81		10651	10651	
Available capital resources for 50% MCR requirement	82		10651	10651	
Available capital resources for 75% MCR requirement	83		10651	10651	

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				
Sum of financial engineering adjustments (91+92+93+94+95)	96				

Analysis of admissible assetsName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**Category of assets **Total other than long term business assets**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R13	793051	GL	31	12	2004	£000	1
Investments							As at the end of this financial year 1		As at the end of the previous year 2	
Land and buildings							11			
Investments in group undertakings and participating interests	UK insurance business dependants	Shares	21							
		Debt securities issued by, and loans to, dependants	22							
	Other insurance dependants	Shares	23							
		Debt securities issued by, and loans to, dependants	24							
	Non-insurance dependants	Shares	25							
		Debt securities issued by, and loans to, dependants	26							
	Other group undertakings and participating interests	Shares	27							
		Debt securities issued by, and loans to, group undertakings	28							
		Participating interests	29							
		Debt securities issued by, and loans to, undertakings in which the insurer has a participating interest	30							
Total sheet 1 (11 to 30)							39			

Analysis of admissible assetsName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**Category of assets **Total other than long term business assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	793051	GL	31 day	12 month	2004 year	£000	1
Investments (continued)						As at the end of this financial year 1		As at the end of the previous year 2	
Deposits with ceding undertakings									
Assets held to cover linked liabilities									
Other financial investments	Equity shares			41					
	Other shares and other variable yield securities			42					
	Holdings in collective investment schemes			43					
	Rights under derivative contracts			44					
	Debt securities and other fixed income securities	Fixed interest	Approved securities	45					
			Other	46					
		Variable interest	Approved securities	47					
			Other	48					
	Participation in investment pools			49					
	Loans secured by mortgages			50					
	Other loans	Loans to public or local authorities and nationalised industries or undertakings		51					
		Loans secured by policies of insurance issued by the company		52					
		Other		53					
	Deposits with approved credit institutions and approved financial institutions	Withdrawal subject to a time restriction of one month or less		54	5840		18113		
		Withdrawal subject to a time restriction of more than one month		55	2900				
	Other			56					
Deposits with ceding undertakings				57					
Assets held to match linked liabilities	Index linked			58					
	Property linked			59					
Reinsurers' share of technical provisions	Provision for unearned premiums			60					
	Claims outstanding			61					
	Provision for unexpired risks			62					
	Other			63					
Total sheet 2 (41 to 63)				69	8740		18113		

Analysis of admissible assetsName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**Category of assets **Total other than long term business assets**

Category of assets		Total other than long term business assets		Company registration number	GL/UK/CM	Period ended			Units	Category of assets
						day	month	year		
		R13	793051	GL	31	12	2004	£000	1	
Debtors						As at the end of this financial year 1		As at the end of the previous year 2		
Other assets										
Debtors arising out of direct insurance operations	Policyholders				71					
	Intermediaries				72					
Salvage and subrogation recoveries					73					
Debtors arising out of reinsurance operations	Due from ceding insurers and intermediaries under reinsurance business accepted				74					
	Due from reinsurers and intermediaries under reinsurance contracts ceded				75					
Other debtors	Due from dependants	Due in 12 months or less after the end of the financial year			76					
		Due more than 12 months after the end of the financial year			77					
	Other	Due in 12 months or less after the end of the financial year			78	124		753		
		Due more than 12 months after the end of the financial year			79					
Tangible assets					80					
Cash at bank and in hand	Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities				81	1831		123		
	Cash in hand				82					
Other assets (particulars to be specified by way of supplementary note)					83					
Prepayments and accrued income	Accrued interest and rent				84	3		45		
	Deferred acquisition costs				85					
	Other prepayments and accrued income				86					
Deductions from the aggregate value of assets					87					
Total sheet 3 (71 to 86 less 87)					88	1958		921		
Grand total of admissible assets after deduction of market risk and counterparty limits (39+69+88)					89	10698		19034		
Reconciliation to asset values determined in accordance with the insurance accounts rules										
Total admissible assets after deduction of market risk and counterparty limits (as per line 89 above)					91	10698		19034		
Assets in excess of market and counterparty limits					92					
Capital resources requirement deduction for subsidiary undertakings which are insurance undertakings					93					
Other differences in the valuation of assets (other than for assets not valued above)					94					
Other inadmissible assets					95					
Total assets determined in accordance with the insurance accounts rules (91 to 95)					99	10698		19034		
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance					100					

Analysis of admissible assets

Name of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**

Category of assets **Total long term business assets**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R13	793051	GL	31	12	2004	£000	10
Investments							As at the end of this financial year 1		As at the end of the previous year 2	
Land and buildings							11			
Investments in group undertakings and participating interests	UK insurance business dependants	Shares	21							
		Debt securities issued by, and loans to, dependants	22							
	Other insurance dependants	Shares	23							
		Debt securities issued by, and loans to, dependants	24							
	Non-insurance dependants	Shares	25							
		Debt securities issued by, and loans to, dependants	26							
	Other group undertakings and participating interests	Shares	27							
		Debt securities issued by, and loans to, group undertakings	28							
		Participating interests	29							
		Debt securities issued by, and loans to, undertakings in which the insurer has a participating interest	30							
Total sheet 1 (11 to 30)							39			

Analysis of admissible assetsName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**Category of assets **Total long term business assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	793051	GL	31 day	12 month	2004 year	£000	10
Investments (continued) Deposits with ceding undertakings Assets held to cover linked liabilities						As at the end of this financial year 1		As at the end of the previous year 2	
Other financial investments	Equity shares			41					
	Other shares and other variable yield securities			42					
	Holdings in collective investment schemes			43	63			56	
	Rights under derivative contracts			44					
	Debt securities and other fixed income securities	Fixed interest	Approved securities	45	8679			8360	
			Other	46					
		Variable interest	Approved securities	47					
			Other	48					
	Participation in investment pools			49					
	Loans secured by mortgages			50					
	Other loans	Loans to public or local authorities and nationalised industries or undertakings		51					
		Loans secured by policies of insurance issued by the company		52	248			248	
		Other		53					
	Deposits with approved credit institutions and approved financial institutions	Withdrawal subject to a time restriction of one month or less		54	14410			27687	
		Withdrawal subject to a time restriction of more than one month		55	30000				
	Other			56					
Deposits with ceding undertakings				57					
Assets held to match linked liabilities	Index linked			58					
	Property linked			59	1121187			688783	
Reinsurers' share of technical provisions	Provision for unearned premiums			60					
	Claims outstanding			61					
	Provision for unexpired risks			62					
	Other			63					
Total sheet 2 (41 to 63)				69	1174587			725134	

Analysis of admissible assetsName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**Category of assets **Total long term business assets**

Category of assets		Company registration number		GL/UK/CM	Period ended			Units	Category of assets
					day	month	year		
R13		793051		GL	31	12	2004	£000	10
Debtors					As at the end of this financial year 1			As at the end of the previous year 2	
Other assets									
Debtors arising out of direct insurance operations	Policyholders			71					
	Intermediaries			72					
Salvage and subrogation recoveries				73					
Debtors arising out of reinsurance operations	Due from ceding insurers and intermediaries under reinsurance business accepted			74					
	Due from reinsurers and intermediaries under reinsurance contracts ceded			75					
Other debtors	Due from dependants	Due in 12 months or less after the end of the financial year		76					
		Due more than 12 months after the end of the financial year		77					
	Other	Due in 12 months or less after the end of the financial year		78	212			2452	
		Due more than 12 months after the end of the financial year		79					
Tangible assets				80					
Cash at bank and in hand	Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities			81	96			3545	
	Cash in hand			82					
Other assets (particulars to be specified by way of supplementary note)				83					
Prepayments and accrued income	Accrued interest and rent			84	204			167	
	Deferred acquisition costs			85					
	Other prepayments and accrued income			86					
Deductions from the aggregate value of assets				87					
Total sheet 3 (71 to 86 less 87)				88	512			6164	
Grand total of admissible assets after deduction of market risk and counterparty limits (39+69+88)				89	1175099			731298	
Reconciliation to asset values determined in accordance with the insurance accounts rules									
Total admissible assets after deduction of market risk and counterparty limits (as per line 89 above)				91	1175099			731298	
Assets in excess of market and counterparty limits				92					
Capital resources requirement deduction for subsidiary undertakings which are insurance undertakings				93					
Other differences in the valuation of assets (other than for assets not valued above)				94					
Other inadmissible assets				95					
Total assets determined in accordance with the insurance accounts rules (91 to 95)				99	1175099			731298	
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance				100					

Long term insurance business liabilities and marginsName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**Category of assets **Total long term business assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets		
				day	month	year				
		R14	793051	GL	31	12	2004	£000	10	
			As at the end of this financial year 1	As at the end of the previous year 2			Source			
Mathematical reserves, after distribution of surplus			11	1144194			702633			See Instruction 2
Cash bonuses which had not been paid to policyholders prior to end of the financial year			12							See Instruction 3
Balance of surplus/(valuation deficit)			13							See Instruction 4
Long term insurance business fund carried forward (11 to 13)			14	1144194			702633			See Instruction 5
Claims outstanding which had fallen due for payment before the end of the financial year	Gross amount		15	3003			5897			
	Reinsurers' share		16							
	Net (15-16)		17	3003			5897			
Provisions for other risks and charges	Taxation		21	1878			1201			
	Other		22	2557			836			
Deposits received from reinsurers			23							
Creditors and other liabilities	Arising out of insurance operations	Direct insurance business	31							
		Reinsurance accepted	32							
		Reinsurance ceded	33	562			4172			
	Debenture loans	Secured	34							
		Unsecured	35							
	Amounts owed to credit institutions		36							
	Other creditors	Taxation	37	205						
		Other	38	22700			16559			
Accruals and deferred income			39							
Provision for "reasonably foreseeable adverse variations"			41							
Total other insurance and non-insurance liabilities (17 to 41)			49	30905			28665			
Excess of the value of net admissible assets			51							See Instruction 6
Total liabilities and margins			59	1175099			731298			
Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance			61	4665			4497			
Amounts included in line 59 attributable to liabilities in respect of property linked benefits			62	1121187			688783			
Amount of any additional mathematical reserves included in line 51 which have been taken into account in the appointed actuary's certificate			63							See Instruction 7

Liabilities (other than long term insurance business)Name of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**

		Company registration number	GL/UK/CM	Period ended			Units	
		R15	793051	GL	31 day	12 month	2004 year	£000
				As at the end of this financial year 1		As at the end of the previous year 2		
Technical provisions (gross amount)	Provision for unearned premiums		11					
	Claims outstanding		12					
	Provision for unexpired risks		13					
	Equalisation provisions	Credit business	14					
		Other than credit business	15					
	Other		16					
	Total (11 to 16)		19					
Provisions for other risks and charges	Taxation		21					
	Other		22					
Deposits received from reinsurers			31					
Creditors	Arising out of insurance operations	Direct insurance business	41					
		Reinsurance accepted	42					
		Reinsurance ceded	43					
	Debenture loans	Secured	44					
		Unsecured	45					
	Amounts owed to credit institutions		46					
	Other creditors	Taxation	47	47				
		Recommended dividend	48					
		Other	49					
Accruals and deferred income			51					
Total (19 to 51)			59	47				
Provision for "reasonably foreseeable adverse variations"			61					
Cumulative preference share capital			62					
Subordinated loan capital			63					
Total (59 to 63)			69	47				
Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance			71					

Profit and loss account (non-technical account)Name of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**

			Company registration number	GL/UK/CM	Period ended			Units	
			R16	793051	GL	31	12	2004	£000
			This financial year		Previous year		Source		
			1		2		<	>	?
Transfer (to)/from the general insurance business technical account		From Form 20	11				20 . 59		
		Equalisation provisions	12						
Transfer from the long term insurance business revenue account			13	(8488)	8855		40 . 26		
Investment income	Income		14	159	327				
	Value re-adjustments on investments		15						
	Gains on the realisation of investments		16						
Investment charges	Investment management charges, including interest		17						
	Value re-adjustments on investments		18						
	Loss on the realisation of investments		19						
Allocated investment return transferred to the general insurance business technical account			20				20 . 51		
Other income and charges (particulars to be specified by way of supplementary note)			21						
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)			29	(8329)	9182				
Tax on profit or loss on ordinary activities			31	47	98				
Profit or loss on ordinary activities after tax (29-31)			39	(8376)	9084				
Extraordinary profit or loss (particulars to be specified by way of supplementary note)			41						
Tax on extraordinary profit or loss			42						
Other taxes not shown under the preceding items			43						
Profit or loss for the financial year (39+41-(42+43))			49	(8376)	9084				
Dividends (paid and proposed)			51						
Profit or loss retained for the financial year (49-51)			59	(8376)	9084				

Long term insurance business : Revenue accountName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R40	793051	GL	31	12	2004	£000	OB	1	0
Items to be shown net of reinsurance ceded							The financial year 1	Previous year 2		
Earned premiums							11	488358	151154	
Investment income receivable before deduction of tax							12	40071	29825	
Increase (decrease) in the value of non-linked assets brought into account							13	326	(12)	
Increase (decrease) in the value of linked assets							14	55899	54108	
Other income							15			
Total income (11 to 15)							19	584654	235075	
Claims incurred							21	133372	71469	
Expenses payable							22	9873	7159	
Interest payable before deduction of tax							23	128	88	
Taxation							24	8208	6234	
Other expenditure							25			
Transfer to (from) non technical account							26	(8488)	8855	
Total expenditure (21 to 26)							29	143093	93805	
Increase (decrease) in fund in financial year (19-29)							39	441561	141270	
Fund brought forward							49	702633	561363	
Fund carried forward (39+49)							59	1144194	702633	

Long term insurance business : Analysis of premiums and expensesName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R41	793051	GL	31	12	2004	£000	OB	1	0
						Gross 1		Payable to or recoverable from reinsurers 2		Net of reinsurance (1-2) 3	
Earned premiums in the financial year	Life assurance and general annuity contracts	Single premium			11	489344		1450		487894	
		Regular premium			12	464				464	
	Pension business contracts	Single premium			13						
		Regular premium			14						
	Permanent health contracts	Single premium			15						
		Regular premium			16						
	Other contracts	Single premium			17						
		Regular premium			18						
	Total premiums	Single premium			19	489344		1450		487894	
		Regular premium			29	464				464	
Total premiums at lines 19 and 29 attributable to	UK contracts			31	489808		1450		488358		
	Overseas contracts			32							
Expenses payable in the financial year	Commission payable in connection with acquisition of business				41						
	Other commission payable				42						
	Management expenses in connection with acquisition of business				43						
	Management expenses in connection with maintenance of business				44	9516				9516	
	Other management expenses				45	357				357	
	Total expenses (41 to 45)				49	9873				9873	
	Total expenses at line 49 attributable to	UK contracts			51	9873				9873	
		Overseas contracts			52						

Long term insurance business : Analysis of claimsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R42	793051	GL	31	12	2004	£000	OB	1	0
Claims incurred in the financial year					Gross		Recoverable from reinsurers		Net of reinsurance (1-2)		
					1		2		3		
Life assurance and annuity contracts	On death				11	15692		4765		10927	
	By way of lump sums on maturity				12	854		260		594	
	By way of annuity payments				13						
	By way of payments arising from other insured events				14						
	On surrender or partial surrender				15	132682		10831		121851	
	Total life assurance and annuity claims (11 to 15)				19	149228		15856		133372	
Pension business contracts	On death				21						
	By way of lump sums on vesting				22						
	By way of vested annuity payments				23						
	On surrender or partial surrender				24						
	Total pension business claims (21 to 24)				29						
Permanent health contracts	By way of lump sums				31						
	By way of periodical payments				32						
	Total permanent health claims (31+32)				39						
Other contracts	By way of lump sums				41						
	By way of periodical payments				42						
	Total claims (41+42)				49						
Total claims (19+29+39+49)					59	149228		15856		133372	
Total claims at line 59 attributable to		UK contracts			61	149228		15856		133372	
		Overseas contracts			62						

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended		31st December 2004		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund
Name and number of fund/Summary		Ordinary Long Term 1				day	month	year				
						R43	793051	GL				
Name of fund		Directly held assets	Investment in other internal linked funds of the insurer	Total assets (2+3)	Provision for tax on unrealised capital gains	Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)		
1		2	3	4	5	6		7		8		
Cash Series 1		137629		137629				1		137628		
Cash Series 2			22447	22447						22447		
Cash Series 3			101	101						101		
Cash Series 4			100633	100633						100633		
Cash Series 5			10197	10197						10197		
Cautious UK Managed Series 2		8764		8764				58		8706		
Cautious UK Managed Series 3			1	1						1		
Cautious UK Managed Series 4			1146	1146						1146		
Cautious UK Managed Series 5			6100	6100						6100		
Distribution Series 1		341365		341365				264		341101		
Distribution Series 2			329654	329654						329654		
Distribution Cash Series 1		266		266						266		
Distribution Cash Series 2			266	266						266		
Total												

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended Name and number of fund/Summary			31st December 2004 Ordinary Long Term 1			Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
						R43	793051	GL	31	12	2004	£000	OB	1	0
Name of fund			Directly held assets	Investment in other internal linked funds of the insurer	Total assets (2+3)	Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)			
1			2	3	4	5		6		7		8			
Equity Series 1			36867		36867							36867			
Equity Series 2				13157	13157							13157			
Equity Series 3				100	100							100			
Equity Series 4				1657	1657							1657			
Equity Series 5				2929	2929							2929			
European Series 1			8935		8935							8935			
European Series 2				8376	8376							8376			
European Series 3															
European Series 4				90	90							90			
European Series 5				382	382							382			
Fixed Interest Series 1			22466		22466					1971		20495			
Fixed Interest Series 2				1789	1789							1789			
Fixed Interest Series 3				77	77							77			
Total															

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Name of fund	Directly held assets	Investment in other internal linked funds of the insurer	Total assets (2+3)	Provision for tax on unrealised capital gains	Secured and unsecured loans	Other liabilities	Net asset value (4-5-6-7)
1	2	3	4	5	6	7	8
Fixed Interest Series 4		979	979				979
Fixed Interest Series 5		4489	4489				4489
International Series 1	13696		13696				13696
International Series 2		7383	7383				7383
International Series 3							
International Series 4		189	189				189
International Series 5		172	172				172
Invesco Perp MgtSeries 2	3695		3695				3695
Invesco Perp MgtSeries 3		115	115				115
Invesco Perp MgtSeries 4		768	768				768
Invesco Perp MgtSeries 5		2151	2151				2151
Invesco Perpetual Inc. Series 2	6389		6389			41	6348
Invesco Perpetual Inc. Series 3		25	25				25
Total							

