



MQ5: Investment by Insurance Companies, Pension Funds and Trusts, Q4 2014

Coverage: **UK**

Date: **19 March 2015**

Geographical Area: **UK**

Theme: **Economy**

Key Points

- Net disinvestment of £11 billion was reported by insurance companies, pension funds and trusts in the fourth quarter of 2014. This was the first quarter of net disinvestment for this series since the fourth quarter of 2008 (£20 billion).
- In Q4 2014, net investment by unit trusts and property unit trusts (£2 billion) was the smallest by this institutional group since the fourth quarter of 2007 (net disinvestment of £1 billion).
- The 2014 provisional annual estimate of net investment by insurance companies, pension funds and trusts was £39 billion, compared with £48 billion in 2013.
- The 2014 provisional annual estimate of net investment by long-term insurance companies in mutual funds (£30 billion) was the largest level of net investment since the start of this series in 2000.

Overview

Information about the investment choices of insurance companies, self-administered pension funds, investment trusts, unit trusts and property unit trusts. Reported in this release are quarterly net investment data arising from financial transactions (investments and disinvestments) made by these institutional groups. Also included are quarterly balance sheet data for short-term assets and liabilities, along with quarterly income and expenditure data for insurance companies and self-administered pension funds. All data are reported at current prices (effects of price changes included).

Data for all quarters of 2014 remain provisional and subject to revision until the incorporation of the 2014 annual survey results in December 2015.

Every Q3 release contains annual balance sheet data for all the institutional groups; providing information on the market value of assets and liabilities. Annual income and expenditure data for insurance companies are also reported at this time.

A question often asked of the MQ5 release is ‘why does it only cover certain institutional groups?’ The answer is that these institutions control a substantial level of assets (over £3 trillion) and engage in considerable volumes of investment activity to fund their operations. An understanding of their investments and assets is important in order to monitor the stability of the financial sector and is a key contribution to the compilation of the UK National Accounts.

Over the next few years, changes to [surveys covering the financial sector](#) will be necessary to ensure ONS becomes compliant with the revised [European System of Accounts 2010 \(ESA10\)](#). Once these changes have been made and ‘bedded in’, ONS will consider expanding the MQ5 release to cover other parts of the financial sector, such as securities dealers and businesses engaged in the provision of financial services.

ONS makes every effort to provide informative commentary on the data in this release. As part of the quality assurance process, individual businesses are contacted in an attempt to capture reasons for extreme period-on-period data movements. It can prove difficult to elicit detailed reasons from some businesses to help inform the commentary. Frequently, reasons given for data movements refer to a ‘change in investment strategy’ or a ‘fund manager’s decision’. Consequently, it is not possible for all data movements to be fully explained.

ONS is aware that a number of users make use of these data for modelling or forecasting purposes. In doing so, careful attention should be paid to the [revisions policy \(50.7 Kb Pdf\)](#) for this release. Comparing the first published estimates of total net investment with the equivalent estimates published three years later, the average quarterly revision (without regard to sign) is £7 billion.

The estimate of total net investment for Q3 2014 (last quarter) has been revised downwards by £7 billion (see background note 7 for further information).

A [glossary](#) is available to assist users with their understanding of the terms used in this release.

Announcement: MQ5 user consultation

Over the next three years, changes to ONS surveys that cover the financial sector will be necessary to ensure compliance with the new [European System of Accounts 2010 \(ESA10\)](#). ESA10 introduces significant changes in the measurement and classification of financial instruments and the structure of the financial sector. This will result in wide ranging changes to the surveys used to collect the data presented in MQ5.

To ensure these statistics continue to meet user needs as far as possible, ONS would like to hear from users about how they use MQ5 data and their preferences for the future publication of these statistics. ONS would also like to engage with users on the ongoing development of these statistics.

To enable ONS to fully understand user needs, please take the time to participate in this [consultation](#).

