

# Consolidated balance sheet

## 31 December 2008

### Assets

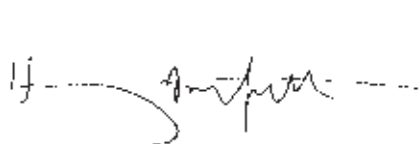
	Note	2008 £m	2007* £m
Intangible assets attributable to shareholders:			
Goodwill	H1(a)	1,341	1,341
Deferred acquisition costs and other intangible assets	H1(b)	5,349	2,836
<b>Total</b>		<b>6,690</b>	<b>4,177</b>
Intangible assets attributable to with-profits funds:			
In respect of acquired subsidiaries for venture fund and other investment purposes	H2(a)	174	192
Deferred acquisition costs and other intangible assets	H2(b)	126	19
<b>Total</b>		<b>300</b>	<b>211</b>
<b>Total</b>		<b>6,990</b>	<b>4,388</b>
Other non-investment and non-cash assets:			
Property, plant and equipment	H6	635	1,012
Reinsurers' share of insurance contract liabilities	H3	1,240	783
Deferred tax assets	H4	2,886	951
Current tax recoverable	H4	657	285
Accrued investment income	G1,H5	2,513	2,023
Other debtors	G1,H5	1,232	909
<b>Total</b>		<b>9,163</b>	<b>5,963</b>
Investments of long-term business and other operations:			
Investment properties	H7	11,992	13,688
Investments accounted for using the equity method	H8	10	12
Financial investments:			
Loans		10,491	7,924
Equity securities and portfolio holdings in unit trusts		62,122	86,157
Debt securities		95,224	83,984
Other investments		6,301	4,396
Deposits		7,294	7,889
<b>Total</b>		<b>193,434</b>	<b>204,050</b>
Held for sale assets	H9	–	30
Cash and cash equivalents	G1,H10	5,955	4,951
<b>Total assets</b>	B6	<b>215,542</b>	<b>219,382</b>

## Equity and liabilities

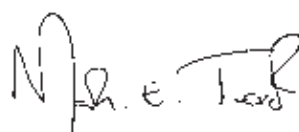
	Note	2008 £m	2007* £m
<b>Equity</b>			
Shareholders' equity	H11	5,058	6,062
Minority interests		55	102
<b>Total equity</b>		<b>5,113</b>	<b>6,164</b>
<b>Liabilities</b>			
Policyholder liabilities and unallocated surplus of with-profits funds:			
Insurance contract liabilities	H12	136,030	132,776
Investment contract liabilities with discretionary participation features	G1	23,446	29,550
Investment contract liabilities without discretionary participation features	G1	14,501	14,032
Unallocated surplus of with-profits funds	H12	8,414	13,959
<b>Total</b>		<b>182,391</b>	<b>190,317</b>
Core structural borrowings of shareholder-financed operations:			
Subordinated debt	H13	1,987	1,570
Other	H13	971	922
<b>Total</b>	G1,H13	<b>2,958</b>	<b>2,492</b>
Other borrowings:			
Operational borrowings attributable to shareholder-financed operations	G1,H13	1,977	3,081
Borrowings attributable to with-profits funds	G1,H13	1,308	987
Other non-insurance liabilities:			
Obligations under funding, securities lending and sale and repurchase agreements	G1	5,572	4,081
Net asset value attributable to unit holders of consolidated unit trusts and similar funds	G1	3,843	3,556
Current tax liabilities	H4	842	1,237
Deferred tax liabilities	H4	3,229	3,402
Accruals and deferred income		630	599
Other creditors	G1	1,496	1,020
Provisions	H14	461	575
Derivative liabilities	G1,G3	4,832	1,080
Other liabilities	G1,H15	890	791
<b>Total</b>		<b>21,795</b>	<b>16,341</b>
<b>Total liabilities</b>	B6	<b>210,429</b>	<b>213,218</b>
<b>Total equity and liabilities</b>		<b>215,542</b>	<b>219,382</b>

\* The Company has adopted the principles of IFRIC 14 for pension schemes, giving rise to consequential changes to the comparative results and balances of 2007. Note I1 explains the effect of the change.

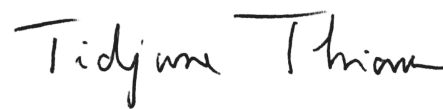
The consolidated financial statements on pages 131 to 305 were approved by the Board of directors on 18 March 2009.



**Harvey McGrath**  
Chairman



**Mark Tucker**  
Group Chief Executive



**Tidjane Thiam**  
Chief Financial Officer