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended Name and number of fund/Summary			31st December 2004 Ordinary Long Term 1			Company registration number		GL/UK/CM		Period ended			Units		OB/IB		No of fund/ Summary		No of part of Fund			
			R43		793051		GL		31		12		2004		£000		OB		1		0	
Name of fund			Directly held assets		Investment in other internal linked funds of the insurer		Total assets (2+3)		Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)							
1			2		3		4		5		6		7		8							
Invesco Perpetual Inc. Series 4					1053		1053								1053							
Invesco Perpetual Inc. Series 5					3748		3748								3748							
Japanese Unit Trust Series 1			2136				2136								2136							
Japanese Unit Trust Series 2					1962		1962								1962							
Japanese Unit Trust Series 3					1		1								1							
Japanese Unit Trust Series 4					28		28								28							
Japanese Unit Trust Series 5					145		145								145							
M&G Gilt & FI Income Series 2			7187				7187								7187							
M&G Gilt & FI Income Series 3					22		22								22							
M&G Gilt & FI Income Series 4					1250		1250								1250							
M&G Gilt & FI Income Series 5					5154		5154								5154							
M&G Cazenove Balanced Series 2			704				704								704							
M&G Cazenove Balanced Series 3					2		2								2							
Total																						

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended		31st December 2004				Company registration number		GL/UK/CM		Period ended			Units		OB/IB		No of fund/ Summary		No of part of Fund						
Name and number of fund/Summary				Ordinary Long Term 1						day		month		year											
						R43		793051		GL		31		12		2004		£000		OB		1		0	
Name of fund				Directly held assets		Investment in other internal linked funds of the insurer		Total assets (2+3)		Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)									
1				2		3		4		5		6		7		8									
M&G Cazenove Balanced Series 4						315		315								315									
M&G Cazenove Balanced Series 5						209		209								209									
M&G Cazenove Cautious Series 2				428				428								428									
M&G Cazenove Cautious Series 3						1		1								1									
M&G Cazenove Cautious Series 4						45		45								45									
M&G Cazenove Cautious Series 5						286		286								286									
M&G Cazenove Growth Series 2				268				268								268									
M&G Cazenove Growth Series 3						1		1								1									
M&G Cazenove Growth Series 4						36		36								36									
M&G Cazenove Growth Series 5						226		226								226									
M&G Corporate Bond Series 2				43372				43372								1		43371							
M&G Corporate Bond Series 3						147		147										147							
M&G Corporate Bond Series 4						8778		8778										8778							
Total																									

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended		31st December 2004		Company registration number		GL/UK/CM		Period ended			Units		OB/IB		No of fund/ Summary		No of part of Fund						
Name and number of fund/Summary				Ordinary Long Term 1				day		month		year											
				R43		793051		GL		31		12		2004		£000		OB		1		0	
Name of fund				Directly held assets		Investment in other internal linked funds of the insurer		Total assets (2+3)		Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)							
1				2		3		4		5		6		7		8							
M&G Corporate Bond Series 5						31316		31316								31316							
M&G High Yield Corp Bd.Series 2				9143		1		9144						1		9143							
M&G High Yield Corp Bd.Series 3						34		34								34							
M&G High Yield Corp Bd.Series 4						1548		1548								1548							
M&G High Yield Corp Bd.Series 5						6580		6580								6580							
M&G Managed GrowthSeries 2				2051				2051								2051							
M&G Managed GrowthSeries 3						2		2								2							
M&G Managed GrowthSeries 4						540		540								540							
M&G Managed GrowthSeries 5						896		896								896							
Managed Series 1				124244		8215		132459						1		132458							
Managed Series 2						71355		71355								71355							
Managed Series 3						525		525								525							
Managed Series 4						2180		2180								2180							
Total																							

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended		31st December 2004		Company registration number		GL/UK/CM		Period ended			Units		OB/IB		No of fund/ Summary		No of part of Fund						
Name and number of fund/Summary				Ordinary Long Term 1				day		month		year											
				R43		793051		GL		31		12		2004		£000		OB		1		0	
Name of fund				Directly held assets		Investment in other internal linked funds of the insurer		Total assets (2+3)		Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)							
1				2		3		4		5		6		7		8							
Managed Series 5						4959		4959								4959							
Managed Defensive Series 2				16853		10221		27074						231		26843							
Managed Defensive Series 3						20		20								20							
Managed Defensive Series 4						1441		1441								1441							
Managed Defensive Series 5						24319		24319								24319							
Newton Higher Inc.Series 2				4265				4265						64		4201							
Newton Higher Inc.Series 3						13		13								13							
Newton Higher Inc.Series 4						833		833								833							
Newton Higher Inc.Series 5						2485		2485								2485							
Newton Managed Series 2				3625				3625								3625							
Newton Managed Series 3						8		8								8							
Newton Managed Series 4						821		821								821							
Newton Managed Series 5						2101		2101								2101							
Total																							

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended		31st December 2004		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
Name and number of fund/Summary		Ordinary Long Term 1				day	month	year					
				R43	793051	GL	31	12	2004	£000	OB	1	0
Name of fund		Directly held assets	Investment in other internal linked funds of the insurer	Total assets (2+3)		Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)	
1		2	3	4		5		6		7		8	
North American Series 1		2767		2767								2767	
North American Series 2			2120	2120								2120	
North American Series 3													
North American Series 4			217	217								217	
North American Series 5			429	429								429	
Pacific Markets Unit Trust Series 1		2169		2169								2169	
Pacific Markets Unit Trust Series 2			1283	1283								1283	
Pacific Markets Unit Trust Series 3			1	1								1	
Pacific Markets Unit Trust Series 4			32	32								32	
Pacific Markets Unit Trust Series 5			132	132								132	
Property Series 1		309412		309412						2798		306614	
Property Series 2			70431	70431								70431	
Property Series 3			1921	1921								1921	
Total													

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended		31st December 2004				Company registration number		GL/UK/CM		Period ended			Units		OB/IB		No of fund/ Summary		No of part of Fund				
Name and number of fund/Summary				Ordinary Long Term 1																			
				R43		793051		GL		31		12		2004		£000		OB		1		0	
Name of fund				Directly held assets		Investment in other internal linked funds of the insurer		Total assets (2+3)		Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)							
1				2		3		4		5		6		7		8							
Property Series 4						48593		48593								48593							
Property Series 5						156667		156667								156667							
70% Protected Series 4				22				22								22							
70% Protected Series 5				16				16								16							
80% Protected Series 4				160				160						65		95							
80% Protected Series 5				245				245						50		195							
Pru (SAUT) Corporate Bond Series 1				1512				1512								1512							
Pru (SAUT) Corporate Bond Series 2						115		115								115							
Pru (SAUT) Corporate Bond Series 3						27		27								27							
Pru (SAUT) Corporate Bond Series 4						200		200								200							
Pru (SAUT) Corporate Bond Series 5						1081		1081								1081							
Pru (SAUT) Equity Income Series 2				485				485								485							
Pru (SAUT) Equity Income Series 3						1		1								1							
Total																							

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended		31st December 2004		Company registration number		GL/UK/CM		Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund
Name and number of fund/Summary		Ordinary Long Term 1						day	month	year				
				R43	793051	GL	31	12	2004	£000	OB	1	0	
Name of fund		Directly held assets	Investment in other internal linked funds of the insurer	Total assets (2+3)	Provision for tax on unrealised capital gains	Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)				
1	2	3	4	5	6	7	8							
Pru (SAUT) Equity Income Series 4			17	17									17	
Pru (SAUT) Equity Income Series 5			370	370									370	
Pru DWS American Growth Series 2		207		207									207	
Pru DWS American Growth Series 3			1	1									1	
Pru DWS American Growth Series 4			47	47									47	
Pru DWS American Growth Series 5			152	152									152	
Pru DWS Japan Growth Series 2		107		107							2		105	
Pru DWS Japan Growth Series 3			1	1									1	
Pru DWS Japan Growth Series 4			29	29									29	
Pru DWS Japan Growth Series 5			61	61									61	
Pru DWS Managed Portfolio Series 2		364		364									364	
Pru DWS Managed Portfolio Series 3			1	1									1	
Pru DWS Managed Portfolio Series 4			66	66									66	
Total														

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended		31st December 2004		Company registration number		GL/UK/CM		Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund
Name and number of fund/Summary		Ordinary Long Term 1						day	month	year				
				R43	793051	GL		31	12	2004	£000	OB	1	0
Name of fund		Directly held assets	Investment in other internal linked funds of the insurer	Total assets (2+3)	Provision for tax on unrealised capital gains	Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)				
1	2	3	4	5	6	7	8							
Pru DWS Managed Portfolio Series 5		219	219				219							
Pru DWS UK Growth Series 2	1085		1085				1085							
Pru DWS UK Growth Series 3		1	1				1							
Pru DWS UK Growth Series 4		266	266				266							
Pru DWS UK Growth Series 5		716	716				716							
Pru Ethical Series 2	315		315				315							
Pru Ethical Series 3		1	1				1							
Pru Ethical Series 4		73	73				73							
Pru Ethical Series 5		236	236				236							
Pru European Tracker Series 2	36		36				36							
Pru European Tracker Series 3		1	1				1							
Pru European Tracker Series 4		7	7				7							
Pru European Tracker Series 5		28	28				28							
Total														

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended	31st December 2004			Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
Name and number of fund/Summary						day	month	year					
Ordinary Long Term 1				R43	793051	GL	31	12	2004	£000	OB	1	0
Name of fund		Directly held assets	Investment in other internal linked funds of the insurer	Total assets (2+3)		Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)	
1		2	3	4		5		6		7		8	
Pru Invesco Perpetual UK Growth Series 2		753		753						1		752	
Pru Invesco Perpetual UK Growth Series 3			1	1								1	
Pru Invesco Perpetual UK Growth Series 4			196	196								196	
Pru Invesco Perpetual UK Growth Series 5			497	497								497	
Pru Newton Balanced Series 2		548		548								548	
Pru Newton Balanced Series 3			1	1								1	
Pru Newton Balanced Series 4			75	75								75	
Pru Newton Balanced Series 5			384	384								384	
Pru Newton Continental European Series 2		190		190						2		188	
Pru Newton Continental European Series 3			1	1								1	
Pru Newton Continental European Series 4			20	20								20	
Pru Newton Continental European Series 5			140	140								140	
Pru Newton International Growth Series 2		2495		2495								2495	
Total													

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended		31st December 2004		Company registration number		GL/UK/CM		Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund
Name and number of fund/Summary		Ordinary Long Term 1						day	month	year				
				R43	793051	GL	31	12	2004	£000	OB	1	0	
Name of fund		Directly held assets	Investment in other internal linked funds of the insurer	Total assets (2+3)		Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)		
1		2	3	4		5		6		7		8		
Pru Newton International Growth Series 3			4	4								4		
Pru Newton International Growth Series 4			574	574								574		
Pru Newton International Growth Series 5			1640	1640								1640		
Pru Newton Oriental Series 2		157		157								157		
Pru Newton Oriental Series 3			1	1								1		
Pru Newton Oriental Series 4			31	31								31		
Pru Newton Oriental Series 5			113	113								113		
Pru UK Tracker Series 2		419		419						1		418		
Pru UK Tracker Series 3			1	1								1		
Pru UK Tracker Series 4			38	38								38		
Pru UK Tracker Series 5			238	238								238		
Small Companies Unit Trust Series 1		1007		1007								1007		
Small Companies Unit Trust Series 2			536	536								536		
Total														

Long term insurance business : Summarised balance sheet for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

Financial year ended		31st December 2004				Company registration number		GL/UK/CM		Period ended			Units		OB/IB		No of fund/ Summary		No of part of Fund						
Name and number of fund/Summary				Ordinary Long Term 1						day		month		year											
						R43		793051		GL		31		12		2004		£000		OB		1		0	
Name of fund				Directly held assets		Investment in other internal linked funds of the insurer		Total assets (2+3)		Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)									
1				2		3		4		5		6		7		8									
Small Companies Unit Trust Series 3						1		1								1									
Small Companies Unit Trust Series 4						122		122								122									
Small Companies Unit Trust Series 5						319		319								319									
Strategic Growth Series 1				2368				2368								2368									
Strategic Growth Series 2						2149		2149								2149									
Strategic Growth Series 3																									
Strategic Growth Series 4						6		6								6									
Strategic Growth Series 5						204		204								204									
Total				1121187		1002030		2123217						5552		2117665									

Long term insurance business : Aggregate revenue account for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund/Summary **Ordinary Long Term 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund
			day	month	year				
R44	793051	GL	31	12	2004	£000	OB	1	0
Value of total creation of units						11			488047
Investment income attributable to the funds before deduction of tax						12			38319
Increase (decrease) in the value of investments in the financial year						13			55899
Other income						14			
Total income (11 to 14)						19			582265
Value of total cancellation of units						21			134921
Charges for management						22			9132
Charges in respect of tax on investment income						23			6190
Taxation on realised capital gains						24			501
Increase (decrease) in amount set aside for tax on capital gains not yet realised						25			
Other expenditure						26			
Total expenditure (21 to 26)						29			150744
Increase (decrease) in funds in financial year (19-29)						39			431521
Internal linked funds brought forward						49			684114
Internal linked funds carried forward (39+49)						59			1115635

Long term insurance business : Supplementary information for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund **Ordinary Long Term 1**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund	No of part of Fund
				day	month	year				
R45		793051	GL	31	12	2004	£000	OB	1	0
Name of fund		Amount of taxable unrealised capital gain or loss	Percentage provision for tax on unrealised capital gains	Percentage provision for tax on realised capital gains	Liquidity percentage	Valuation price per unit				
1		2	3	4	5	6				
Cash	Series 1				44.70	5.685140				
Cash	Series 2					5.14445				
Cash	Series 3					1.00165				
Cash	Series 4					1.00301				
Cash	Series 5					0.9954				
Cautious UK Managed Series 2					0.84	1.071960				
Cautious UK Managed Series 3						1.07016				
Cautious UK Managed Series 4						1.06903				
Cautious UK Managed Series 5						1.06284				
Distribution	Series 1	2656			20.00	4.41	1.185080			
Distribution	Series 2						1.18508			
Distribution Cash	Series 1					49.67	0.963070			
Distribution Cash	Series 2						0.96307			
Equity	Series 1					(0.76)	27.378010			
Equity	Series 2						24.82471			
Equity	Series 3						0.89803			
Equity	Series 4						0.8986			
Equity	Series 5						0.89177			
European	Series 1					(1.09)	5.806520			
European	Series 2						5.3146			
European	Series 3						0.93183			
European	Series 4						0.93452			
European	Series 5						0.92758			

Long term insurance business : Supplementary information for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund **Ordinary Long Term 1**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund	No of part of Fund
				day	month	year				
R45		793051	GL	31	12	2004	£000	OB	1	0
Name of fund		Amount of taxable unrealised capital gain or loss	Percentage provision for tax on unrealised capital gains	Percentage provision for tax on realised capital gains	Liquidity percentage	Valuation price per unit				
1		2	3	4	5	6				
Fixed Interest	Series 1				64.51	10.386020				
Fixed Interest	Series 2					9.3827				
Fixed Interest	Series 3					1.05195				
Fixed Interest	Series 4					1.05254				
Fixed Interest	Series 5					1.04445				
International	Series 1				(0.33)	8.882710				
International	Series 2					8.07803				
International	Series 3					0.89195				
International	Series 4					0.89374				
International	Series 5					0.88812				
Inveco Perp MgtSeries 2				20.00	(0.43)	0.978330				
Inveco Perp MgtSeries 3						0.9708				
Inveco Perp MgtSeries 4						0.97328				
Inveco Perp MgtSeries 5						0.96529				
INVESCO PERPETUAL INC.Series 2				20.00	1.72	1.406250				
INVESCO PERPETUAL INC.Series 3						1.3998				
INVESCO PERPETUAL INC.Series 4						1.40047				
INVESCO PERPETUAL INC.Series 5						1.39269				
Japanese Unit Trust	Series 1				(0.14)	1.187210				
Japanese Unit Trust	Series 2					1.18721				
Japanese Unit Trust	Series 3					1.03295				
Japanese Unit Trust	Series 4					1.03097				
Japanese Unit Trust	Series 5					1.01873				

Long term insurance business : Supplementary information for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund **Ordinary Long Term 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund	No of part of Fund	
			day	month	year					
	R45	793051	GL	31	12	2004	£000	OB	1	0
Name of fund		Amount of taxable unrealised capital gain or loss	Percentage provision for tax on unrealised capital gains	Percentage provision for tax on realised capital gains		Liquidity percentage	Valuation price per unit			
1	2	3	4	5	6					
M&G Cazenove Balanced Series 2			20.00	(0.16)	1.172990					
M&G Cazenove Balanced Series 3					1.16963					
M&G Cazenove Balanced Series 4					1.1685					
M&G Cazenove Balanced Series 5					1.1616					
M&G Cazenove Cautious Series 2			20.00	(0.07)	1.105540					
M&G Cazenove Cautious Series 3					1.10341					
M&G Cazenove Cautious Series 4					1.10127					
M&G Cazenove Cautious Series 5					1.0948					
M&G Cazenove Growth Series 2			20.00	(0.17)	1.230250					
M&G Cazenove Growth Series 3					1.22593					
M&G Cazenove Growth Series 4					1.22548					
M&G Cazenove Growth Series 5					1.21834					
M&G Corporate BondSeries 2				0.26	1.076760					
M&G Corporate BondSeries 3					1.06845					
M&G Corporate BondSeries 4					1.07218					
M&G Corporate BondSeries 5					1.06292					
M & G Gilt and F I Income Series 2				(0.01)	0.963090					
M & G Gilt and F I Income Series 3					0.958100					
M & G Gilt and F I Income Series 4					0.958900					
M & G Gilt and F I Income Series 5					0.953790					
M&G High Yield CORP BD.Series 2				0.71	1.091410					
M&G High Yield CORP BD.Series 3					1.087360					
M&G High Yield CORP BD.Series 4					1.086760					