Net Investment by Asset Type

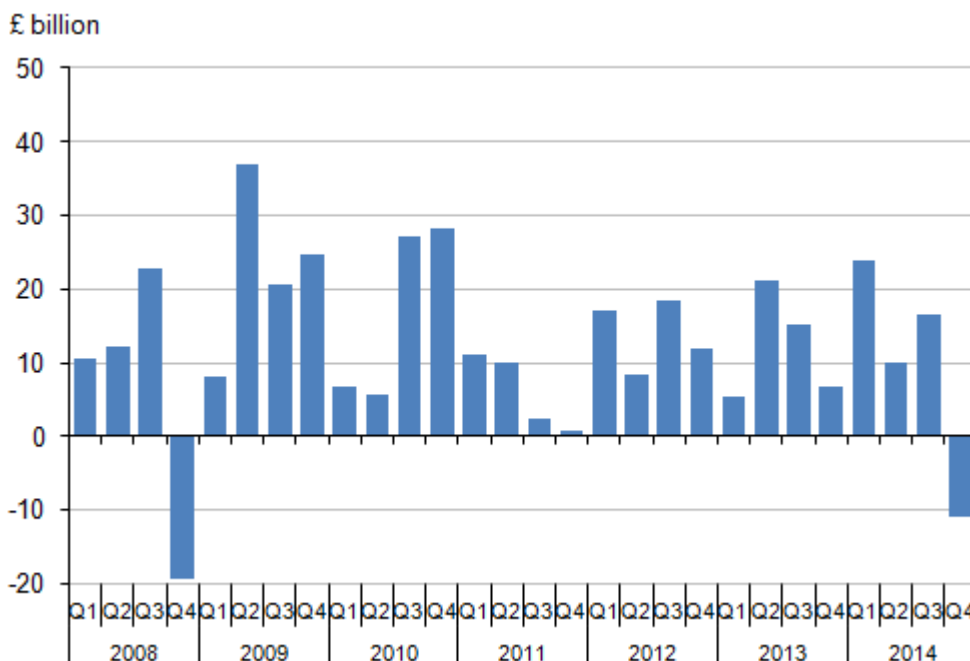
The total assets of the businesses covered by this release (insurance companies, pension funds and trusts) were valued at £3,473 billion at the end of 2013, the latest period for which annual results are available. During 2013, these businesses acquired £1,666 billion and disposed of £1,638 billion longer-term financial instruments. Net investment is the difference between these substantial levels of acquisitions and disposals, as well as changes in holdings of short-term assets, and can therefore be volatile. Table 1 (at the end of this section) displays net investment data by asset type.

Total net investment varies across the quarters of a calendar year and so an increase or decrease in investment from one quarter to the next is not necessarily an indicator of improved or worsening economic activity – these estimates are more likely to reflect varying investment strategies. In terms of context, the five-year quarterly average for this series is net investment of approximately £12 billion. The highest quarterly estimate of net investment since records began (in 1987) was £43 billion in Q3 2007.

Data for all quarters of 2014 remain provisional and subject to revision until the incorporation of the 2014 annual survey results in December 2015. In Q4 2014 there was net disinvestment of £11 billion (Figure 1). Net disinvestment was reported across short-term assets, UK government sterling securities, UK corporate securities and overseas securities. This was partly offset by net investment in other assets. Total net disinvestment last occurred in Q4 2008 (£20 billion).

For 2014 as a whole, net investment reported by the institutions covered by this release is estimated at £39 billion, compared with £48 billion and £56 billion in 2013 and 2012 respectively.

Figure 1: Total net investment



Source: Office for National Statistics

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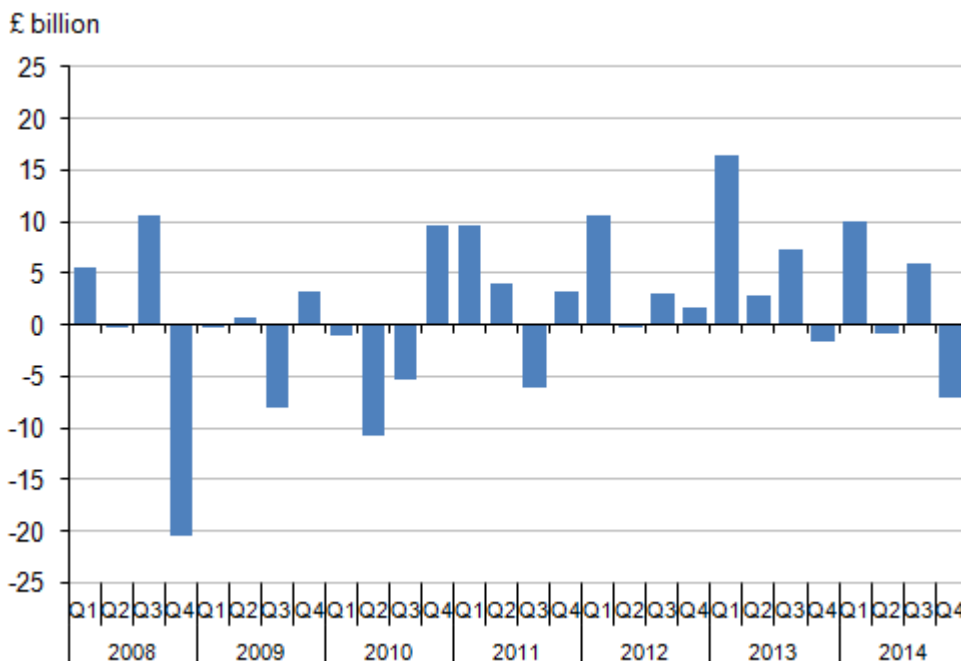
Short-Term Assets

Investment in short-term assets (those maturing within one year of their originating date) can be affected by the level of the net inflows of funds into the businesses concerned (premiums or contributions, for example) and by the relative attractiveness of other investments, both in terms of their potential returns and in their perceived risk.

