

Consolidated Income Statement for the year ended 31 December 2009

	Notes	2009 £m	2008 £m
Gross written premiums	4	796.3	741.0
Change in provision for gross unearned premiums	24	(27.0)	(57.8)
Gross earned premiums		769.3	683.2
Outward reinsurance premiums		(170.8)	(137.8)
Change in provision for unearned premiums – reinsurers' share	24	7.8	1.8
Net earned premiums	4	606.3	547.2
Net investment return	5	53.3	(71.0)
Other operating income	6	11.2	9.2
Total revenue from operations		670.8	485.4
Gross claims paid	24	(416.8)	(324.4)
Movement in gross technical provisions		(74.3)	(158.3)
Gross claims incurred		(491.1)	(482.7)
Reinsurers' share of gross claims paid	24	86.3	71.9
Movement in reinsurers' share of technical provisions		15.1	46.4
Reinsurers' share of claims incurred		101.4	118.3
Net claims incurred		(389.7)	(364.4)
Expenses incurred in insurance activities	7	(198.3)	(132.6)
Other operating expenses	8	(36.7)	(18.4)
Total operating charges		(624.7)	(515.4)
Profit/(loss) from operations		46.1	(30.0)
Finance costs	11	(4.1)	(4.0)
Other income from sale of subsidiary		-	14.7
Goodwill written off	14	-	(6.9)
Profit/(loss) before tax		42.0	(26.2)
Income tax (expense)/credit	12	(13.9)	7.3
Profit/(loss) for the year		28.1	(18.9)
Attributable to:			
Equity holders of the parent		28.1	(19.0)
Minority interest		-	0.1
		28.1	(18.9)
Earnings/(losses) per share	13		
Basic		5.8p	(6.0)p
Diluted		5.8p	(6.0)p

All of the operations of the Group are continuing.