Long term insurance business : Supplementary information for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund **Ordinary Long Term 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund	No of part of Fund	
			day	month	year					
	R45	793051	GL	31	12	2004	£000	OB	1	0
Name of fund		Amount of taxable unrealised capital gain or loss	Percentage provision for tax on unrealised capital gains		Percentage provision for tax on realised capital gains		Liquidity percentage	Valuation price per unit		
1		2	3		4		5	6		
M&G High Yield CORP BD.Series 5								1.080890		
M&G Managed GrowthSeries 2					20.00		1.40	1.034410		
M&G Managed GrowthSeries 3								1.026520		
M&G Managed GrowthSeries 4								1.029110		
M&G Managed GrowthSeries 5								1.020790		
Managed Series 1							8.72	13.481730		
Managed Series 2								12.257630		
Managed Series 3								0.964290		
Managed Series 4								0.956980		
Managed Series 5								0.949490		
Managed Defensive Series 2							9.72	1.025410		
Managed Defensive Series 3								1.022460		
Managed Defensive Series 4								1.022860		
Managed Defensive Series 5								1.019740		
Newton Higher Inc Series 2					20.00		1.19	1.396070		
Newton Higher Inc Series 3								1.386690		
Newton Higher Inc Series 4								1.390670		
Newton Higher Inc Series 5								1.382650		
Newton ManagedSeries 2					20.00		0.05	0.919830		
Newton ManagedSeries 3								0.912460		
Newton ManagedSeries 4								0.915660		
Newton ManagedSeries 2								0.907360		
North American Series 1							(0.13)	4.789110		

Long term insurance business : Supplementary information for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund **Ordinary Long Term 1**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund	No of part of Fund
				day	month	year				
R45		793051	GL	31	12	2004	£000	OB	1	0
Name of fund			Amount of taxable unrealised capital gain or loss	Percentage provision for tax on unrealised capital gains		Percentage provision for tax on realised capital gains		Liquidity percentage	Valuation price per unit	
1			2	3		4		5	6	
North American Series 2									4.383010	
North American Series 3									0.824000	
North American Series 4									0.826620	
North American Series 5									0.820190	
Pacific Markets Unit Trust Series 1								(2.13)	2.539000	
Pacific Markets Unit Trust Series 2									2.539000	
Pacific Markets Unit Trust Series 3									1.265640	
Pacific Markets Unit Trust Series 4									1.267060	
Pacific Markets Unit Trust Series 5									1.259880	
Property Series 1			2819					2.10	10.998820	
Property Series 2									9.941000	
Property Series 3									1.257230	
Property Series 4									1.256800	
Property Series 5									1.247140	
70% Protected Series 4									0.937180	
70% Protected Series 5									0.950700	
80% Protected Series 4									0.950800	
80% Protected Series 5									0.937550	
Pru (SAUT) Corporate Bond Series 1								18.63	0.989140	
Pru (SAUT) Corporate Bond Series 2									0.965380	
Pru (SAUT) Corporate Bond Series 3									0.962450	
Pru (SAUT) Corporate Bond Series 4									0.962630	
Pru (SAUT) Corporate Bond Series 5									0.957010	

Long term insurance business : Supplementary information for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund **Ordinary Long Term 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund	No of part of Fund
			day	month	year				
			R45	793051	GL				
Name of fund		Amount of taxable unrealised capital gain or loss	Percentage provision for tax on unrealised capital gains		Percentage provision for tax on realised capital gains		Liquidity percentage	Valuation price per unit	
1		2	3		4		5	6	
Pru (SAUT) Equity Income Series 2							0.89	1.135360	
Pru (SAUT) Equity Income Series 3								1.133550	
Pru (SAUT) Equity Income Series 4								1.132000	
Pru (SAUT) Equity Income Series 5								1.125720	
Pru DWS American Growth Series 2							0.78	0.999650	
Pru DWS American Growth Series 3								0.997930	
Pru DWS American Growth Series 4								0.997220	
Pru DWS American Growth Series 5								0.991140	
Pru DWS Japan Growth Series 2							1.08	1.091690	
Pru DWS Japan Growth Series 3								1.089730	
Pru DWS Japan Growth Series 4								1.088790	
Pru DWS Japan Growth Series 5								1.082210	
Pru DWS Managed Portfolio Series 2							5.50	1.066140	
Pru DWS Managed Portfolio Series 3								1.064360	
Pru DWS Managed Portfolio Series 4								1.063250	
Pru DWS Managed Portfolio Series 5								1.057020	
Pru DWS UK Growth Series 2					20.00		0.94	1.064770	
Pru DWS UK Growth Series 3								1.063010	
Pru DWS UK Growth Series 4								1.061380	
Pru DWS UK Growth Series 5								1.055750	
Pru Ethical Series 2							(0.17)	1.149720	
Pru Ethical Series 3								1.147890	
Pru Ethical Series 4								1.146600	

Long term insurance business : Supplementary information for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund **Ordinary Long Term 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund	No of part of Fund	
			day	month	year					
	R45	793051	GL	31	12	2004	£000	OB	1	0
Name of fund		Amount of taxable unrealised capital gain or loss	Percentage provision for tax on unrealised capital gains		Percentage provision for tax on realised capital gains		Liquidity percentage	Valuation price per unit		
1		2	3		4		5	6		
Pru Ethical Series 5								1.139840		
Pru European Tracker Series 2							(0.19)	1.139130		
Pru European Tracker Series 3								1.137280		
Pru European Tracker Series 4								1.137340		
Pru European Tracker Series 5								1.129350		
Pru Invesco Perpetual UK Growth Series 2					20.00		0.28	1.207580		
Pru Invesco Perpetual UK Growth Series 3								1.205010		
Pru Invesco Perpetual UK Growth Series 4								1.203930		
Pru Invesco Perpetual UK Growth Series 5								1.197480		
Pru Newton Balanced Series 2							0.86	1.117290		
Pru Newton Balanced Series 3								1.115480		
Pru Newton Balanced Series 4								1.113960		
Pru Newton Balanced Series 5								1.107930		
Pru Newton Continental European Series 2							0.93	1.172120		
Pru Newton Continental European Series 3								1.170190		
Pru Newton Continental European Series 4								1.169310		
Pru Newton Continental European Series 5								1.162240		
Pru Newton International Growth Series 2					20.00		1.48	1.142870		
Pru Newton International Growth Series 3								1.138990		
Pru Newton International Growth Series 4								1.139230		
Pru Newton International Growth Series 5								1.133300		
Pru Newton Oriental Series 2							0.21	1.174940		
Pru Newton Oriental Series 3								1.172680		

Long term insurance business : Supplementary information for internal linked fundsName of insurer **Prudential Holborn Life Limited**

Global business

Ordinary insurance business

Financial year ended **31st December 2004**Name and number of fund **Ordinary Long Term 1**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund	No of part of Fund
				day	month	year				
R45		793051	GL	31	12	2004	£000	OB	1	0
Name of fund		Amount of taxable unrealised capital gain or loss		Percentage provision for tax on unrealised capital gains		Percentage provision for tax on realised capital gains		Liquidity percentage	Valuation price per unit	
1		2		3		4		5	6	
Pru Newton Oriental Series 4									1.171490	
Pru Newton Oriental Series 5									1.164840	
Pru UK Tracker Series 2								(0.37)	1.132170	
Pru UK Tracker Series 3									1.130360	
Pru UK Tracker Series 4									1.128750	
Pru UK Tracker Series 5									1.122580	
Small Companies Unit Trust	Series 1							(0.38)	2.913170	
Small Companies Unit Trust	Series 2								2.913170	
Small Companies Unit Trust	Series 3								1.171150	
Small Companies Unit Trust	Series 4								1.169430	
Small Companies Unit Trust	Series 5								1.158840	
Strategic Growth	Series 1							(0.20)	2.436130	
Strategic Growth	Series 2								2.436130	
Strategic Growth	Series 3								0.894590	
Strategic Growth	Series 4								0.892270	
Strategic Growth	Series 5								0.884390	

Long term insurance business : Summary of changes in ordinary long term businessName of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Non-linked

Financial year ended **31st December 2004**

		Company registration number		GL/UK/CM		Period ended			Units	UK/OS	NL/LN
						day	month	year			
		R46	793051	GL	31	12	2004	£000	UK	NL	
		Life assurance and general annuity		Pensions business		Permanent health		Other business			
		No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums		
		1	2	3	4	5	6	7	8		
In force at beginning of year	11	8		8							
New business and increases	12										
Net transfers and other alterations 'on'	13										
Total 'on' (12+13)	19										
Deaths	21										
Other insured events	22										
Maturities	23										
Surrenders	24	1									
Forfeitures	25										
Conversions to paid-up policies for reduced benefits	26										
Net transfers, expiries and other alterations 'off'	27										
Total 'off' (21 to 27)	29	1									
In force at end of year (11+19-29)	39	7		8							

Long term insurance business : Summary of changes in ordinary long term businessName of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Linked

Financial year ended **31st December 2004**

		Company registration number		GL/UK/CM		Period ended			Units	UK/OS	NL/LN
						day	month	year			
		R46	793051	GL		31	12	2004	£000	UK	LN
		Life assurance and general annuity		Pensions business		Permanent health		Other business			
		No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums		
		1	2	3	4	5	6	7	8		
In force at beginning of year	11	33898	1270								
New business and increases	12										
Net transfers and other alterations 'on'	13	158	107								
Total 'on' (12+13)	19	158	107								
Deaths	21	960	38								
Other insured events	22										
Maturities	23	3									
Surrenders	24	1578	87								
Forfeitures	25										
Conversions to paid-up policies for reduced benefits	26		6								
Net transfers, expiries and other alterations 'off'	27	694	71								
Total 'off' (21 to 27)	29	3235	202								
In force at end of year (11+19-29)	39	30821	1175								

Financial year ended **31st December 2004**

	Company registration number	GL/UK/CM	Period ended			Units
			day	month	year	
R47	793051	GL	31	12	2004	£000

Type of insurance	Single premium contracts			Regular premium contracts		
	No of contracts	Premiums	Sums assured, annuities per annum or other measures of benefit	No of contracts	Annual premiums	Sums assured, annuities per annum or other measures of benefit
1	2	3	4	5	6	7
UK REINSURANCE ACCEPTED						
Life Assurance & General Annuity Insurance Business						
Other Linked Contracts						
Whole life assurance		489344	489344			
Sub total: Other Linked Contracts		489344	489344			
Total: Life Assurance & General Annuity Insurance Business		489344	489344			
Total: UK Reinsurance Accepted		489344	489344			

Long term insurance business : Expected income from admissible assets not held to match liabilities in respect of linked benefitsName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**Category of assets **Total long term business assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R48	793051	GL	31	12	2004	£000	10
Type of asset			Value of admissible assets as shown on Form 13 1		Expected income from admissible assets 2		Yield % 3		
Land and buildings			11						
Fixed interest securities	Approved securities	12	8705		395		4.44		
	Other	13							
Variable interest and variable yield securities (excluding items shown at line 16)	Approved securities	14							
	Other	15							
Equity shares and holdings in collective investment schemes			16	63					
Loans secured by mortgages			17						
All other assets	Producing income	18	44506		2038		4.58		
	Not producing income	19	638						
Total (11 to 19)			29	53912		2433		4.50	

Long term insurance business : Analysis of admissible fixed interest and variable interest and variable yield securities not held to match liabilities in respect of linked benefitsName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**Category of assets **Total long term business assets**Company
registration
number

GL/UK/CM

Period ended

day

month

year

Units

Category
of assets

R49	793051	GL	31	12	2004	£000	10
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Redemption period in years			Value of admissible assets as shown on Form 13 1	Gross redemption yield % 2	Value of admissible higher yielding assets 3		Value of admissible assets as shown on Form 13 4	Gross redemption yield % 5	Value of admissible higher yielding assets 6
One year or less	11	Fixed interest approved securities				Variable interest and variable yield approved securities excluding equities			
More than one year but not more than five years	12								
More than five years but not more than ten years	13								
More than ten years but not more than fifteen years	14		880	4.53					
More than fifteen years but not more than twenty years	15								
More than twenty years but not more than twenty five years	16								
More than twenty five years	17		7825	4.43					
Irredeemable	18								
Total (11 to 18)	19		8705	4.44					
One year or less	21	Other fixed interest securities				Other variable interest and variable yield securities excluding equities			
More than one year but not more than five years	22								
More than five years but not more than ten years	23								
More than ten years but not more than fifteen years	24								
More than fifteen years but not more than twenty years	25								
More than twenty years but not more than twenty five years	26								
More than twenty five years	27								
Irredeemable	28								
Total (21 to 28)	29								

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4

VALUATION REPORT ON PRUDENTIAL HOLBORN LIFE LIMITED

1. The investigation relates to 31 December 2004.
2. The previous investigation related to 31 December 2003.
3. The valuation conforms with rule PRU 7.3.10R.
4. (a) Not applicable.
(b) Not applicable.
(c) Not applicable.
- 5.(1) Categories of in force linked business are as follows: -
 - (i) Total Growth Policies
 - (a) Total Growth Policies
 - (b) These policies are United Kingdom, life assurance and general annuity, direct written, unit linked endowment and whole life assurances issued by Vavas seur.
 - (c) Frequency of premium can be regular or single.
 - (d) Premiums are applied to secure units in an internal series 1 fund.

The recurring premium policies are endowment assurance policies where the amount payable on death or maturity is the greater of the sum assured or the bid value of units.

The single premium policies are whole life contracts where the amount payable on death is the greater of the total bid value of the attributed units or the minimum guaranteed amount determined as follows:

Attained age of life assured at commencement of policy	Minimum amount guaranteed to be payable on death per £1,000 single premium £
Under 35	1,500
35 - 39	1,400
40 - 44	1,300
45 - 49	1,200
50 - 54	1,100
55 and over	1,000

The policy owner has the option of transferring all or part of their investment from the fund to a separate account known as the Fixed Account. No interest is payable in respect of any amounts so transferred and the policy owner may, from time to time, transfer any such balances back into the fund (to the extent that no loan exists on the security of the policy).

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

- (e) There are no guaranteed investment returns.
- (f) There is an initial charge equal to the difference between the bid price and the offer price (the "bid/offer spread") which is never greater than 5% of the offer price plus a rounding adjustment not exceeding 0.1p.

For the series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds the Company deducts a fund management charge equal to 1/24% per month of the bid value of the units of that fund, excluding the bid value of any units held by that fund in any other fund.

For other series 1 funds, the Company deducts a fund management charge equal to 1/12% per month of the bid value of the units of that fund.

The percentage of premium invested is as shown below.

Recurring premium: amount invested each year is equal to the sum assured divided by the number of years of the policy's term.

Single premium: 100%

- (g) The bid offer spread is limited to 5%. The fund management charge is restricted to 1/24% per month of the bid value of the units for the series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds. The management charges for other series 1 funds may be varied without upward limit.
- (h) The policy can be surrendered at any time without penalty, i.e. the surrender value is the bid value of the units.
- (i) Policies written directly by or reassured to Prudential Holborn Life may have benefits linked to relevant series 1 or 2 units of the funds listed below. Total Growth policies invest in series 1 funds.

Cash Fund
Distribution Cash
Distribution Fund
Equity Fund
European Fund
Fixed Interest Fund
International Fund
Japanese Unit Trust Linked Fund
Managed Fund
Pacific Markets Unit Trust Linked Fund
Property Fund
Small Companies Unit Trust Linked Fund
Strategic Growth Fund

In addition the following funds are available in series 2 and series 3, 4 and 5, business reassured from PACL (refer 5(1)(xvi) below). Annual management charges depend on fund and series and are fully rebated to PACL.

Cautious UK Managed Fund
Corporate Bond Fund
DWS American Growth Fund
DWS Japan Growth Fund
DWS Managed Portfolio Fund
DWS UK Growth Fund
Ethical Fund
European Tracker Fund
Invesco Perpetual Income Fund
Invesco Perpetual Managed

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

Invesco Perpetual UK Growth Fund
 M&G Cazenove Growth Portfolio
 M&G Cazenove Balanced Portfolio
 M&G Cazenove Cautious Managed Portfolio
 M&G High Yield Corporate Bond Fund
 M&G Gilt and Fixed Interest Income Fund
 Newton Higher Income Fund
 Newton International Growth Fund
 Newton Balanced Fund
 Newton Continental
 Newton Oriental Fund
 Prudential Managed Defensive Fund
 UK Tracker Fund
 M&G Corporate Bond
 M&G Managed Growth
 Newton Managed

In addition the 70% Protected Fund and 80% Protected Fund are available in series 4 and 5.

The general nature of the investments of each of Prudential Holborn Life Limited internal linked fund is as follows.

The investments of the following may be direct or via other Prudential Life Funds or Prudential Unit Trusts.