In Q4 2014 there was net disinvestment of £7 billion in short-term assets, following net investment of £6 billion last quarter (Figure 2). The five-year quarterly average for this series is net investment of £3 billion. The provisional estimate of net investment in short-term assets for 2014 as a whole (£8 billion) is the lowest annual estimate since net disinvestment of £8 billion in 2010.

The net disinvestment in short-term assets in Q4 2014 was the largest since Q2 2010 (£11 billion). While this may be a single quarter occurrence, further data would be required to confirm this potential trend.

Figure 2: Net investment in short-term assets



Source: Office for National Statistics

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UK Government Sterling Securities (Gilts)

Gilts are fixed income or index-linked bonds issued by the UK government. On the primary gilt market, the purchaser of a gilt lends the government money in return for regular interest payments and the promise that the nominal value of the gilt will be repaid (redeemed) on a specified future date. These assets may then be bought and sold by investors in the secondary market. Gilts are very liquid assets which offer virtually risk-free returns.

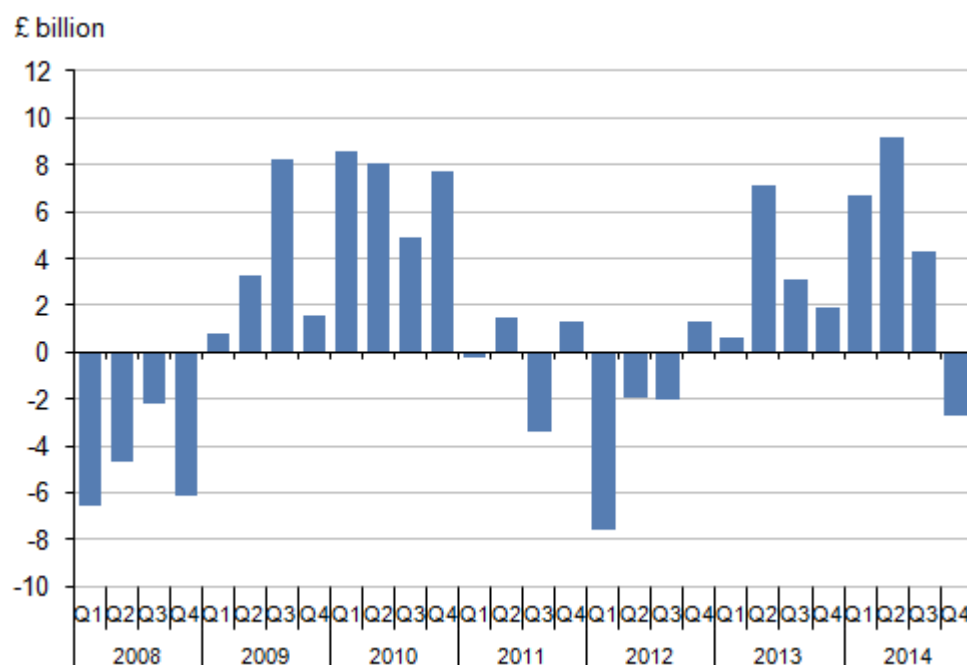
In recent times, the market for gilts has been notably influenced by the Bank of England's Quantitative Easing (QE) programme. Approximately £375 billion of gilts have been bought by the Bank under QE since the start of the programme in 2009.

The institutions covered by this release reported net disinvestment in gilts in Q4 2014 of £3 billion (Figure 3). This was the first quarter of disinvestment since Q3 2012. The five-year quarterly average for this series is net investment of £2 billion.

Net investment in gilts is estimated to be £18 billion in 2014, following net investment of £13 billion in 2013. This was preceded by net disinvestment in 2011 and 2012. This reversal in favour of investment may reflect a change of investment strategy among some market participants (particularly pension funds). Looking at this annual picture, it would seem to suggest that investors are switching back to gilts, possibly in an attempt to avoid the relative volatility of equity markets.

Investment trends in gilts can best be explained by reviewing the role they play in financial markets. Gilts are attractive investments when interest rates are high and are likely to fall. If interest rates fall the price of the gilt rises and may therefore be sold at a profit. Conversely, if interest rates are low, as they are at present and have been since early 2009, the price of gilts is high and a loss might be anticipated if the stock is held to redemption. These characteristics, coupled with the completion of the Bank of England's most recent asset purchase programme, helps to explain the longer-term profile of net investment in gilts.

Investment in gilts is discussed in more detail in the article - ['Trends in gilt investment from 2007-2013'](#).

Figure 3: Net investment in UK government sterling securities (gilts)

Source: Office for National Statistics

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UK Corporate Securities and Overseas Securities

These asset categories comprise of ordinary shares, corporate bonds and preference shares. In addition, non-UK government securities are included as part of overseas securities.

The latest survey of these businesses' balance sheets for the end of 2013, showed that for only the fourth time, the value of overseas ordinary shares held by these institutions exceeded the value of UK ordinary shares. This is a recent trend which was seen for the first time in 2010. It would further appear that this trend has continued into 2014 (annual balance sheet survey data are required to confirm this assertion).

This change in strategy, over the past four years, marks a key shift and would seem to indicate that the institutions covered by this release have sought higher returns relative to risk on their investments in overseas markets in preference to investing in UK securities.

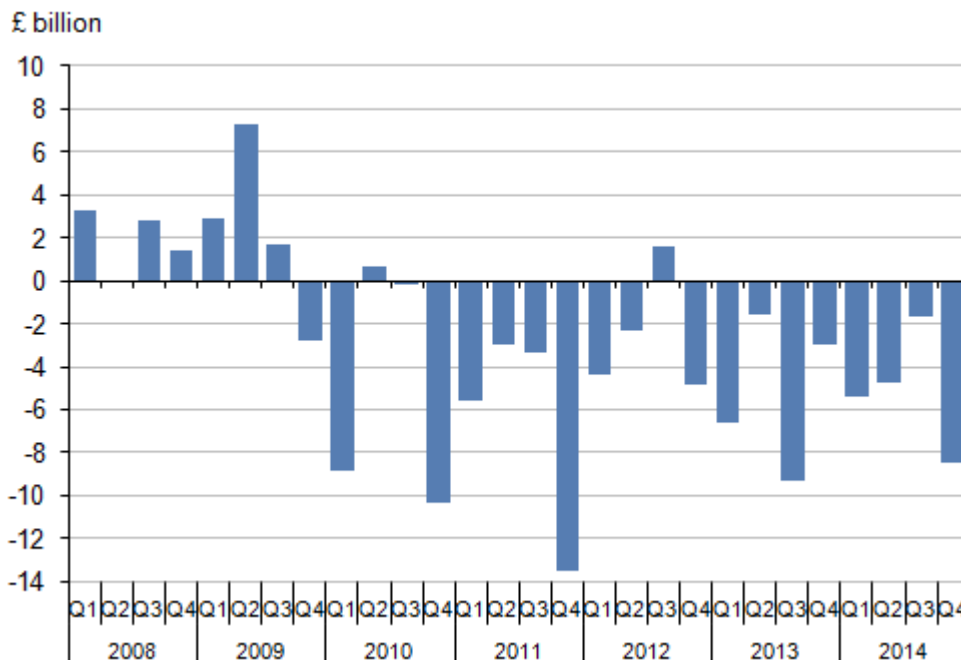
This shift in behaviour is supported by external analysis. In May 2014, The Telegraph commented on research undertaken by Capita, suggesting that dividend payments for British shares will fall during 2014 and observed "with these clouds on the horizon some experts argue income investors should instead shop for divi-paying shares overseas. As well as there being much greater choice – there are seven times more income paying shares overseas than are listed on London's stock exchange."

In Q4 2014 there was net disinvestment in both UK corporate securities and overseas securities, for the first time since the first quarter of 2013.

UK Corporate Securities

In Q4 2014 there was net disinvestment (£9 billion) in UK corporate securities (Figure 4). This follows net disinvestment of £2 billion in Q3 2014 and continues a period of disinvestment that now extends over nine quarters. The 2014 provisional annual estimate was net disinvestment of £20 billion in UK corporate securities, the same as in 2013.

Figure 4: Net investment in UK corporate securities



Source: Office for National Statistics

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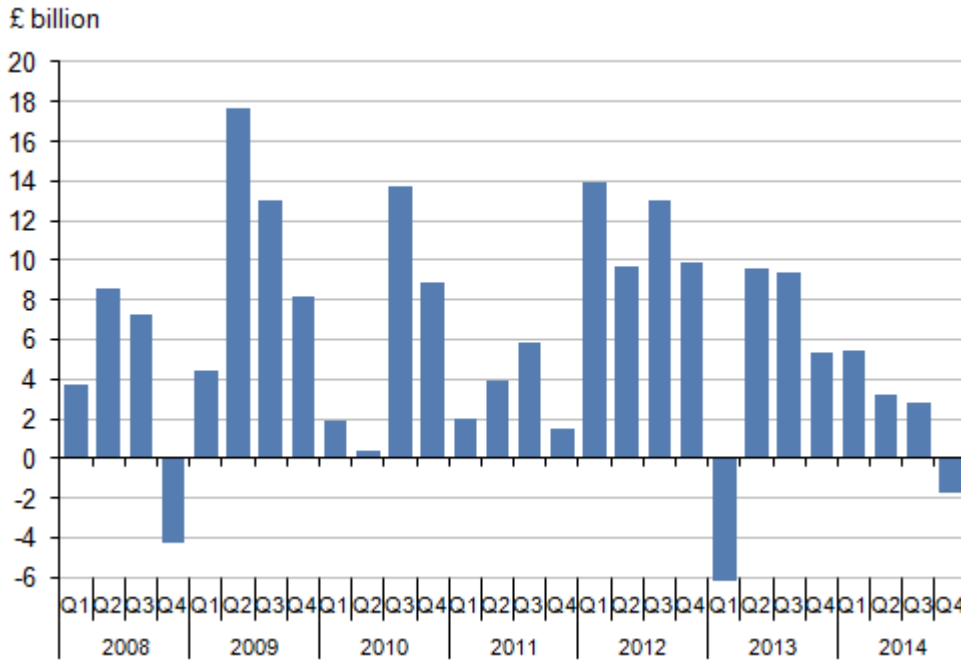
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Overseas Securities