70% Protected Fund	Combines the return from a FTSE 100 Tracker Fund and cash. The equity proportion can vary between 0% and 100%.
80% Protected Fund	Combines the return from a FTSE 100 Tracker Fund and cash. The equity proportion can vary between 0% and 70%.
Cash Fund:	Short term money market deposits and instruments
Distribution Cash Fund:	Direct investment in short-term money market deposits
Distribution Fund:	Direct investment in equities, gilt edged and fixed interest securities, convertibles, cash and property
Equity Fund:	Ordinary shares of companies in the United Kingdom
European Fund:	European (excluding UK) securities
Fixed Interest Fund:	UK Government gilt-edged securities and other fixed-interest securities
International Fund:	UK and overseas stocks and shares
Managed Fund:	Ordinary shares in companies in the UK and overseas, fixed interest and index-linked securities, property and cash
Property Fund:	Direct investment in commercial, industrial and agricultural properties, development projects and property modernisation programmes
Strategic Growth Fund:	Stocks and shares in a range of international companies (including UK)

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

The investments of the following are via M&G unit trusts

M&G Corporate Bond	Sterling fixed and variable rate securities including corporate bonds and debentures
M&G Managed Growth	M&G's range of authorised unit trusts
M&G Growth Portfolio	M&G's range of authorised unit trusts
M&G Balanced Portfolio	M&G's range of authorised unit trusts
M&G Cautious Managed Portfolio	M&G's range of authorised unit trusts
M&G High Yield Corporate Bond Fund	Fixed interest fund
M&G Gilt and Fixed Interest Income Fund	Fixed interest fund
M&G UK Tracker Fund	Tracks UK stocks and shares
M&G European Tracker Fund	tracks the FT/S&P World Index-Europe (excluding UK) by investing in representative stocks included in that index selected from all economic sectors

The investments of the following are via Scottish Amicable Unit Trusts

Corporate Bond Fund	UK and overseas equities and bonds
Invesco Perpetual Managed	UK and overseas equities and bonds
Equity Income Fund	UK and overseas equities and bonds
Ethical Fund	UK and overseas equities and bonds
Merrill Lynch Managed	UK and overseas equities and bonds
Newton Managed	UK and overseas equities and bonds
UBS Managed	UK and overseas equities and bonds

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

The following funds invest in Prudential Unit Trusts:

Cautious UK Managed Fund	High percentage invested in fixed interest stocks in the UK
European Unit Trust Linked Fund:	Stocks and shares of European companies (excluding UK)
Global Growth Unit Trust Linked Fund:	Ordinary stocks and shares of international companies
High Income Unit Trust Linked Fund:	UK stocks and shares and fixed interest securities
International Growth Unit Trust Linked Fund:	Mainly international stocks and shares
International Small Companies Unit Trust Linked Fund:	Mainly international stocks and shares
Prudential Managed Defensive Fund	Mixture of UK equities, properties and gilts
Japanese Unit Trust Linked Fund:	Japanese stocks and shares
North American Unit Trust Linked Fund:	United States and Canadian stocks and shares
Pacific Markets Unit Trust Linked Fund:	Investment primarily in the major Pacific markets (excluding Japan)
Premier Income Unit Trust Linked Fund:	Mainly fixed interest securities
Small Companies Unit Trust Linked Fund:	Stocks and shares of relatively small companies, principally in the UK
Special Situations Unit Trust Linked Fund:	Principally UK stocks and shares
UK Growth Unit Trust Linked Fund:	Principally UK stocks and shares

The following are invested directly via DWS

DWS American Growth Fund	American stocks and shares
DWS Japan Growth Fund	Japanese stocks and shares
DWS Managed Portfolio Fund	Investments may be made in all economic sectors and in any part of the world
DWS UK Growth Fund	Invests in UK top sectors

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Appendix 9.4 (continued)

The following funds are invested directly via Newton

Newton Balanced Fund	UK and overseas equities and bonds
Newton Higher Income Fund	UK stocks and shares
Newton International Growth Fund	Portfolio of international securities
Newton Continental	Invest in European Stocks and Shares
Newton Oriental Fund	Investing in Asian and Pacific markets including Australia and New Zealand but excluding Japan.

The following funds are invested directly via Invesco

Invesco Perpetual Income Fund	UK stocks and shares
Invesco Perpetual UK Growth Fund	UK stocks and shares

Investment dealing costs are charged to the respective funds.

(j) Not applicable.

(k) The contract was not open to new business in the year to the valuation date.

(l) There were no increases in the rates of charges applied to contracts during the report period.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

(ii) Capital Investment Portfolio (Mark 1)

(a) Capital Investment Portfolio (Mark 1)

(b) These policies are United Kingdom, life assurance and general annuity, direct written, unit linked whole life assurances.

(c) Single premiums only

(d) These bonds are similar to the Total Growth single premium policies in all major respects except that:

(1) There is no Fixed Account facility.

(2) Minimum guaranteed death benefits are determined as follows:

Attained age of life assured at commencement of policy	Minimum amount guaranteed to be payable on death per £1,000 single premium £
Under 35	2,000
35 – 39	1,750
40 – 44	1,500
45 – 49	1,400
50 – 54	1,300
55 – 59	1,200
60 – 64	1,100
65 and over	1,000

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charges see 5(1)(i)(f)

The percentage of premium invested is: 100%.

(g) The bid offer spread is limited to 5%. The fund management charge is restricted to 1/24% per month of the bid value of the units for the series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds.

(h) The policy can be surrendered in full or in part (minimum £50) at any time without penalty, i.e. the surrender value is the bid value of the units.

(i) See 5(1)(i)(i).

(j) Not applicable.

(k) The contract was not open to new business.

(l) There were no increases in the rates of charges.

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Appendix 9.4 (continued)

(iii) Maximum Investment Plan (Mark 1)

(a) Maximum Investment Plan (Mark 1)

(b) These policies are United Kingdom, life assurance and general annuity, direct written, unit linked whole life assurances.

(c) Frequency of premium can be annual or monthly.

(d) Premiums are invested in units of one or more of the internal series 1 funds.

The death benefit is the greater of the premiums paid and the bid value of units.

These policies have no surrender value if they are discontinued before the payment of one complete year's premium. Thereafter the cash surrender value is equal to the bid value of the units cancelled less a discontinuance charge, (unless the policy has previously become paid-up):

Number of complete years' premiums paid	Discontinuance charge as a percentage of one year's premium
1	40
2	37
3	34
4	30
5	26
6	22
7	17
8	12
9	6
10 or more	Nil

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charge see 5(1)(i)(f).

The percentage of premium invested is as shown below:

First 10 years	:	100% (excluding any service charge)
Thereafter	:	105% (excluding any service charge)

The following premium charges are made:

£10 per annum if premium between £250 pa and £499.99 pa

£1 per month if premium between £25 per month and £49.99 per month

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

(g) The bid offer spread is limited to 5%. The fund management charge is restricted to 1/24% per month of the bid value of the units for the series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds.

(h) See (d) above for calculation of surrender value.

(i) See 5(1)(i)(i)

(j) Not applicable.

(k) The contract was not open to new business.

(l) There were no increases in the rates of charges.

(iv) Maximum Investment Plan (Mark 2)

(a) Maximum Investment Plan (Mark 2)

(b) These policies are United Kingdom, life assurance and general annuity direct written, unit linked whole life assurances.

(c) Frequency of premium can be annual or monthly.

(d) A percentage of each premium is invested in units of one or more of the internal series 1 funds.

The sum assured is 75% of the total premiums payable and the death benefit is the greater of the sum assured and the bid value of units.

The discontinuance charge on surrender depends upon the premium paying term and remains constant until 10 years prior to the end of that term. Thereafter the charge reduces each year to zero by the end of the term. Specimen discontinuance charges are as follows:

Term in years	Discontinuance charge as a % of first year's annual premium
10	35
15	50
20	65
25	80
30	90
35	100

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charge see 5(1)(i)(f).
Specimen percentages of premium invested are shown below:

Age next birthday at entry	Premium paying term					
	10	15	20	25	30	35
Up to 30	99.5	99.5	99.1	98.7	98.7	98.4
35	99.5	99.3	98.8	98.2	97.9	97.4
40	99.4	98.9	98.0	97.1	96.3	95.3
45	98.8	98.0	96.6	94.9	93.4	91.0
50	98.1	96.4	94.0	90.9	87.5	
55	96.6	93.6	89.3	83.5		
60	94.2	88.8	80.5			
65	90.3	80.0				
70	83.0					

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued).

(g) The bid offer spread is limited to 5%. The fund management charge is restricted to 1/24% per month of the bid value of the units for the series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds.

(h) See (d) above for calculation of surrender value.

(i) See 5(1)(i)(i)

(j) Not applicable

(k) The contract was not open to new business.

(l) There were no increases in the rates of charges.

(v) Maximum Cover Plan

(a) Maximum Cover Plan

(b) These policies are United Kingdom, life assurance and general annuity direct written, unit linked whole life assurances.

(c) Frequency of premium can be annual or monthly.

(d) A percentage of each premium (excluding any service charge) is invested in units of one or more of the internal series 1 funds.

The death benefit is the greater of fifteen times one year's premium and the bid value of units.

The terms on which the Company grants surrender values for Maximum Cover Plan policies are the same as those for Maximum Investment Plan (Mark 1) policies.

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charge see 5(1)(i)(f).

Specimen percentages of premium invested are shown below:

First 10 years:	Age next birthday at entry	Percentage of each premium invested (excluding any service charge)
	Up to 30	99.0
	35	98.6
	40	97.5
	45	95.8
	50	92.3
	55	85.0
Thereafter		105.0

The following premium charges are made:

£10 per annum if premium between £250 pa and £499.99 pa

£1 per month if premium between £25 per month and £49.99 per month

(g) The bid offer spread is limited to 5%. The fund management charge is restricted to 1/24% per month of the bid value of units for the series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds.

(h) See (d) above for calculation of surrender value.

(i) See 5(1)(i)(i)

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Appendix 9.4 (continued)

- (j) Not applicable.
- (k) The contract was not open to new business.
- (l) There were no increases in the rates of charges.

(vi) Flexible Investment Plan

- (a) Flexible Investment Plan
- (b) These policies are United Kingdom, life assurances and general annuity direct written unit linked whole life assurances.
- (c) Frequency of premium can be annual or monthly.
- (d) A percentage of each full rate premium (excluding any service charge) is invested in units of one or more of the internal series 1 funds.

The premiums are level until the policy anniversary prior to the life assured's 65th birthday, or until 10 years duration if later. Thereafter, the policyholder has the option to continue paying premiums at one half of the original amount.

The sum assured is 75% of the total premium payable until the policy anniversary following the life assured's 75th birthday and the death benefit is the greater of the sum assured and the bid value of units.

The basis of determining surrender values on these policies is identical to that applicable to Maximum Investment Plan (Mark 2) policies, the term being that for which full-rate premiums are paid.

- (e) There are no guaranteed investment returns.
- (f) For details of the bid offer spread and fund management charge see 5(1)(i)(f).

Specimen percentages of premium invested are shown below:

Age next birthday at entry	Percentage of each full-rate Premium invested
30	97.5
35	97.1
40	95.8
45	94.7
50	93.2
55	91.9
60	90.3
65	89.0

The percentage of each half-rate premium: 105% (excluding service charge).

The following premium charges are made:

£10 per annum if premium between £250 pa and £499.99 pa
£1 per month if premium between £25 per month and £49.99 per month

- (g) The bid offer spread is limited to 5%. The fund management charge is restricted to 1/24% per month of the bid value of the units for the series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds.

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Appendix 9.4 (continued)

(h) See (d) above for calculation of surrender value.

(i) See 5(1)(i)(i)

(j) Not applicable.

(k) The contract was not open to new business.

(l) There were no increases in the rates of charges.

(vii) Maximum Investment Plan (Mark 3)

(a) Maximum Investment Plan (Mark 3)

(b) These policies are United Kingdom, life assurance and general annuity direct written unit linked endowment assurances.

(c) Frequency of premium can be annual or monthly.

(d) A percentage of each premium is invested in units of one or more of the internal series 1 funds .

These policies have premiums payable for a specified term between 10 and 30 years. Thereafter, the policyholder has the option of continuing premium payments at the same level, with an increased investment percentage.

The sum assured is a percentage of premiums payable throughout the selected term. Up to age 56 next birthday at entry this is 75%. Above this age the percentage reduces by 2% for each year, to 47% at age 70 next birthday.

The death benefit is the greater of the sum assured and the bid value of units.

The terms on which the Company grants surrender values on these policies are identical to those applicable to Maximum Investment Plan (Mark 2) policies.

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charge see 5 (1)(i)(f).

Specimen percentages of premium invested are shown below:

Age next birthday at entry	Premium paying term				
	10	15	20	25	30
Up to 35	98	98	98	98	98
40	98	98	97	97	97
45	97	97	96	95	94
50	96	95	93	91	88
55	95	92	89	84	
60	93	90	84		
65	92	87			
70	91				

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Appendix 9.4 (continued)

Where premiums are paid annually, and are not less than £1,000 pa, the allocation to units is increased by 1%. In calculating the percentage, female ages are rated down by 3 years.

Premiums continued after selected term: 105%.

- (g) The bid offer spread is limited to 5%. The fund management charge is restricted to 1/24% per month of the bid value of the units for the series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds.
- (h) See (d) above for calculation of surrender value.
- (i) See 5(1)(i)(i)
- (j) Not applicable
- (k) The contract was not open to new business.
- (l) There were no increases in the rates of charges.

(viii) Capital Investment Portfolio (Mark 2)

- (a) Capital Investment Portfolio (Mark 2)
- (b) These policies are United Kingdom life assurance and general annuity, direct written, unit linked whole life assurances.
- (c) Single premium only.
- (d) These bonds are similar in all respects to the Capital Investment Portfolio (Mark 1) bonds except that units are attributed in one or more of the Series 2 funds.
- (e) There are no guaranteed investment returns.
- (f) There is an initial charge equal to the difference between the bid price and the offer price (the "bid/offer spread") which is never greater than 5% of the offer price plus a rounding adjustment not exceeding 0.1p.

For the Series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds, the Company deducts a fund management charge equal to 1/24% per month of the bid value of the units of that fund, excluding the bid value of any units held by that fund in any other fund. The assets of the corresponding Series 2 funds currently consist entirely of units of the respective Series 1 funds. The Company deducts from each of these Series 2 funds an additional fund management charge, currently equal to 1/24% per month of the bid value of the Series 1 units held; the effective fund management charge on these Series 2 funds is thus currently 1/12% per month. The management charge on these Series 2 funds can be varied, without upward limit.

For other series 1 funds, the Company deducts a fund management charge equal to 1/12% per month of the bid value of the units of that fund. The assets of the Series 2 funds currently consist entirely of units of the respective Series 1 funds. The Company does not currently deduct an additional fund management charge from the Series 2 funds. The management charges for these Series 1 and Series 2 funds may be varied without upward limit.

The percentage of premium invested is as shown below:

100%. For investments made after 1 June 1982, increased percentages apply for policyholders with large investments up to 101% for total investments of £100,000 or more.

- (g) The bid offer spread is limited to 5%.

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Appendix 9.4 (continued)

(h) The policy can be surrendered in full or in part (minimum £50) at any time without penalty, i.e. the surrender value is the bid value of the units.

(i) See 5(1)(i)(i)

(j) Not applicable.

(k) The contract was not open to new business.

(l) There were no increases in the rates of charges.

(ix) Maximum Investment Plan (Mark 4)

(a) Maximum Investment Plan (Mark 4)

(b) These policies are United Kingdom life assurance and general annuity, direct written, unit linked endowment assurances.

(c) Frequency of premium can be annual or monthly.

(d) These policies are similar to the Maximum Investment Plan (Mark 3) policies except that:

- (1) A percentage of each premium is invested in units of one or more of the Series 2 funds.
- (2) The maximum age next birthday at entry is 80 less the term, except for a 10 year term where it is 76. The scale of percentages for calculating sums assured has been extended. The percentage at age 76 next birthday is 35%.
- (3) The policy is also issued on a joint-life and last survivor basis. The sum assured is based on the age next birthday of the younger life and is the same percentage of premiums payable throughout the selected term as for a single life plan at this age next birthday.
- (4) At maturity the policyholder has the option to convert the policy to a whole of life contract or to extend the term by a minimum of 10 years, subject to (2) above.

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charge see 5 (1) (viii) (f).

The percentage premium invested is as shown below:

The percentage is the same as for Maximum Investment Plan (Mark 3). For ages at entry above 70, the percentage is 91, increased to 92 for annual premiums not less than £1,000. For joint lives, provided that the age next birthday of both lives is less than or equal to 80 minus the specified term, subject to a maximum term of 30 years, the percentage of each premium invested in units is the percentage for a single life policy on a male life whose age next birthday is equal to that of the male life less 20 years or the female life less 23 years whichever is the lower. Special rules apply where one of the lives is over age 80 minus the specified term at entry.

(g) The bid offer spread is limited to 5%.

(h) A surrender value is available at any time after payment of one complete years premium. Early surrender penalties are as for Maximum Investment Plan (Mark 3).

(i) See 5(1)(i)(i)

(j) Not applicable.

(k) The contract was not open to new business.

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Appendix 9.4 (continued)

(l) There were no increases in the rates of charges.

(x) Maximum Investment Plan (Mark 4a)

(a) Maximum Investment Plan (Mark 4a)

(b) These policies are United Kingdom life assurance and general annuity, direct written, unit linked endowment assurances.

(c) Frequency of premium can be annual or monthly.

(d) These policies are similar to the Maximum Investment Plan (Mark 4) policies with different rates of allocation to units for varying sizes of premium.

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charge see 5 (1) (viii) (f).

The percentage of premium invested is as shown below:

The percentage is the same as for Maximum Investment Plan (Mark 4) with the following variations:

Annual Premium	Monthly Premium	Change in Allocation
£2,500 - £4,999	Up to £499	+1%
£5,000 and over	£500 and over	+2%

For male lives over 55 next birthday and female lives over 58 next birthday there is a further 1% allocation for annual premiums of £10,000 and above.

The following premium charges are made:

monthly premiums - £1 per month policy fee per proposal
annual premiums - no charge

(g) The bid offer spread is limited to 5%.

(h) Same as for Maximum Investment Plan (Mark 4)

(i) See 5(1)(i)(i)

(j) Not applicable.

(k) The contract was not open to new business.

(l) There were no increases in the rates of charges.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

(xi) Flexible Investment Portfolio

(a) Flexible Investment Portfolio

(b) These policies are United Kingdom life assurance and general annuity, direct written, unit linked whole life assurances.

(c) Frequency of premium can be single or regular.

(d) Premiums are invested in units of one or more of the Series 2 funds.

The single premium policies are similar in all respects to the Capital Investment Portfolio (Mark 2) policies.

The regular premium policies are purchased by level annual or monthly premiums.
The death benefit is the greater of twice the yearly premium and the bid value of units.

The terms on which the Company grants surrender values on these policies are the same as those applicable to Maximum Investment Plan (Mark 1) policies, except for the scale of discontinuance charges, which are as follows:

Number of complete years' premiums paid	Discontinuance charge, as a percentage of one year's premium
Under 3	25
3	16
4	8
5 or more	Nil

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charge see 5 (1) (viii) (f).
The percentage of premium invested is as shown below:

Single and Regular investments: 100%. Increased percentages apply for policyholders with large single investments, up to 101% for total investments of £100,000 or more.

(g) The bid offer spread is limited to 5%.

(h) See (d) above for surrender value calculation.

(i) See 5(1)(i)(i)

(j) Not applicable.

(k) The contract was not open to new business.

(l) There were no increases in the rates of charges.

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Appendix 9.4 (continued)

(xii) Launch Bond

(a) Launch Bond

(b) These policies are United Kingdom life assurance and general annuity, direct written, unit linked whole life assurances.

(c) Single premium only.

(d) These are similar in most respects to the Capital Investment Portfolio (Mark 2) bonds. These contracts were only available for a limited period and offered an enhanced allocation rate.

The cash surrender amount is the bid value of the units cancelled less a discontinuance charge.

Policy year of surrender	Discontinuance charge, as a percentage of bid value of units
1	2.0%
2	1.5%
3	1.0%
4	0.5%
greater than 4	nil

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charge see 5 (1) (viii) (f).