In Q4 2014 the institutions covered by this release reported net disinvestment in overseas securities of £2 billion (Figure 5). This was driven by net disinvestment in overseas shares of £4 billion and was the first quarter of net disinvestment in overseas securities since Q1 2013.

Long-term insurance companies reported net disinvestment of £1 billion, the fifth consecutive period of disinvestment in overseas securities by these companies. This continuing trend is not shown in estimates provided by the other institutional groups.

Figure 5: Net investment in overseas securities



Source: Office for National Statistics

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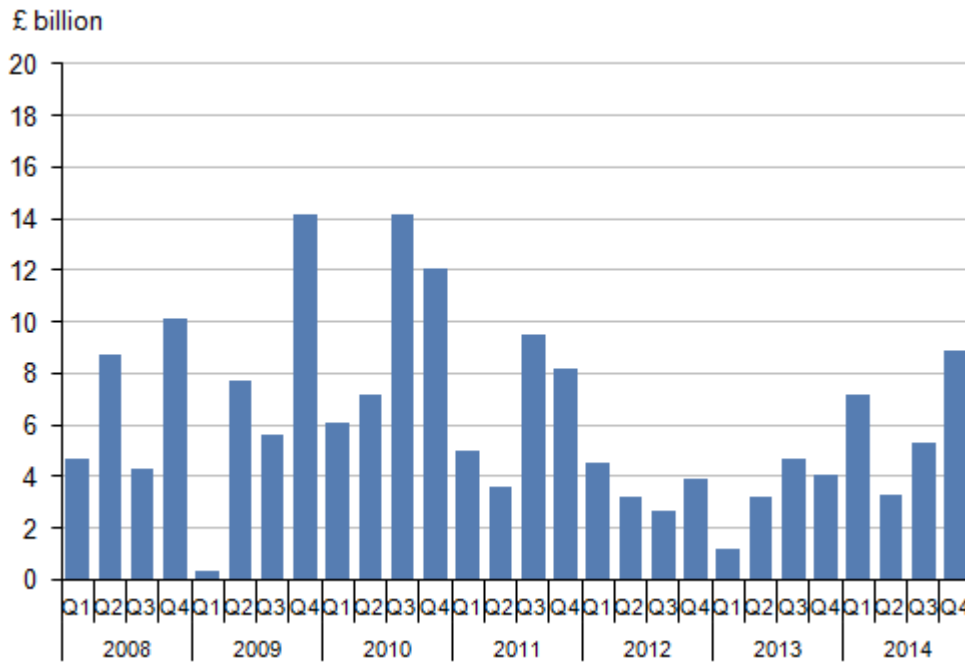
Other Assets

The category ‘other assets’ covers UK and overseas investment, and includes: UK government securities denominated in foreign currency; local authority and public corporation securities; loans; mutual fund investments; fixed assets; investment in insurance managed funds, insurance policies and annuities; direct investment and other assets not elsewhere classified.

Investment in other assets has been positive since Q3 2003. The net investment of £9 billion in Q4 2014 (Figure 6) is higher than the five-year quarterly average for this series of £6 billion and is the largest net investment since the third quarter of 2011.

In Q4 2014 self-administered pension funds reported net investment in other assets of £6 billion. This was the largest net investment in other assets by this institutional group since Q4 2012 and was driven by net investment of £5 billion in mutual funds.

Figure 6: Net investment in other assets



Source: Office for National Statistics

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Table 1: Net investment by asset type

£ billion

		Total	Short-term assets	UK government sterling securities	UK corporate securities	Overseas securities	Other assets
2008		26.0	-4.8	-19.6	7.4	15.3	27.8
2009		90.0	-4.2	13.9	9.1	43.3	27.8
2010		67.5	-7.6	29.2	-18.5	24.8	39.6
2011		24.3	10.9	-0.8	-25.5	13.3	26.3
2012		55.6	15.0	-10.2	-10.0	46.5	14.3
2013		48.4	24.9	12.6	-20.4	18.1	13.3
2014		39.5	7.9	17.5	-20.3	9.7	24.6
2008	Q1	10.6	5.5	-6.6	3.3	3.7	4.7
	Q2	12.2	-0.3	-4.7	-0.1	8.6	8.7
	Q3	22.7	10.6	-2.2	2.8	7.3	4.3
	Q4	-19.5	-20.5	-6.1	1.4	-4.3	10.1
2009	Q1	8.0	-0.3	0.8	2.9	4.4	0.3
	Q2	36.9	0.8	3.3	7.3	17.7	7.7
	Q3	20.5	-8.0	8.2	1.7	13.0	5.6
	Q4	24.6	3.3	1.6	-2.8	8.2	14.2
2010	Q1	6.6	-1.1	8.6	-8.8	1.9	6.1
	Q2	5.6	-10.8	8.1	0.7	0.4	7.2
	Q3	27.2	-5.4	4.9	-0.2	13.7	14.2
	Q4	28.1	9.7	7.7	-10.3	8.9	12.1
2011	Q1	11.0	9.7	-0.2	-5.6	2.0	5.0
	Q2	10.1	4.1	1.5	-3.0	3.9	3.6
	Q3	2.5	-6.1	-3.4	-3.3	5.9	9.5
	Q4	0.7	3.2	1.3	-13.5	1.5	8.2
2012	Q1	17.1	10.7	-7.6	-4.4	13.9	4.5

	Q2	8.4	-0.3	-1.9	-2.3	9.7	3.2
	Q3	18.3	3.0	-2.0	1.6	13.0	2.7
	Q4	11.8	1.6	1.3	-4.8	9.9	3.9
2013	Q1	5.4	16.5	0.6	-6.6	-6.3	1.2
	Q2	21.1	2.8	7.1	-1.6	9.6	3.2
	Q3	15.2	7.3	3.1	-9.3	9.4	4.7
	Q4	6.7	-1.7	1.9	-3.0	5.3	4.1
2014	Q1	23.9	10.0	6.7	-5.4	5.4	7.2
	Q2	10.0	-0.9	9.2	-4.7	3.2	3.3
	Q3	16.6	5.9	4.3	-1.7	2.8	5.3
	Q4	-11.0	-7.0	-2.7	-8.5	-1.7	8.9

Table source: Office for National Statistics

Table notes:

1. Components may not sum to totals due to rounding.
2. Data for all quarters of 2014 remain provisional and subject to revision until the incorporation of the 2014 annual survey results in December 2015.

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Net Investment by Institutional Group

Net investment data for each of the institutional groups covered by this release are displayed in Table 2.

Long-Term Insurance Companies

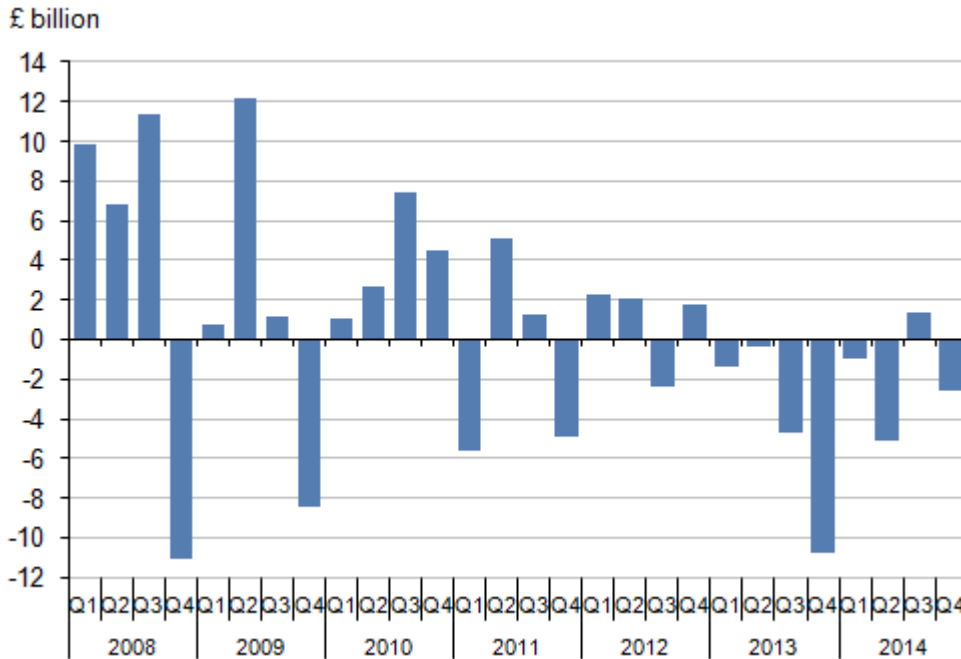
These are companies which provide either protection in the form of life assurance or critical illness policies, or investment in the form of pension provision.

Long-term insurance companies showed net disinvestment of £3 billion in the fourth quarter of 2014 (Figure 7). This was the seventh quarter of net disinvestment by these companies since Q4 2012.