The percentage of premium invested is as shown below:

Application received by	Unit allocation
8 Jan 1988	103.5%
29 Jan 1988	102.5%

(g) The bid offer spread is limited to 5%.

(h) See (d) above for surrender value calculation.

(i) See 5(1)(i)(i)

(j) Not applicable.

(k) The contract was not open to new business.

(l) There were no increases in the rates of charges.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

(xiii) Private Portfolio

(a) Private Portfolio

(b) These policies are United Kingdom life assurance and general annuity, direct written, unit linked whole life assurances.

(c) Single premium only.

(d) These are invested in units in one or more of the Series 2 funds. The policy may be written on the life of the investor alone, or on the joint lives of husband and wife with the death benefits payable on the second death.

The death benefit is 101% of the bid value of the units and the benefit on surrender is the bid value of the units.

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charge see 5 (1) (viii) (f).
The percentage of premium invested is as shown below:

Premium received prior to 6 April 1990	Percentage of premium allocated
£2,500 - £4,999	99.0%
£5,000 - £9,999	100.5%
£10,000 - £24,999	101.5%
£25,000 and over	102.0%

Premium received after 5 April 1990	Percentage of premium allocated
£5,000 - £9,999	100.0%
£10,000 - £24,999	101.0%
£25,000 - £49,999	101.5%
£50,000 and over	102.0%

(g) The bid offer spread is limited to 5%.

(h) See (d) above for surrender value calculation.

(i) See 5(1)(i)(i)

(j) Not applicable.

(k) The contract was not open to new business.

(l) There were no increases in the rates of charges.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

(xiv) Money Manager 1

(a) Money Manager 1

(b) These policies, originally issued by London Indemnity and General Insurance Company Limited are United Kingdom life assurance and general annuity, direct written, unit linked whole life assurances.

(c) Monthly premiums only.

(d) Level monthly premiums are invested in Managed Fund series 1.

The death benefit is the greater of 180 times the monthly premium and the bid value of units.

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charges see 5(1)(i)(f).

The percentage of premium invested is as shown below:

Year	Percentage of premium Allocated
1	50.0%
2 to 15 inclusive	90.0%
16 thereafter	100.0%

(g) The bid offer spread is limited to 5%. The fund management charge is restricted to 1/24% per month of the bid value of the units for the series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds.

(h) The surrender value is the bid value of the units.

(i) See 5(1)(i)(i)

(j) Not applicable.

(k) The contract was not open to new business.

(l) There were no increases in the rates of charge.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

(xv) Money Manager 2

(a) Money Manager 2

(b) These policies, originally issued by London Indemnity and General Insurance Company Limited are United Kingdom life assurance and general annuity, direct written, unit linked whole life assurances.

(c) Monthly or annual premiums only.

(d) These are similar to Money Manager 1, except for different allocation rates and the ability to pay annual premiums.

The death benefit is the greater of 180 times the monthly premium (or 15 times the annual premium) and the bid value of units.

(e) There are no guaranteed investment returns.

(f) For details of the bid offer spread and fund management charges see 5(i)(i)(f)

The percentage of premium invested is as shown below:

Year	Percentage of premium Allocated
1	55%
2 to 10 inclusive	88%
11 thereafter	100%

(g) The bid offer spread is limited to 5%. The fund management charge is restricted to 1/24% per month of the bid value of the units for the series 1 Managed, Equity, Fixed Interest, Property, Cash and International funds.

(h) The surrender value is the bid value of the units.

(i) See 5(1)(i)(i)

(j) Not applicable.

(k) The contract was not open to new business.

(l) There were no increases in the rates of charges.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

(xvi) Reassurance accepted from the Prudential Assurance Company Limited (PACL)

- (a) Reassurance accepted from The Prudential Assurance Company Limited (PACL)
 - (b) This reassurance is of unit linked Life Business which is linked to Prudential Holborn Life internal linked funds, i.e. United Kingdom, life assurance and general annuity, reassurance accepted, unit linked whole life assurances.
 - (c) Single premiums only.
 - (d) The benefit payable on a death is 101% of the bid value of units.
 - (e) There are no guaranteed investment returns.
 - (f) The premiums receivable are: The bid value of units credited to the agreement; the value, on 70% A67/70 Ultimate mortality of the death benefits; and the administration and maintenance expenses of the business.
 - (g) Mortality charges cannot be varied at the company's discretion.
 - (h) The benefit payable on policy surrender or withdrawal is the bid value of the units.
 - (i) See 5(1)(i)(i)
 - (j) Not applicable.
 - (k) The contract was open to new business in the year to the valuation date.
 - (l) There were no increases in the rates of charges applied generally to contracts during the report period.
- (2) Not applicable.
- (3) No categories of contract have been included under the miscellaneous heading in Forms 53 or 54.
- (4) A smoothed equity approach is taken to unit pricing. Current practice is as follows.

While the trend in the number of units in a unit fund is believed to be upward, the bid price is the creation price. While the trend in the number of units is believed to be downward, the bid price is the cancellation price. Where the trend is unclear or changing the bid price may be between the creation price and the cancellation price. The offer price is then set equal to the bid price plus the initial charge plus a rounding adjustment not exceeding 0.1p.

The creation price is the cash cost of purchasing an identical portfolio of assets to that in the unit fund including all the costs that would be incurred in purchasing such assets, divided by the number of units in existence. The cancellation price is the cash amount for which the assets of the unit fund can be sold net of all costs that would be incurred in disposing of the assets, divided by the number of units in existence.

Unit prices are calculated and allocations to policies made daily. The associated cash is invested or withdrawn from the unit fund the day following the allocation.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

- (5) Realised gains were taxed at 20% on crystallisation net of any amounts met by non linked reserves (refer below) and the tax is due immediately from the linked funds to the trading account. The instalment of tax arising on the deemed disposal of unit trust holdings is deducted annually from the fund at a similar rate.

No credit is taken for tax relief on realised losses in a fund until they are covered by gains in the same fund. A non linked reserve is held (within the 'unit price timing adjustment' described in 9(a) below) in respect of tax relief on realised losses not covered by gains in the same fund.

Reserves for tax on unrealised gains and outstanding instalments of deemed disposals, reduced as necessary to allow for realised losses in accordance with the above approach have been made within the fund by purchasing units of the same fund. These reserves are currently between 16.93% and 19.05% of the corresponding liabilities. Transfers to and from the reserves take place on a daily basis.

- (6) Where investments are in Prudential Unit Trusts the purchase price is the underlying creation price. In the case of disinvestments the sale price is the underlying cancellation price. Prudential Unit Trusts rebate the fund management charge deducted from the unit trusts less a share of investment management expenses of the unit trusts. The full rebate (without deduction for the investment management expenses of the unit trusts) is credited to the respective linked funds with the deduction for investment management expenses being met by non linked funds.

6. (1) The general principles adopted in the valuation were as follows:

(a) Not applicable.

(b) Not applicable.

- (c) The net premium method of valuation has been employed for the non-linked whole life assurances and deferred annuities. The only modification is the restriction of the net premium to a maximum of 95% of the office premium.

Under deferred annuities the cash option has been valued where this produces a higher liability.

Ordinary life and temporary annuities in course of payment were valued by discounting future payments.

- (d) Negative values have been eliminated from the liability. Additionally, all negative values which would arise at future valuations using the current basis projected forward have also been eliminated.

(e) Not applicable.

(f) See 5(5) above.

- (g) The recurring premium Total Growth policies guarantee that, at maturity, the value of units attributed will be not less than the minimum sum assured. No additional reserve is considered necessary for the one remaining contract as the value of units exceeds the minimum sum assured by a sufficient margin.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

(h) An additional reserve of £14,818,000 is held in respect of the following :

- £100,000 is in respect of AIDS (see 7.(5));
- £1,000,000 in respect of the cost of compensating policyholders for excessive charges taken from their unit-linked funds;
- £1,101,000 as an allowance for partial withdrawals throughout the lifetime of the policy;
- £5,564,000 in respect of profits for 2004 and past years to be agreed with the relevant reinsurer;
- £5,292,000 in respect of reinsurance risk associated with a large reinsurance treaty; and
- £1,761,000 in respect of other contingencies.

(2) Not applicable.

7.(1) See Forms 51 and 53.

7.(2) Not applicable.

7.(3) All business is issued in the United Kingdom, and United Kingdom tables of mortality and morbidity have been used.

7.(4) Annuities are generally valued using a percentage of the 92 series (year of birth) tables for annuitants and pensioners. In order to allow for mortality improvement, the CMIR 17 mortality improvement factors are applied up to and including 2004, and future improvement factors from 2005 are a percentage of the CMI medium cohort projections. Improvement factors are subject to a minimum improvement of 1.25% for males and 0.75% for females.

(5) An additional reserve of £100,000 is held in respect of AIDS. The provision for AIDS has been assessed on the assumptions underlying Projection R6A of the Institute of Actuaries Working Party Bulletin No. 5, but modified so that mortality rates are assumed not to decline from their peak values. No allowance is made for any other diseases or scientific advances.

7.(6) In accordance with PRU 4.2.16R(3), 4.2.18G and 4.2.23R(3), the scenarios of future changes in the value of assets which have been tested are:

- (a) a rise of 0.95% in the yield on short and long term gilts and cash, and a fall in unit funds of 20%.
- (b) a fall of 0.95% in the yield on short and long term gilts and cash, and a fall in unit funds of 20%.

Scenario (a) proved to be the most onerous.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

- 7.(7) The assets backing the non-unit liabilities are all UK gilts and cash.
- 7.(8)(a) A Resilience Capital Requirement of £372,000 has been established.
- (b) There was a £534,000 decrease in the aggregate amount of the long term liabilities.
 - (c) The assets allocated to match such liabilities including the resilience capital requirement decreased in value by £906,000.
- 7.(9) Not applicable.
8. (a) See Form 51.
- (b) A conservative valuation rate of interest has been adopted for whole life assurances so that future expenses are covered by the margin in the assumed interest earnings. 2.0% of each payment is reserved for expenses of annuities in payment.
 - (c) Not applicable.
 - (d) Not applicable.
9. (a) For those policies on impaired lives which are subject to an extra premium, the additional reserve required is covered by the reserve held in 7(5) above. Most policies on under-average lives have been issued subject to a debt which has been disregarded in the calculation of policy reserves.
- For linked policy reinsurance accepted from PACL, units have been attributed to policies to cover benefits payable on surrender or switch, together with a further 1% of this amount to cover benefits payable on death. No reserve for future expenses is necessary.
- The liability for other linked policies has been taken as the sum of:
- (i) The value of attributed units at bid prices.
 - (ii) The amount (if any) on Fixed Account.
 - (iii) The value of future death benefits.
 - (iv) The value of future expenses and renewal commission.
 - (v) Less the value of future management charges allowing for any existing regular withdrawal instructions.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

(vi) Less the value of that portion of future premiums not attributed to units.

In the case of regular premium contracts, in calculating (v) and (vi) premiums are assumed to continue in payment for the remaining term of the contract unless a higher reserve is obtained by assuming immediate cessation of premiums but with no change to the premium paying expenses in calculating (iv).

Where necessary, (v) and then (vi) were adjusted to ensure that the reserve for an individual policy both currently and at any future date was at least equal to the value of attributed units.

A reserve, the “unit price timing adjustment”, is held in respect of tax relief on realised losses not covered by gains in the same fund. No credit is taken in the calculation of the unit price for tax relief on realised losses not covered by gains in the same fund whereas in practice the Company is taxed as a single entity.

Valuation rate:	3.20% p.a. net
Fund growth rate:	4.0% p.a. net

The fund growth rate is shown before reduction for annual fund charge (0.5% 1st Series, 1.0% 2nd Series).

Mortality: AM/AF92 – 3 years, with allowance for joint lives where appropriate.

Renewal expenses (net of tax relief at 20%) in respect of direct written business:

Single premium business

per policy	£38.00 p.a.
------------	-------------

Regular premium business

Premium paying

per policy	£64.90 p.a.
------------	-------------

Non premium paying

per policy	£38.00 p.a.
------------	-------------

There is no specific loading for claim expenses.

Inflation: 3.5% pa throughout.

Fund Charge: 0.5% pa (1st Series) and 1.0% pa (2nd Series), less rebate of the full fund management charge to The Prudential Assurance Company Limited in respect of reinsurance accepted business. In determining the future income from net fund charges, the value of units is based on 80% of the bid prices on 31 December 2004 .

Investment expenses: 0.25% pa in respect of direct written business.

Minimum liability: bid value of units allocated. The value of future income is also restricted to ensure that the liability on the current basis projected to any future date is not less than the minimum liability at that date.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

- (b) Not applicable.
- 10. (1) See answer to paragraph 9.
- 10. (2) The grossed up aggregate amount of expense allowance arising in the next twelve months from the loadings described in paragraph 9 is £2,182,000. This excludes the annual management charge rebated to PACL, where the amount due to PACL is that arising from the associated linked funds, and in 2004 this amounted to £8,623,000 which is included in line 44 of Form 41.
- 10. (3) None of the directly written contracts is open to new business. The administration and maintenance expenses of reinsurance accepted are met by the ceding company.
- 10. (4) None of the directly written contracts is open to new business. The administration and maintenance expenses of reinsurance accepted are met by the ceding company.
- 11. (1) All mathematical reserves are matched by assets in the same currency.
- 12. (1) No premiums were paid in 2004 in respect of reinsurance business ceded on a facultative basis to reinsurers not authorised to carry on business in the United Kingdom.
 - (2) The following reinsurance treaties were in force at 31 December 2004.
 - (2.1) (a) **Swiss Re Life & Health Ltd**
 - (b) The reinsurer is authorised to carry on insurance business in the United Kingdom.
 - (c) The reinsurer and the Company are not connected.
 - (d) Reinsurance of all unit-linked life assurance business issued by Prudential Holborn Life. Reinsurer to accept the excess of amount at risk over £25,000 for any one life to a maximum of £400,000. Thereafter offered on a facultative basis.
 - (e) There were no premiums payable under the treaty during 2004.
 - (f) There were no deposit back arrangements.
 - (g) The net liability includes no allowance for the refund of any reinsurance commission.
 - (h) The treaty is open to new business.
 - (2.2) (a) **Swiss Re Life & Health Ltd**
 - (b) The reinsurer is authorised to carry on insurance business in the United Kingdom.
 - (c) The reinsurer and the Company are not connected.
 - (d) Reinsurance of all direct linked business written by Prudential Holborn Life, excluding benefits linked to real property assets, on a 50% quota share basis. The liability reassured is covered by a charge on assets.
 - (e) The net premiums payable under the treaty during 2004 were £ 1,450,000.
 - (f) There were no deposit back arrangements.
 - (g) The net liability includes no allowance for the refund of any reinsurance commission.
 - (h) The treaty is closed to new business.

PRUDENTIAL HOLBORN LIFE LIMITED

Appendix 9.4 (continued)

(2.3)(a) Swiss Re Life & Health Ltd

- (b) The reinsurer is authorised to carry on insurance business in the United Kingdom.
- (c) The reinsurer and the Company are not connected.
- (d) Reinsurance of all linked business reinsured from Prudential Assurance Company to Prudential Holborn Life, excluding benefits linked to the Distribution Fund or to real property assets, on a 50% quota share basis. The liability reassured is covered by a charge on assets.
- (e) There were no premiums payable under the treaty during 2004.
- (f) There were no deposit back arrangements.
- (g) The net liability includes no allowance for the refund of any reinsurance commission.
- (h) The treaty is closed to new business.

(3) Not applicable.

13. Not applicable.

14. (1) Not applicable.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

15. Not applicable

16. Not applicable

17. See Form 46.

18. See Form 47.

19. (1) See Forms 48 and 49.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

(5) Not applicable.

20. See Forms 51, 53 and 55.

21. (1) See Form 57.

21. (2) The yield on assets other than equity shares and land was adjusted as follows:

(i) gilts - no adjustment

(ii) cash deposits – a 0.05% reduction to take account of risk of default

21. (3) Not applicable.

- 22. See Form 58.
- 23. See Form 60.