The provisional estimate of net disinvestment for 2014 as a whole (£7 billion) follows net disinvestment in 2013 (£17 billion) and 2011 (£4 billion). These are the only instances of annual disinvestment recorded for this series, which dates back to 1963.

In 2014, long-term insurance companies showed net disinvestment in UK corporate securities, gilts and overseas securities of £19 billion, £13 billion and £11 billion respectively. This contrasts with the provisional 2014 estimate of net investment by long-term insurance companies in mutual funds (£30 billion), which was the largest level of net investment since the start of the series in 2000. It may be that these businesses are investing more in mutual funds in an effort to diversify and manage risk.

Figure 7: Net investment by long-term insurance companies



Source: Office for National Statistics

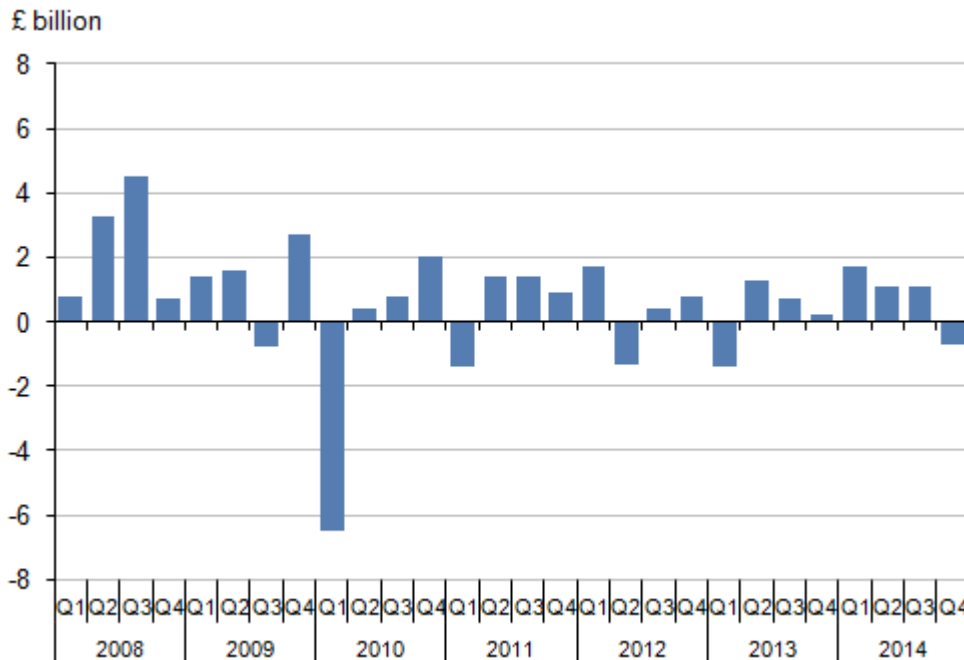
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General Insurance Companies

These are companies which undertake other types of insurance such as motor, home and travel. This type of insurance is usually over a shorter period, most commonly 12 months.

General insurance companies showed net disinvestment in Q4 2014 of £1 billion (Figure 8), the first quarter of net disinvestment since Q1 2013. The five-year quarterly average for this series is net investment of £0.2 billion.

Figure 8: Net investment by general insurance companies

Source: Office for National Statistics

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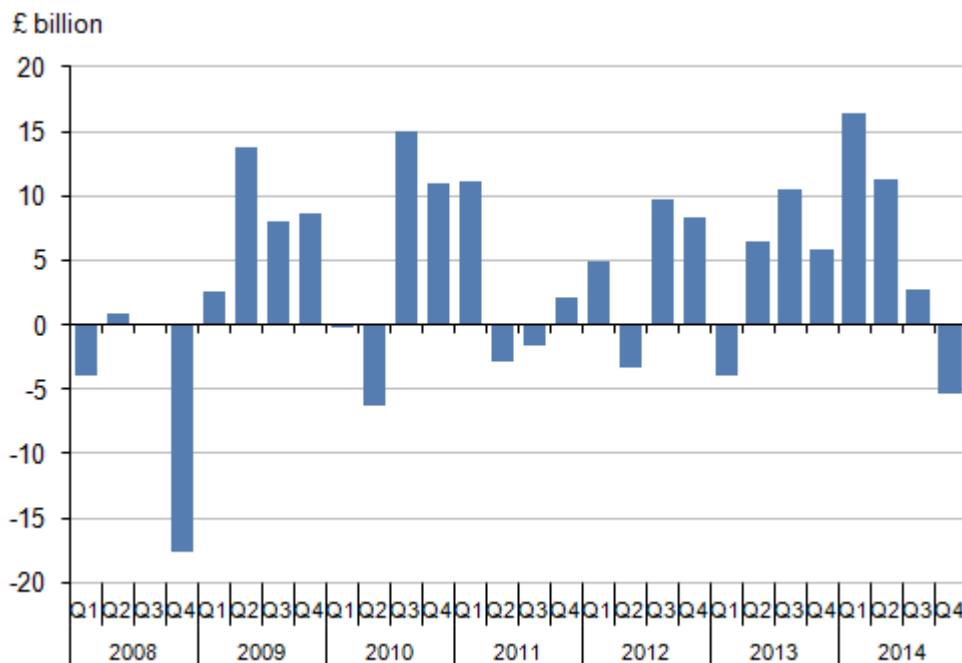
Self-Administered Pension Funds

These are funds established by pension scheme trustees to facilitate and organise the investment of employees' retirement funds.