Long term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)Name of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Financial year ended **31st December 2004**

Type of business	Life Assurance & General Annuity Insurance Business	Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Type of business	Category of surplus	
Category of surplus	Ordinary Long Term	R51	793051	GL	31	12	2004	£000	UK	L&GA	11

Type of insurance or name of contract 1	Valuation basis		No of contracts 4	Amount of sums assured or annuities per annum, including vested reversionary bonuses 5	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits 8	Value of sums assured or annuities per annum, including vested reversionary bonuses 9	Value of annual premiums		Amount of mathematical reserves 12
	Rate of interest 2	Mortality or morbidity table 3			Office premiums 6	Net premiums 7			Office premiums 10	Net premiums 11	
DIRECT WRITTEN INSURANCE BUSINESS											
Non-Profit Policies											
Whole Life Assurance	3.20%	(c)	1	1				1			1
Annuities in payment	3.20%	(a)	5	3 pa				26			26
Deferred Annuity	3.20%	(b)	1					13			13
Sub total: Non-Profit Policies			7	1 3 pa				40			40
Sub total: Direct Written Insurance Business			7	1 3 pa				40			40
REASSURANCE CEDED											
Non-Profit Policies											
Deferred Annuity	3.20%	(b)	1					13			13
Sub total: Non-Profit Policies			1					13			13

Long term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)Name of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Financial year ended **31st December 2004**

Type of business	Life Assurance & General Annuity Insurance Business	Company registration number	793051	GL/UK/CM	GL	Period ended			Units	UK/OS	Type of business	Category of surplus
Category of surplus	Ordinary Long Term	R51	793051	GL	31	12	2004	£000	UK	L&GA	11	

Type of insurance or name of contract 1	Valuation basis		No of contracts 4	Amount of sums assured or annuities per annum, including vested reversionary bonuses 5	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits 8	Value of sums assured or annuities per annum, including vested reversionary bonuses 9	Value of annual premiums		Amount of mathematical reserves 12
	Rate of interest 2	Mortality or morbidity table 3			Office premiums 6	Net premiums 7			Office premiums 10	Net premiums 11	
Sub total: Reassurance Ceded			1					13			13
Net total: Life Assurance & General Annuity Insurance Business			7	1 3 pa				27			27

Long term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)Name of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Financial year ended **31st December 2004**Type of business **Pension Insurance Business**Category of surplus **Ordinary Long Term**

Financial year ended		31st December 2004		Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Type of business	Category of surplus	
Type of business		Pension Insurance Business				day	month	year					
Category of surplus		Ordinary Long Term		R51	793051	GL	31	12	2004	£000	UK	Pens	11
Type of insurance or name of contract		Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves	
		Rate of interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums		
1		2	3	4	5	6	7	8	9	10	11	12	
DIRECT WRITTEN INSURANCE BUSINESS													
Non-Profit Policies													
Deferred Annuity		3.20%	(b)	8					1			1	
Sub total: Non-Profit Policies				8					1			1	
Sub total: Direct Written Insurance Business				8					1			1	
Net total: Pension Insurance Business				8					1			1	
Net total: United Kingdom Insurance Business				15	1 3 pa				28			28	

Long term insurance business : Valuation summary of property linked contractsName of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Financial year ended **31st December 2004**Type of business **Life Assurance & General Annuity Insurance Business**
Category of surplus **Ordinary Long Term**Company
registration
number

GL/UK/CM

Period ended
day month year

Units

UK/OS

Type of
businessCategory
of surplus

Category of surplus			Business Ordinary Long Term			Name of contract									
						R53	793051		GL	31	12	2004	£000	UK	L&GA
Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Category of unit link	Unit liability		Other liabilities		Amount of mathematical reserves	
	Rate of interest	Mortality or morbidity table		Guaranteed on death	Current on death/current payable per annum	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
DIRECT WRITTEN INSURANCE BUSINESS Non-Profit Policies															
WHOLE LIFE															
Total Growth Policies by single premium	(a)	(a)			1139					1139	1139		248	1387	
Capital Investment Portfolio Mk 1	(a)	(a)	3747	6681	45290					45290	45290	1058		46348	
Maximum Investment Plan Mk 1	(a)	(a)	2472	22368	102643		790			102643	102643	454		103097	
Maximum Investment Plan Mk 2	(a)	(a)	773	674	5646		1			5646	5646	352		5999	
Maximum Cover Plan	(a)	(a)	136	643	5774		45			5774	5774	30		5803	
Flexible Investment Plan	(a)	(a)	164	1365	6444		49			6444	6444	24		6467	
Capital Investment Mk2 and Flexible Investment Portfolio (single)	(a)	(a)	16392	28634	98894					98894	98894	3826		102720	
Capital Investment Mk2 and Flexible Investment Portfolio (regular)	(a)	(a)	134	107	1294		27			1294	1294	46		1340	
Launch Bond	(a)	(a)	1214	1348	3416					3416	3416	533		3948	
Private Portfolio	(a)	(a)	1786		8245					8163	8163	794		8958	
Money Manager 1	(a)	(a)	59	81	1038		5			1038	1038	102		1139	
Money Manager 2	(a)	(a)	64	29	924		2			924	924	110		1034	

Long term insurance business : Valuation summary of property linked contracts

Name of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Financial year ended **31st December 2004**Type of business **Life Assurance & General Annuity Insurance Business**
Category of surplus **Ordinary Long Term**Company
registration
number

GL/UK/CM

Period ended
day month year

Units

UK/OS

Type of
businessCategory
of surplus

Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Category of unit link	Unit liability		Other liabilities		Amount of mathematical reserves
	Rate of interest	Mortality or morbidity table		Guaranteed on death	Current on death/current payable per annum	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
ENDOWMENTS														
Total Growth Policies by annual premium	(a)	(a)	1	1	4	1				4	4			4
Maximum Investment Plan Mk 3	(a)	(a)	312	125	3104		10			3104	3104	145		3249
Maximum Investment Plan Mk 4	(a)	(a)	1952	997	16163		95			16163	16163	635		16798
Maximum Investment Plan Mk 4a	(a)	(a)	1615	1516	16791		149			16791	16791	448		17240
Reserve for Capital Gains										8330	8330			8330
UNIT PRICING TIMING ADJUSTMENT													9757	9757
ADDITIONAL RESERVE													14818	14818
Sub total: Non-Profit Policies			30821	64569	316809	1	1173			325057	325057	8557	24823	358436
Sub total: Direct Written Insurance Business			30821	64569	316809	1	1173			325057	325057	8557	24823	358436
REASSURANCE ACCEPTED Non-Profit Policies														
WHOLE LIFE														

Long term insurance business : Valuation summary of property linked contracts

Name of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Financial year ended **31st December 2004**Type of business **Life Assurance & General Annuity Insurance**Company
registration
number

GL/UK/CM

Period ended
day month year

Units

UK/OS

Type of
businessCategory
of surplusCategory of surplus **Ordinary Long Term**

R53	793051	GL	31	12	2004	£000	UK	L&GA	11
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Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Category of unit link	Unit liability		Other liabilities		Amount of mathematical reserves
	Rate of interest	Mortality or morbidity table		Guaranteed on death	Current on death/current payable per annum	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Prudence Bond					156982					156897	156897			156897
Managed Bond					157451					157417	154123			154123
Flexible bond					309566					309473	301794			301794
Distribution bond					333465					333262	333262			333262
Additional mortality reserve														
Sub total: Non-Profit Policies					957464					957049	946076			946076
Sub total: Reassurance Accepted					957464					957049	946076			946076
REASSURANCE CEDED														
Non-Profit Policies														
WHOLE LIFE														
Total Growth Policies by single premium	(a)	(a)			527				Internal Fund	527	527			527
Capital Investment Portfolio Mk 1	(a)	(a)		3340	20455				Internal Fund	20455	20455			20455
Maximum Investment Plan Mk 1	(a)	(a)		11184	47973		395		Internal Fund	47973	47973			47973
Maximum Investment Plan Mk 2	(a)	(a)		337	2556		1		Internal Fund	2556	2556			2556

Long term insurance business : Valuation summary of property linked contracts

Name of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Financial year ended **31st December 2004**Type of business **Life Assurance & General Annuity Insurance**Company
registration
number

GL/UK/CM

Period ended
day month year

Units

UK/OS

Type of
businessCategory
of surplusCategory of surplus **Ordinary Long Term**

R53	793051	GL	31	12	2004	£000	UK	L&GA	11
------------	---------------	-----------	-----------	-----------	-------------	-------------	-----------	-----------------	-----------

Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Category of unit link	Unit liability		Other liabilities		Amount of mathematical reserves
	Rate of interest	Mortality or morbidity table		Guaranteed on death	Current on death/current payable per annum	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Maximum Cover Plan	(a)	(a)		321	2756		19		Internal Fund	2756	2756			2756
Flexible Investment Plan	(a)	(a)		682	3015		23		Internal Fund	3015	3015			3015
Capital Investment Mk 2 and Flexible Investment Portfolio (single)	(a)	(a)		14317	46386				Internal Fund	46386	46386			46386
Capital Investment Mk2 and Flexible Investment Portfolio (regular)	(a)	(a)		53	627		14		Internal Fund	627	627			627
Launch Bond	(a)	(a)		674	1651				Internal Fund	1651	1651			1651
Private Portfolio	(a)	(a)			4003				Internal Fund	3963	3963			3963
Money Manager 1	(a)	(a)		40	501		3		Internal Fund	501	501			501
Money Manager 2	(a)	(a)		15	446		1		Internal Fund	446	446			446
Reassurances accepted from PAC					7960					7865	7865			7865
ENDOWMENTS														
Total Growth Policies by annual premium	(a)	(a)			2				Internal Fund	2	2			2
Maximum Investment Plan Mk 3	(a)	(a)		62	1403		5		Internal Fund	1403	1403			1403
Maximum Investment Plan Mk 4	(a)	(a)		498	6832		44		Internal Fund	6832	6832			6832
Maximum Investment Plan Mk 4a	(a)	(a)		758	7562		68		Internal Fund	7562	7562			7562
RESERVE FOR CAPITAL GAINS										979	979			979

Long term insurance business : Valuation summary of property linked contractsName of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Financial year ended **31st December 2004**Type of business **Life Assurance & General Annuity Insurance Business**
Category of surplus **Ordinary Long Term**Company
registration
number

GL/UK/CM

Period ended
day month year

Units

UK/OS

Type of
businessCategory
of surplus

Name of contract 1	Valuation basis		No of contracts 4	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Category of unit link 10	Unit liability		Other liabilities		Amount of mathematical reserves 15
	Rate of interest 2	Mortality or morbidity table 3		Guaranteed on death 5	Current on death/current payable per annum 6	Guaranteed on maturity 7	Office premiums 8	Net premiums 9		Current benefit value 11	Discounted value 12	Mortality and expenses 13	Options and guarantees other than investment performance guarantees 14	
UNIT PRICING TIMING ADJUSTMENT														4849
Sub total: Non-Profit Policies				32281	154655		573			155499	155499			160348
Sub total: Reassurance Ceded				32281	154655		573			155499	155499			160348
Net total: Life Assurance & General Annuity Insurance Business			30821	32288	1119618	1	600			1126607	1115634	8557	24823	1144164
Net total: United Kingdom Insurance Business			30821	32288	1119618	1	600			1126607	1115634	8557	24823	1144164

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of insurer **Prudential Holborn Life Limited**

(Sheet 1)

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of surplus	IL/DH
Internal linked fund								day	month	year				
			R55	793051	GL	31	12	2004	£000	UK	11	ILH		
Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Value of units or directly held assets deemed allocated to contracts		Value of surplus units or directly held assets (7-8+9)					
1	2	3	4	5	6	7	8	9	10					
Cash	Series 1	5.685140	24208342	137628	133378	4250	4479	229						
Cash	Series 2	5.144450	4363372	22447		22447	29633	7186						
Cash	Series 3	1.001650	100974	101		101	101							
Cash	Series 4	1.003010	100330917	100633		100633	100633							
Cash	Series 5	0.995400	10244245	10197		10197	10197							
Sub total: Cash				271006	133378	137628	145043	7415						
Cautious UK Managed	Series 2	1.071960	8121688	8706	7246	1460	1460							
Cautious UK Managed	Series 3	1.070160	526	1		1	1							
Cautious UK Managed	Series 4	1.069030	1071567	1146		1146	1146							
Cautious UK Managed	Series 5	1.062840	5739221	6100		6100	6100							
Sub total: Cautious UK Managed				15953	7246	8707	8707							
Distribution	Series 1	1.185080	287829864	341101	329654	11447	11447							
Distribution	Series 2	1.185080	278169968	329654		329654	329654							
Sub total: Distribution				670755	329654	341101	341101							
Distribution Cash	Series 1	0.963070	276020	266	266									
Distribution Cash	Series 2	0.963070	276020	266		266	532	266						

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of insurer **Prudential Holborn Life Limited**

(Sheet 2)

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term		Company registration number		GL/UK/CM		Period ended			Units		UK/OS		Category of surplus		IL/DH												
Internal linked fund									day			month		year																
									R55			793051		GL		31			12		2004		£000		UK		11		ILH	
Name of fund link or directly held asset			Name of unit type		Valuation price per unit or asset		Total actual number of units in force or directly held assets		Value of total actual units in force or directly held assets		Value of actual units held by other internal linked funds		Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)		Value of units or directly held assets deemed allocated to contracts				Value of surplus units or directly held assets (7-8+9)											
1			2		3		4		5		6		7		8		9		10											
Sub total: Distribution Cash									532		266		266		532				266											
Equity			Series 1		27.378010		1346605		36867		17843		19024		33148				14124											
Equity			Series 2		24.824710		530004		13157				13157		26405				13248											
Equity			Series 3		0.898030		111115		100				100		100															
Equity			Series 4		0.898600		1844350		1657				1657		1657															
Equity			Series 5		0.891770		3284643		2929				2929		2929															
Sub total: Equity									54710		17843		36867		64239				27372											
European			Series 1		5.806520		1538849		8935		8849		86		138				52											
European			Series 2		5.314600		1576125		8376				8376		13708				5332											
European			Series 3		0.931830		526																							
European			Series 4		0.934520		96215		90				90		90															
European			Series 5		0.927580		412346		382				382		382															
Sub total: European									17783		8849		8934		14318				5384											
Fixed Interest			Series 1		10.386020		1973340		20495		12212		8283		13592				5309											
Fixed Interest			Series 2		9.382700		190713		1789				1789		9617				7828											
Fixed Interest			Series 3		1.051950		72982		77				77		77															

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefitsName of insurer **Prudential Holborn Life Limited****(Sheet 3)**

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number			GL/UK/CM			Period ended			Units		UK/OS		Category of surplus		IL/DH										
Internal linked fund												day month year																			
						R55			793051			GL			31			12			2004			£000		UK		11		ILH	
Name of fund link or directly held asset			Name of unit type			Valuation price per unit or asset			Total actual number of units in force or directly held assets			Value of total actual units in force or directly held assets			Value of actual units held by other internal linked funds			Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)			Value of units or directly held assets deemed allocated to contracts				Value of surplus units or directly held assets (7-8+9)						
1			2			3			4			5			6			7			8		9		10						
Fixed Interest			Series 4			1.052540			929873			979						979			979										
Fixed Interest			Series 5			1.044450			4298077			4489						4489			4489										
Sub total: Fixed Interest												27829			12212			15617			28754		13137								
Global Growth Unit Trust			Series 1			8.882710			1541839			13696			7745			5951			10870		4919								
Global Growth Unit Trust			Series 2			8.078030			913973			7383						7383			13784		6401								
Sub total: Global Growth Unit Trust												21079			7745			13334			24654		11320								
High Income Unit Trust			Series 1			0.891950			526																						
High Income Unit Trust			Series 2			0.893740			211563			189						189			189										
Sub total: High Income Unit Trust												189						189			189										
International			Series 1			0.888120			193533			172						172			172										
International			Series 2			0.978330			3777140			3695			3034			661			661										
International			Series 3			0.970800			118772			115						115			115										
International			Series 4			0.973280			788797			768						768			768										
International			Series 5			0.965290			2228034			2151						2151			2151										
Sub total: International												6901			3034			3867			3867										

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefitsName of insurer **Prudential Holborn Life Limited****(Sheet 4)**

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number			GL/UK/CM			Period ended			Units			UK/OS			Category of surplus			IL/DH											
Internal linked fund						R55			793051			GL			31			12			2004			£000			UK			11			ILH		
Name of fund link or directly held asset			Name of unit type			Valuation price per unit or asset			Total actual number of units in force or directly held assets			Value of total actual units in force or directly held assets			Value of actual units held by other internal linked funds			Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)			Value of units or directly held assets deemed allocated to contracts			Value of surplus units or directly held assets (7-8+9)											
1			2			3			4			5			6			7			8			9			10								
Inveco Perp Mgt			Series 2			1.406250			4514437			6348			4827			1521			1521														
Inveco Perp Mgt			Series 3			1.399800			18084			25						25			25														
Inveco Perp Mgt			Series 4			1.400470			751993			1053						1053			1053														
Inveco Perp Mgt			Series 5			1.392690			2691407			3748						3748			3748														
Sub total: Inveco Perp Mgt												11174			4827			6347			6347														
Japanese Unit Trust			Series 1			1.187210			1798955			2136			2136																				
Japanese Unit Trust			Series 2			1.187210			1652723			1962						1962			3586			1624											
Japanese Unit Trust			Series 3			1.032950			526			1						1			1														
Japanese Unit Trust			Series 4			1.030970			27261			28						28			28														
Japanese Unit Trust			Series 5			1.018730			142258			145						145			145														
Sub total: Japanese Unit Trust												4272			2136			2136			3760			1624											
M&G Gilt & Fixed Interest Income			Series 2			0.963090			7462764			7187			6425			762			762														
M&G Gilt & Fixed Interest Income			Series 3			0.958100			23223			22						22			22														
M&G Gilt & Fixed Interest Income			Series 4			0.958900			1303059			1250						1250			1250														
M&G Gilt & Fixed Interest Income			Series 5			0.953790			5403209			5154						5154			5154														
Sub total: M&G Gilt & Fixed Interest Income												13613			6425			7188			7188														

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of insurer **Prudential Holborn Life Limited**

(Sheet 5)

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of surplus	IL/DH
Internal linked fund								day	month	year				
			R55	793051	GL	31	12	2004	£000	UK	11	ILH		
Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Value of units or directly held assets deemed allocated to contracts							
1	2	3	4	5	6	7	8	9				10		
M&G Cazenove Balanced	Series 2	1.172990	600243	704	526	178	178							
M&G Cazenove Balanced	Series 3	1.169630	1672	2		2	2							
M&G Cazenove Balanced	Series 4	1.168500	269693	315		315	315							
M&G Cazenove Balanced	Series 5	1.161600	179818	209		209	209							
Sub total: M&G Cazenove Balanced				1230	526	704	704							
M&G Cazenove Cautious	Series 2	1.105540	386841	428	332	96	96							
M&G Cazenove Cautious	Series 3	1.103410	526	1		1	1							
M&G Cazenove Cautious	Series 4	1.101270	40984	45		45	45							
M&G Cazenove Cautious	Series 5	1.094800	261123	286		286	286							
Sub total: M&G Cazenove Cautious				760	332	428	428							
M&G Cazenove Growth	Series 2	1.230250	218053	268	263	5	5							
M&G Cazenove Growth	Series 3	1.225930	526	1		1	1							
M&G Cazenove Growth	Series 4	1.225480	28984	36		36	36							
M&G Cazenove Growth	Series 5	1.218340	185796	226		226	226							
Sub total: M&G Cazenove Growth				531	263	268	268							
M&G Corporate Bond	Series 2	1.076760	40279132	43371	40241	3130	3130							

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of insurer **Prudential Holborn Life Limited**

(Sheet 6)

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number			GL/UK/CM			Period ended			Units		UK/OS		Category of surplus		IL/DH										
Internal linked fund												day month year																			
						R55			793051			GL			31			12			2004			£000		UK		11		ILH	
Name of fund link or directly held asset			Name of unit type			Valuation price per unit or asset			Total actual number of units in force or directly held assets			Value of total actual units in force or directly held assets			Value of actual units held by other internal linked funds			Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)			Value of units or directly held assets deemed allocated to contracts				Value of surplus units or directly held assets (7-8+9)						
1			2			3			4			5			6			7			8		9		10						
M&G Corporate Bond			Series 3			1.068450			137126			147						147			147										
M&G Corporate Bond			Series 4			1.072180			8187394			8778						8778			8778										
M&G Corporate Bond			Series 5			1.062920			29462547			31316						31316			31316										
Sub total: M&G Corporate Bond												83612			40241			43371			43371										
M&G High Yield Corp Bd.			Series 2			1.091410			8376996			9143			8162			981			981										
M&G High Yield Corp Bd.			Series 3			1.087360			31286			34						34			34										
M&G High Yield Corp Bd.			Series 4			1.086760			1424454			1548						1548			1548										
M&G High Yield Corp Bd.			Series 5			1.080890			6087511			6580						6580			6580										
Sub total: M&G High Yield Corp Bd.												17305			8162			9143			9143										
M&G Managed Growth			Series 2			1.034410			1983118			2051			1437			614			614										
M&G Managed Growth			Series 3			1.026520			1579			2						2			2										
M&G Managed Growth			Series 4			1.029110			524659			540						540			540										
M&G Managed Growth			Series 5			1.020790			877509			896						896			896										
Sub total: M&G Managed Growth												3489			1437			2052			2052										
Managed			Series 1			13.481730			9824988			132458			79023			53435			89516		36081								
Managed			Series 2			12.257630			5821301			71355						71355			119166		47811								

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefitsName of insurer **Prudential Holborn Life Limited****(Sheet 7)**

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number			GL/UK/CM			Period ended			Units		UK/OS		Category of surplus		IL/DH										
Internal linked fund												day month year																			
						R55			793051			GL			31			12			2004			£000		UK		11		ILH	
Name of fund link or directly held asset			Name of unit type			Valuation price per unit or asset			Total actual number of units in force or directly held assets			Value of total actual units in force or directly held assets			Value of actual units held by other internal linked funds			Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)			Value of units or directly held assets deemed allocated to contracts				Value of surplus units or directly held assets (7-8+9)						
1			2			3			4			5			6			7			8		9		10						
Managed			Series 3			0.964290			544249			525						525			525										
Managed			Series 4			0.956980			2278196			2180						2180			2180										
Managed			Series 5			0.949490			5226413			4959						4959			4959										
Sub total: Managed												211477			79023			132454			216346		83892								
Managed Defensive			Series 2			1.025410			26177531			26843			25780			1063			1063										
Managed Defensive			Series 3			1.022460			19941			20						20			20										
Managed Defensive			Series 4			1.022860			1408742			1441						1441			1441										
Managed Defensive			Series 5			1.019740			23847930			24319						24319			24319										
Sub total: Managed Defensive												52623			25780			26843			26843										
Newton Higher Inc.			Series 2			1.396070			3008923			4201			3332			869			869										
Newton Higher Inc.			Series 3			1.386690			9310			13						13			13										
Newton Higher Inc.			Series 4			1.390670			599172			833						833			833										
Newton Higher Inc.			Series 5			1.382650			1797541			2485						2485			2485										
Sub total: Newton Higher Inc.												7532			3332			4200			4200										
Newton Managed			Series 2			0.919830			3940733			3625			2930			695			695										
Newton Managed			Series 3			0.912460			8867			8						8			8										

(Sheet 8)

Global business

United Kingdom business

Financial year ended **31st December 2004**

Category of surplus	Ordinary Long Term
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Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number		GL/UK/CM		Period ended			Units		UK/OS		Category of surplus		IL/DH										
Internal linked fund										day month year																			
						R55		793051		GL		31 12 2004		£000		UK		11 ILH											
Name of fund link or directly held asset			Name of unit type			Valuation price per unit or asset			Total actual number of units in force or directly held assets			Value of total actual units in force or directly held assets			Value of actual units held by other internal linked funds			Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)			Value of units or directly held assets deemed allocated to contracts			Value of surplus units or directly held assets (7-8+9)					
1			2			3			4			5			6			7			8			9			10		
Newton Managed			Series 4			0.915660			897098			821						821			821								
Newton Managed			Series 5			0.907360			2315230			2101						2101			2101								
Sub total: Newton Managed												6555			2930			3625			3625								
North American			Series 1			4.789110			577705			2767			2767														
North American			Series 2			4.383010			483717			2120						2120			3648			1528					
North American			Series 3			0.824000			526																				
North American			Series 4			0.826620			263006			217						217			217								
North American			Series 5			0.820190			522610			429						429			429								
Sub total: North American												5533			2767			2766			4294			1528					
Pacific Markets Unit Trust			Series 1			2.539000			854396			2169			1447			722			1311			589					
Pacific Markets Unit Trust			Series 2			2.539000			505123			1283						1283			2465			1182					
Pacific Markets Unit Trust			Series 3			1.265640			526			1						1			1								
Pacific Markets Unit Trust			Series 4			1.267060			25073			32						32			32								
Pacific Markets Unit Trust			Series 5			1.259880			105098			132						132			132								
Sub total: Pacific Markets Unit Trust												3617			1447			2170			3941			1771					
Property			Series 1			10.998820			27877027			306614			291171			15443			15443								

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of insurer **Prudential Holborn Life Limited**

(Sheet 9)

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number			GL/UK/CM			Period ended			Units		UK/OS		Category of surplus		IL/DH										
Internal linked fund												day month year																			
						R55			793051			GL			31			12			2004			£000		UK		11		ILH	
Name of fund link or directly held asset			Name of unit type			Valuation price per unit or asset			Total actual number of units in force or directly held assets			Value of total actual units in force or directly held assets			Value of actual units held by other internal linked funds			Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)			Value of units or directly held assets deemed allocated to contracts				Value of surplus units or directly held assets (7-8+9)						
1			2			3			4			5			6			7			8		9		10						
Property			Series 2			9.941000			7084857			70431						70431			70431										
Property			Series 3			1.257230			1527858			1921						1921			1921										
Property			Series 4			1.256800			38664029			48593						48593			48593										
Property			Series 5			1.247140			125620937			156667						156667			156667										
Sub total: Property												584226			291171			293055			293055										
70% Protected			Series 4			0.937180			23668			22						22			22										
70% Protected			Series 5			0.950700			16964			16						16			16										
Sub total: 70% Protected												38						38			38										
80% Protected			Series 4			0.950800			100145			95						95			95										
80% Protected			Series 5			0.937550			208237			195						195			195										
Sub total: 80% Protected												290						290			290										
Pru (SAUT) Corporate Bond			Series 1			0.989140			1528282			1512			1423			89			89										
Pru (SAUT) Corporate Bond			Series 2			0.965380			119460			115						115			115										
Pru (SAUT) Corporate Bond			Series 3			0.962450			27687			27						27			27										
Pru (SAUT) Corporate Bond			Series 4			0.962630			207423			200						200			200										
Pru (SAUT) Corporate Bond			Series 5			0.957010			1129966			1081						1081			1081										

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of insurer **Prudential Holborn Life Limited**

(Sheet 10)

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number			GL/UK/CM			Period ended			Units		UK/OS		Category of surplus		IL/DH								
Internal linked fund												day month year																	
						R55			793051			GL			31 12 2004			£000		UK		11		ILH					
Name of fund link or directly held asset			Name of unit type			Valuation price per unit or asset			Total actual number of units in force or directly held assets			Value of total actual units in force or directly held assets			Value of actual units held by other internal linked funds			Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)			Value of units or directly held assets deemed allocated to contracts			Value of surplus units or directly held assets (7-8+9)					
1			2			3			4			5			6			7			8			9			10		
Sub total: Pru (SAUT) Corporate Bond									2935						1423			1512			1512								
Pru (SAUT) Equity Income			Series 2			1.135360			427116			485			388			97			97								
Pru (SAUT) Equity Income			Series 3			1.133550			526			1						1			1								
Pru (SAUT) Equity Income			Series 4			1.132000			15181			17						17			17								
Pru (SAUT) Equity Income			Series 5			1.125720			328957			370						370			370								
Sub total: Pru (SAUT) Equity Income												873			388			485			485								
Pru DWS American Growth			Series 2			0.999650			207270			207			200			7			7								
Pru DWS American Growth			Series 3			0.997930			526			1						1			1								
Pru DWS American Growth			Series 4			0.997220			47605			47						47			47								
Pru DWS American Growth			Series 5			0.991140			152978			152						152			152								
Sub total: Pru DWS American Growth												407			200			207			207								
Pru DWS Japan Growth			Series 2			1.091690			95743			105			90			15			15								
Pru DWS Japan Growth			Series 3			1.089730			526			1						1			1								
Pru DWS Japan Growth			Series 4			1.088790			26280			29						29			29								
Pru DWS Japan Growth			Series 5			1.082210			56384			61						61			61								
Sub total: Pru DWS Japan Growth												196			90			106			106								

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of insurer **Prudential Holborn Life Limited**

(Sheet 11)

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of surplus	IL/DH
Internal linked fund								day	month	year				
			R55	793051	GL	31	12	2004	£000	UK	11	ILH		
Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Value of units or directly held assets deemed allocated to contracts							
1	2	3	4	5	6	7	8	9				10		
Pru DWS Managed Portfolio	Series 2	1.066140	341571	364	286	78	78							
Pru DWS Managed Portfolio	Series 3	1.064360	526	1		1	1							
Pru DWS Managed Portfolio	Series 4	1.063250	62308	66		66	66							
Pru DWS Managed Portfolio	Series 5	1.057020	207607	219		219	219							
Sub total: Pru DWS Managed Portfolio				650	286	364	364							
Pru DWS UK Growth	Series 2	1.064770	1018696	1085	983	102	102							
Pru DWS UK Growth	Series 3	1.063010	526	1		1	1							
Pru DWS UK Growth	Series 4	1.061380	250724	266		266	266							
Pru DWS UK Growth	Series 5	1.055750	678581	716		716	716							
Sub total: Pru DWS UK Growth				2068	983	1085	1085							
Pru Ethical	Series 2	1.149720	273787	315	310	5	5							
Pru Ethical	Series 3	1.147890	526	1		1	1							
Pru Ethical	Series 4	1.146600	63848	73		73	73							
Pru Ethical	Series 5	1.139840	207318	236		236	236							
Sub total: Pru Ethical				625	310	315	315							
Pru European Tracker	Series 2	1.139130	31871	36	35	1	1							

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of insurer **Prudential Holborn Life Limited**

(Sheet 12)

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of surplus	IL/DH
Internal linked fund								day	month	year				
			R55	793051	GL			31	12	2004				
Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Value of units or directly held assets deemed allocated to contracts		Value of surplus units or directly held assets (7-8+9)					
1	2	3	4	5	6	7	8	9	10					
Pru European Tracker	Series 3	1.137280	526	1		1	1							
Pru European Tracker	Series 4	1.137340	6003	7		7	7							
Pru European Tracker	Series 5	1.129350	24468	28		28	28							
Sub total: Pru European Tracker				72	35	37	37							
Pru Invesco Perpetual UK Growth	Series 2	1.207580	623101	752	693	59	59							
Pru Invesco Perpetual UK Growth	Series 3	1.205010	526	1		1	1							
Pru Invesco Perpetual UK Growth	Series 4	1.203930	162609	196		196	196							
Pru Invesco Perpetual UK Growth	Series 5	1.197480	414859	497		497	497							
Sub total: Pru Invesco Perpetual UK Growth				1446	693	753	753							
Pru Newton Balanced	Series 2	1.117290	490875	548	459	89	89							
Pru Newton Balanced	Series 3	1.115480	526	1		1	1							
Pru Newton Balanced	Series 4	1.113960	67646	75		75	75							
Pru Newton Balanced	Series 5	1.107930	346170	384		384	384							
Sub total: Pru Newton Balanced				1008	459	549	549							
Pru Newton Continental European	Series 2	1.172120	160635	188	161	27	27							
Pru Newton Continental European	Series 3	1.170190	526	1		1	1							

(Sheet 13)

Name of insurer **Prudential Holborn Life Limited**

Global business

United Kingdom business

Financial year ended **31st December 2004**

Category of surplus	Ordinary Long Term
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Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of surplus	IL/DH
Internal linked fund								day	month	year				
			R55	793051	GL	31	12	2004	£000	UK	11	ILH		
Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Value of units or directly held assets deemed allocated to contracts							
1	2	3	4	5	6	7	8	9	10					
Pru Newton Continental European	Series 4	1.169310	17246	20		20	20							
Pru Newton Continental European	Series 5	1.162240	120381	140		140	140							
Sub total: Pru Newton Continental European				349	161	188	188							
Pru Newton International Growth	Series 2	1.142870	2183082	2495	2217	278	278							
Pru Newton International Growth	Series 3	1.138990	3236	4		4	4							
Pru Newton International Growth	Series 4	1.139230	503552	574		574	574							
Pru Newton International Growth	Series 5	1.133300	1447117	1640		1640	1640							
Sub total: Pru Newton International Growth				4713	2217	2496	2496							
Pru Newton Oriental	Series 2	1.174940	133206	157	145	12	12							
Pru Newton Oriental	Series 3	1.172680	526	1		1	1							
Pru Newton Oriental	Series 4	1.171490	26644	31		31	31							
Pru Newton Oriental	Series 5	1.164840	96884	113		113	113							
Sub total: Pru Newton Oriental				302	145	157	157							
Pru UK Tracker	Series 2	1.132170	368963	418	276	142	142							
Pru UK Tracker	Series 3	1.130360	526	1		1	1							
Pru UK Tracker	Series 4	1.128750	33278	38		38	38							

Long term insurance business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefitsName of insurer **Prudential Holborn Life Limited****(Sheet 14)**

Global business

United Kingdom business

Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

Internal linked fund

Category of surplus			Ordinary Long Term			Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of surplus	IL/DH
Internal linked fund								day	month	year				
			R55	793051	GL	31	12	2004	£000	UK	11	ILH		
Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Value of units or directly held assets deemed allocated to contracts		Value of surplus units or directly held assets (7-8+9)					
1	2	3	4	5	6	7	8	9	10					
Pru UK Tracker	Series 5	1.122580	212009	238		238	238							
Sub total: Pru UK Tracker				695	276	419	419							
Small Companies Unit Trust	Series 1	2.913170	345568	1007	978	29	40	11						
Small Companies Unit Trust	Series 2	2.913170	184006	536		536	908	372						
Small Companies Unit Trust	Series 3	1.171150	526	1		1	1							
Small Companies Unit Trust	Series 4	1.169430	104261	122		122	122							
Small Companies Unit Trust	Series 5	1.158840	275567	319		319	319							
Sub total: Small Companies Unit Trust				1985	978	1007	1390	383						
Strategic Growth	Series 1	2.436130	972021	2368	2359	9	14	5						
Strategic Growth	Series 2	2.436130	882106	2149		2149	3550	1401						
Strategic Growth	Series 3	0.894590	526											
Strategic Growth	Series 4	0.892270	6506	6		6	6							
Strategic Growth	Series 5	0.884390	230825	204		204	204							
Sub total: Strategic Growth				4727	2359	2368	3774	1406						
Total: Ordinary Long Term				2117665	1002029	1115636	1271134	155498						

Long-term insurance business - analysis of valuation interest ratesName of insurer **Prudential Holborn Life Limited**Financial year ended **31st December 2004**Category of surplus **Ordinary Long Term**

	Company registration number	GL/UK/CM	Period ended			Units	Category of surplus	
			day	month	year			
	R57	793051	GL	31	12	2004	£000	11
Product group		Net mathematical reserves		Net valuation interest rate		Gross valuation interest rate		Risk adjusted yield on matching assets
1		2		3		4		5
Mortality & Expense reserve on F53		8557		3.20		4.00		4.49
Unit pricing timing adjustments		4908						4.28
Additional Reserves		14818						4.28
Misc (Whole life /Annuities)		275		3.20		4.00		4.31
Total: Ordinary Long Term		28558						

Long term insurance business : Valuation result and distribution of surplusName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**Company
registration
number

GL/UK/CM

Period ended

Units

Category
of surplusCategory of surplus **Ordinary Long Term**

Category of surplus	Ordinary Long Term		number	day	month	year			
			R58	793051	GL	31	12	2004	£000
Valuation result	Fund carried forward					11	1144194		
	Bonus payments made to policyholders in anticipation of a surplus					12			
	Transfers out of fund/ parts of fund	Transfer to non-technical account				13			
		Transfer to other funds/parts of funds				14			
	Net transfer out of funds/parts of funds (13+14)					15			
	Total (11+12+15)					16	1144194		
	Mathematical reserves for accumulating with profit policies					17			
	Mathematical reserves for other non linked contracts					18	28		
	Mathematical reserves for property linked contracts					19	1144166		
	Mathematical reserves for index linked contracts					20			
	Total (17 to 20)					21	1144194		
	Surplus including contingency and other reserves held towards the solvency margin (deficiency) (16-21)					29			
Composition of surplus	Balance of surplus brought forward unappropriated from last valuation					31			
	Transfers into fund/part of fund	Transfer from non-technical account				32	8488		
		Transfer from other funds/parts of fund				33			
	Net transfer into fund/part of fund (32+33)					34	8488		
	Surplus arising since the last valuation					35	(8488)		
	Total (31+34+35)					39			
Distribution of surplus	Bonus payments made to policyholders in anticipation of a surplus					41			
	Allocated to policyholders by way of	Cash bonuses				42			
		Reversionary bonuses				43			
		Other bonuses				44			
		Premium reductions				45			
	Total allocated to policyholders (41 to 45)					46			
	Net transfer out of fund/part of fund					47			
	Total distributed surplus (46+47)					48			
	Balance of surplus (including contingency and other reserves held towards the solvency margin) carried forward unappropriated					49			
	Total (48+49)					59			
Percentage of distributed surplus allocated to policyholders of fund/part of fund						61			
Corresponding percentage at three immediately previous valuations	Latest	(year of valuation 2003)				62			
	Earlier	(year of valuation 2002)				63			
	Earliest	(year of valuation 2001)				64			

Long term insurance capital requirementName of insurer **Prudential Holborn Life Limited**

Global business

Financial year ended **31st December 2004**Company
registration
number

GL/UK/CM

Period ended
day month year

Units

		R60	793051	GL	31	12	2004	£000
	LTICR factor	Gross reserves / capital at risk	Net reserves / capital at risk	Reinsurance factor	LTICR Financial year	LTICR Previous year		
	1	2	3	4	5	6		

Insurance death risk capital component

Classes I, II and IX	11	0.1%			1.00		
Classes I, II and IX	12	0.15%					
Classes I, II and IX	13	0.3%	1	1			
Classes III, VII and VIII	14	0.3%	81	81	1.00		
Total	15		82	82			

Insurance health risk capital component

Class IV and supplementary classes 1 and 2	21						
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Insurance expense risk capital component

Classes I, II and IX	31	1%	41	28	0.85		
Classes III, VII and VIII (investment risk)	32	1%	33384	28535	0.85	284	
Classes III, VII and VIII (expenses fixed 5 yrs +)	33	1%	178757	116702	0.85	1519	
Classes III, VII and VIII (other)	34	25%				1700	
Class IV	35	1%			0.00		
Class V	36	1%					
Class VI	37	1%			0.00		
Total	38					3503	

Insurance market risk capital component

Classes I, II and IX	41	3%	41	28	0.85	1	
Classes III, VII and VIII (investment risk)	42	3%	33384	28535	0.85	851	
Classes III, VII and VIII (expenses fixed 5 yrs +)	43	0%	178757	116702			
Classes III, VII and VIII (other)	44	0%	1092372	998929			
Class IV	45	3%			0.00		
Class V	46	0%					
Class VI	47	3%			0.00		
Total	48		1304554	1144194		852	

Long term insurance capital requirement	51					4355	
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PRUDENTIAL HOLBORN LIFE LIMITED

Financial Year ended 31 December 2004

Notes to Appendices 9.1 and 9.3

Form 2

0201 Orders under Section 68, Insurance Companies Act 1982 (as amended)

The Secretary of State for Trade and Industry has issued to the Company Orders under Section 68 of the Insurance Companies Act 1982 directing that the Section 31 of that Act shall not apply to the Company in respect of transactions entered into with The Prudential Assurance Company Limited and Prudential Annuities Limited pursuant to various life reinsurance agreements.

The Section 68 orders granted under the Insurance Companies Act 1982 continued to have effect under the transitional arrangements set out in the supervision manual. Section 31(2)(c) of the Insurance Companies Act 1982 was replaced by Rule 3.4 of the Interim Prudential Sourcebook for Insurers. Rule 3.4 ceased to have effect on implementation of the Integrated Prudential Sourcebook for Insurers on 31 December 2004 and there is no equivalent requirement within the Integrated Sourcebook.

Form 3

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

2004

£000

Form 13 Line 89 (Long term) Grand total of admissible assets	1,175,099
Form 14 Line 59 Total liabilities and margins	(1,175,099)
Form 13 Line 89 (Other than long term) Grand total of admissible assets	10,698
Form 15 Line 69 Total	(47)
	<hr/> 10,651
Form 3 Line 79 Capital resources after deductions	<hr/> 10,651
Difference	<hr/> <hr/> 0

0308 Details of positive and negative valuation differences

2004

£'000

Additional reserves held in the long term fund	24,521
Deferred tax on additional reserves held in the long term fund	(2,452)
Form 3 Line 35 Other negative valuation differences	<hr/> 22,069

PRUDENTIAL HOLBORN LIFE LIMITED

Financial Year ended 31 December 2004

Notes to Appendices 9.1 and 9.3 (continued)

Form 13

Notes 1301 to 1306 apply to the other than long term business fund.

1301 Assets specified in instructions 5

The company held no unlisted investments, listed investments that are not readily realisable, or any other investments specified in instruction 5.

1304 Statement on set-off

Amounts due to or from the Company have been set off to the extent permitted by generally accepted accounting principles.

1305 Maximum Counterparty Limits

The Company's investment guidelines set maximum counterparty limits in order to maintain the admissibility of assets in accordance with Rule 4.14. The limits were not breached throughout the financial year. In respect of the Company's main working capital bank accounts within both the other than long-term and long-term funds, the balances are reviewed daily and compared to expected cashflows to ensure the Company is technically solvent. The balances did not exceed the Rule 4.14 limit during the year.

1306 Counterparty exposures at year end

Counterparty exposures were held as follows:

percent of the sum of the base capital resources requirement and long term

insurance liabilities, excluding property linked liabilities and net of reinsurance ceded. These were held as cash on deposit and were: Close Brothers Limited £2.9m and Dresdner Bank £2m.

Notes 1308 to 1311 apply to the long term business fund.

1308 Assets specified in instruction 5

The company held no unlisted investments, listed investments that are not readily realisable, or any other investments specified in instruction 5.

1310 Statement on set-off

Amounts due to or from the Company have been set off to the extent permitted by generally accepted accounting principles.

PRUDENTIAL HOLBORN LIFE LIMITED

Financial Year ended 31 December 2004

Notes to Appendices 9.1 and 9.3 (continued)

***1311* Maximum Counterparty Limits**

The company's investment guidelines set maximum counterparty limits in order to maintain the admissibility of assets in accordance with Rule 4.14. The limits were not breached throughout the financial year.

***1312* Counterparty Exposures at Year End**

Counterparty exposures were held at year end that were greater than five percent of the sum of the base capital resources requirement and long term insurance liabilities, excluding property linked liabilities and net of insurance ceded. These were Bayerische Landesban £2.25m; Intesabci £2m; Svenska Handelsbanke £2m; Nationwide Building £2m; Anglo Irish Bank £2m; Canadian Imperial Bank £2m; Norddeutsche £2m; Royal Bank of Scotland £2m; Banco Popolare Di Ve £2m; RZB £2m; Nordea £2.9m; Barclays Bank £2m; Deutsche £4m; Citibank £4m; Fortis Bank £2.5m; Irish Life and Perma £2m; HSBC Bank £1.8m and KBC Bank £2.5m. These exposures were all cash on deposits.

Form 14

***1401* Provision for Adverse Changes**

The long-term business fund does not hold derivatives and does not require a provision for adverse changes.

***1402* Details of charges over assets, etc.**

- (a) There were no charges attributable to the long term business assets.
- (b) The long-term business fund held a provision of £7,350,266 (2003: £4,212,604) for potential tax on capital gains in respect of linked business in the long term business fund, in line 11 of Form 14. If properties on which capital allowances have been claimed were disposed of, tax of not more than £1,395,000 (2003: £939,074) would be payable in respect of balancing charges. This amount has been provided in line 21 of Form 14.
- (c) There were no contingent liabilities at the year end.
- (d) There were no guarantees, indemnities or other contractual commitments other than in the ordinary course of insurance business in respect of related companies.
- (e) There were no fundamental uncertainties.

***1403* Other provisions**

The company has instigated a review of underlying unit trust charges in the linked funds and has set up a reasonable and prudent provision to cover the cost of performing the review and the cost of any contingent loss, if any, arising out of the review's findings. The review is expected to be completed during 2005.

PRUDENTIAL HOLBORN LIFE LIMITED

Financial Year ended 31 December 2004

Notes to Appendices 9.1 and 9.3 (continued)

Form 15

***1501* Provision for Adverse Changes**

No derivatives were held by the other than long term fund at any time during the year and therefore no provision for adverse changes is required.

***1502* Details of charges over assets, etc.**

- (a) There were no charges attributable to the other than long term business assets.
- (b) There was no potential tax liability arising in the other than long-term fund.
- (c) There were no contingent liabilities at the year end.
- (d) Under the terms of the Company's arrangements with the Prudential Group's main UK banker, the bank has a right of set-off between credit balances and all overdrawn balances of those group undertakings with similar arrangements. Total credit balances relating to this arrangement amount to £2.3m
- (e) There were no fundamental uncertainties.

Form 16

***1601* Foreign Currencies**

Foreign currency revenue transactions, assets and liabilities are translated at year end exchange rates, except that certain revenue transactions are translated at rates ruling at the transaction dates.

Form 17

***1700* Derivative Contracts**

All figures, including comparatives, are zero for both the other than long-term fund and long-term fund and therefore form 17 has been omitted.

Form 40

***4008* Provision of Management Services**

The Company was provided throughout the year with management services by M&G Investment Management Limited, Prudential Property Investment Managers Limited, Prudential Unit Trusts Limited, Prudential UK Services Limited and The Prudential Assurance Company Limited. The Company was further assisted during the year with day to day management services by Mellon European Fund Services, a third party.

PRUDENTIAL HOLBORN LIFE LIMITED

Financial Year ended 31 December 2004

Notes to Appendices 9.1 and 9.3 (continued)

***4009* Details of material connected party transactions**

The Company has a reinsurance agreement with a related company, The Prudential Assurance Company Limited. Included in earned premiums for the year is an amount of £486.6m received under this reinsurance agreement. Also included within claims incurred is an amount of £103.9m arising from claims under this reinsurance agreement. The reinsurance agreement was drawn up under normal commercial terms which reflect the level of business transacted with the company. There were no amounts written off in the period in respect of debts due to or from connected parties.

The rebate of fund management charge to The Prudential Assurance Company Limited for the year amounted to £8,623,000 (2003: £5,344,000). In addition, The Prudential Assurance Company Limited met the expenses associated with this business.

***4010* Tax savings from the reinsurance agreement with Swiss Re Life & Health plc have been included in Earned Premiums, Line 11, in line with the Reinsurance treaty.**

Form 43

***4301* Valuation of Linked Assets**

These assets are included at market value or, in the case of properties, on the basis of an annual external professional valuation by Allsop & Co, Chartered Surveyors. Securities are valued at a market bid price except where a linked fund is priced on a full offer basis in which case the securities are valued on an offer basis. In accordance with the policy document, an appropriate adjustment is made to the linked asset prices to account for buying or selling expenses.

***4304* Provisions for Capital Gains Tax**

Provisions for tax on unrealised gains and deemed disposals of unit trust holdings are held as units in the respective linked funds. These provisions are shown in Form 53.

PRUDENTIAL HOLBORN LIFE LIMITED

Financial Year ended 31 December 2004

Notes to Appendix 9.4

Form 48

4801 Line 12, column 1 includes £26,000 accrued interest.

Form 51

5101 Mortality Bases

The mortality bases corresponding to the codes are:

Code (a) 97% PMA92 (u=2004), 84% PFA92 (u=2004)

Code (b) [AM / AF 92] – 3 years (in deferment), 97% PMA 92
(u=2004), 84% PFA92 (u=2004) (in possession)

Code (c) [AM / AF 92] – 3years

For (a) and (b), the CMIR17 improvement factors from 1992 to 2004 are applied to PMA92 and PFA92 mortality tables respectively. Future improvement factors from 2005 onwards are in line with a percentage adjustment of the Medium Cohort projection (CMI mortality subcommittee 2002: Working Paper 1: An interim basis for adjusting the '92' series mortality projections for cohort efforts), 100% for males and 75% for females. Future improvement factors are subject to a minimum improvement in any year of 1.25% for males and 0.75% for females.

Form 53

5301 Mortality Bases

The table of mortality assumed in the valuation indicated in Form 53 by the code letter (a) is AM/AF92 minus 3 years, with allowance for joint lives when appropriate.

5302 Interest Rates

The rate of interest assumed in the valuation indicated in Form 53 by the code letter (a) is 3.20%.

PRUDENTIAL HOLBORN LIFE LIMITED

Financial Year ended 31 December 2004

Notes to Appendix 9.4

Form 55

5501 Reconciliation to unit linked assets in Form 13

	2004 £'000s	2003 £'000s
Value of units per Form 55	1,115,635	684,114
Linked Fund other liabilities per Form 43	5,552	4,669
Linked Fund assets per Form 13	<u>1,121,187</u>	<u>688,783</u>

Returns under the Interim Prudential Sourcebook for Insurers and the Integrated Prudential Sourcebook

PRUDENTIAL HOLBORN LIFE LIMITED

Directors' Certificate required by rule 9.34 of the Accounts and Statements Rules

Financial year ended 31 December 2004

We certify:

1. (a) that the return has been properly prepared in accordance with the requirements in IPRU(INS) and PRU as modified by a section 68 order granted on 11 April 1991 which ceased to have effect on 31 December 2004; and:
 - (b) we are satisfied that:
 - (i) throughout the financial year in question, the insurer has complied in all material respects with the requirements of SYSC and PRIN as well as the provisions of IPRU(INS) and PRU, except for 18 February 2004 when the company was technically insolvent due to asset inadmissibility. This was corrected immediately and resulted in no financial profit or loss for the Company or policyholders.
 - (ii) it is reasonable to believe that the insurer has continued so to comply subsequently, and will continue so to comply in future.
2. (a) that in our opinion, premiums for contracts entered into during the financial year and the resulting income earned are sufficient, under reasonable actuarial methods and assumptions, and taking into account the other financial resources of the insurer that are available for the purpose, to enable the insurer to meet its obligations in respect of those contracts and, in particular, to establish adequate mathematical reserves;
 - (b) that the sum of the mathematical reserves and the deposits received from reinsurers as shown in Form 14 constitute proper provision at the end of the financial year in question for the long-term insurance liabilities (including all liabilities arising from deposit back arrangements, but excluding other liabilities which had fallen due before the end of the financial year) including any increase in those liabilities arising from a distribution of surplus as a result of an actuarial investigation as at that date into the financial condition of the long-term insurance business;
 - (c) that we have, in preparing the return, taken and paid due regard to advice in preparing the return from every actuary appointed by the insurer to perform the actuarial function in accordance with SUP 4.3.13R.

.....

G M Wood
Chief Executive

.....

D J Belsham
Director

.....

R C Everett
Director

March 2005

Report of the auditor to the Directors pursuant to rule 9.35 of the Accounts and Statements Rules.

PRUDENTIAL HOLBORN LIFE LIMITED

Financial year ended 31 December 2004

We have examined the following documents prepared by the company pursuant to the Accounts and Statements Rules set out in part I and part IV of chapter 9 to the Interim Prudential Sourcebook for Insurers and PRU, the Integrated Prudential Sourcebook, (“the Rules”) made by the Financial Services Authority under section 138 of the Financial Services and Markets Act 2000:

- Forms 2, 3, 13 to 16, 40 to 45, 48, 49, 58 and 60, (including the supplementary notes) on pages 1 to 105 (‘the Forms’);
- the statement required by rule 9.29 on page 109 (‘the Statement’);
- the methods and assumptions determined by the insurer and used to perform the actuarial investigation as set out in the valuation report required by rule 9.31(a) (‘the methods and assumptions included in the valuation report’).

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

- Forms 46 to 47, 51 to 55 and 57 (including the supplementary notes) on pages 41 to 105;
- the statement required by rule 9.30 on page 110;
- the directors’ certificate signed in accordance with rule 9.34 on page 106 (‘the directors’ certificate’); and
- the valuation report required by rule 9.31 (a) except as set out above.

This report is made solely to the company’s directors, as a body, in accordance with the requirements of rule 9.35 of the Rules. We acknowledge that the directors are required to submit this report to the FSA, to enable the FSA to verify that an auditor’s report has been commissioned by the company’s directors and issued in accordance with the requirements of rule 9.35 of the Rules and to facilitate the discharge by the FSA of its regulatory functions in respect of the company, conferred on the FSA by or under the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the company’s directors those matters we are required to state to them in an auditor’s report issued pursuant to rule 9.35 of the Rules and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the company and its auditors

The company is responsible for the preparation of an annual return (including the Forms, the Statement and the valuation report, the forms and statement not examined by us and the directors' certificate) under the provisions of the Rules. Under rule 9.11 the Forms, the Statement, valuation report, the forms and statement not examined by us and the directors' certificate 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.

The methods and assumptions determined by the insurer and used to perform the actuarial investigation as set out in the valuation report, prepared in accordance with rule 9.31 are required to reflect appropriately the requirements of PRU 7.3.

It is our responsibility to form an independent opinion as to whether the Forms, the Statement and the methods and assumptions included in the valuation report meet these requirements, and to report our opinions to you. We also report to you if, in our opinion, the company has not kept proper accounting records or if we have not received all the information we require for our examination.

Basis of opinion

We conducted our work in accordance with Practice Note 20 "The audit of insurers in the United Kingdom" and Bulletin 2004/5 issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Forms, the Statement and the methods and assumptions included in the valuation report. The evidence included that previously obtained by us relating to the audit of the financial statements of the company for the financial year. It also included an assessment of the significant estimates and judgements made by the company in the preparation of the Forms, the Statement and in determining the methods and assumptions included in the valuation report.

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, the Statement and the methods and assumptions included in the valuation report are free from material misstatement, whether caused by fraud or other irregularity or error, and comply with rule 9.11.

In accordance with rule 9.35(1A), to the extent that any document, Form, Statement, analysis or report to be examined under rule 9.35(1) contains amounts or information abstracted from the actuarial investigation performed pursuant to rule 9.4, we have obtained and paid due regard to advice from a suitably qualified actuary who is independent of the insurer.

Opinion

In our opinion:

- i) the Forms and the Statement fairly state the information provided on the basis required by the Rules and have been properly prepared in accordance with the provisions of those Rules; and
- ii) the methods and assumptions determined by the insurer and used to perform the actuarial investigation as set out in the valuation report prepared in accordance with rule 9.31 appropriately reflect the requirements of PRU 7.3.

KPMG Audit Plc
Registered Auditor

London

Date

PRUDENTIAL HOLBORN LIFE LIMITED

Financial Year ended 31 December 2004

Rule 9.29 Statement on Derivative Contracts

a. **Investment Guidelines**

During 2004, investment guidelines allowed the use of derivative contracts in the Distribution, Fixed Interest, Balanced Growth and Managed internal linked funds. The derivatives and use thereof was restricted to that permitted by Appendix 3.2. The use of derivatives was not permitted in the non-linked funds.

Derivatives are limited to: exchange traded warrants; exchange traded index or stock futures; forward currency contracts; hedging of overseas holdings into £ sterling; partly paid shares; and convertible bonds. Derivatives must be listed or with an approved counterparty and must be capable of being readily closed out at a price the basis of which is pre-determined. Exchange traded index and stock futures must be based on underlying assets which are themselves permitted links.

b. **Derivatives where exercise is unlikely**

The Company was not party to any derivative contracts during the financial year.

c. **Quantification of derivatives in (b) above**

The Company was not party to any derivative contracts during the financial year.

d. **Effect on Form 13 of exercising derivatives where it would be prudent to assume options would be exercised**

The Company was not party to any derivative contracts during the financial year.

e. **Effect on Form 13 of exercising all derivatives**

The Company was not party to any derivative contracts during the financial year.

f. **Effect on Form 13 during the financial year**

The Company was not party to any derivative contracts during the financial year.

g. **Maximum loss which would be incurred by the Company**

The Company was not party to any derivative contracts during the financial year.

h. **Provisions for reasonably foreseeable variations arising from derivative contracts, rule PRU 4.3.17R**

The Company was not party to any derivative contracts during the financial year.

i. **Consideration received for granting rights under derivative contracts**

The investment guidelines did not allow the writing of options.

PRUDENTIAL HOLBORN LIFE LIMITED

Financial Year ended 31 December 2004

Rule 9.30 Statement on Shareholder Controllers

The following companies were shareholder controllers of Prudential Holborn Life Limited for the year: Prudential Financial Services Limited, being its immediate holding company, holding 100% of its issued share capital and voting power ; and Prudential plc, being its ultimate holding company, holding 100% of the issued share capital and voting power of Prudential Financial Services Limited.