Self-administered pension funds showed net disinvestment in Q4 2014 of £5 billion (Figure 9). This was the first quarter of net disinvestment since Q1 2013.

Overall, self-administered pension funds reported strong net investment in gilts during 2014. Net investment of £9 billion reported in both the first and second quarters of 2014, were the largest quarterly net investments in gilts reported by this institutional group since the start of the time series in 1963. However, in the second half of the year the level of net investment in gilts fell to £3 billion and £0.1 billion in Q3 2014 and Q4 2014 respectively.

It is possible that pension changes announced in the March 2014 Budget may prompt a slowdown in the rate of bond purchases. Under the changes, individuals will no longer be required to purchase an annuity on retirement using the proceeds of defined contribution (DC) pension funds – a move that the Treasury has acknowledged could prompt demands for similar withdrawal rights from those in defined benefit (DB) schemes. This could mean that schemes may cut their long-term holdings of gilts and bonds.

Figure 9: Net investment by self-administered pension funds

Source: Office for National Statistics

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Investment Trusts

Investment trusts acquire financial assets with money subscribed by shareholders or borrowed in the form of loan capital. Investment trusts are not trusts in the legal sense, but are limited companies with two special characteristics: their assets consist of securities (mainly ordinary shares) and they are debarred by their articles of association from distributing capital gains as dividends. Shares of investment trusts are traded on the Stock Exchange and increasingly can be bought direct from the company.

The trend in net investment for investment trusts continued broadly flat as it has been since the beginning of 2008 (Table 2). Unit Trusts and Property Unit Trusts.

Unit Trusts and Property Unit Trusts

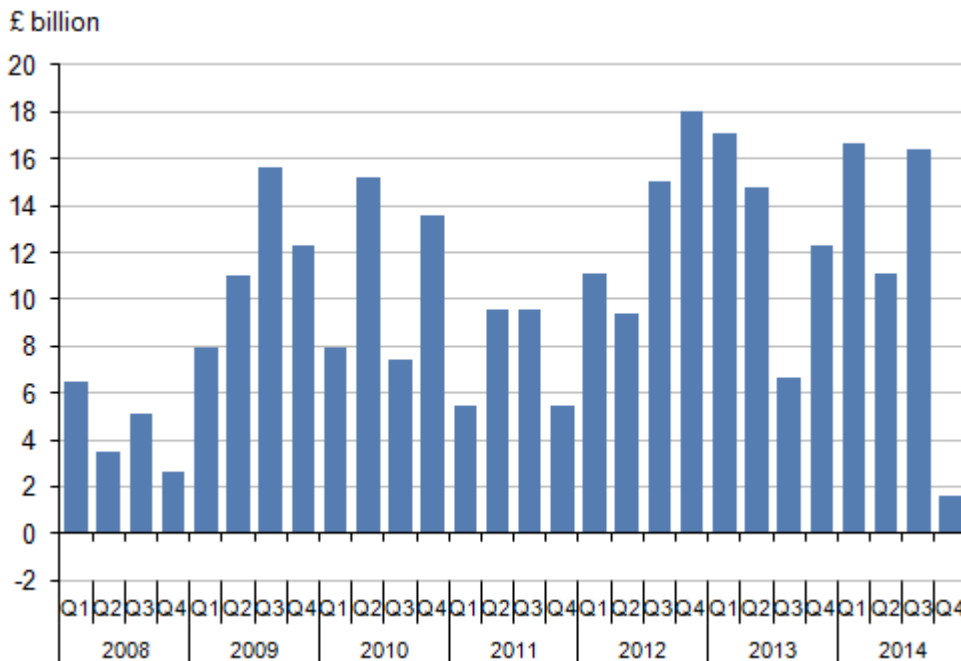
Unit trusts include open-ended investment companies (OEICs) but do not cover other unitised collective investment schemes or those based offshore. They are set up under trust deeds; the trustee usually being a bank or insurance company. The funds in the trusts are managed not by the trustees, but by independent management companies. Units representing a share in the trusts' assets can be bought from the managers or resold to them at any time.

Property unit trusts invest predominantly in freehold or leasehold commercial property yet may hold a small proportion of their investments in the securities of property companies.

Unit trusts and property unit trusts continued to invest in the fourth quarter of 2014, their 28th successive quarter of net investment (Figure 10). However the level of net investment by unit trusts and property unit trusts in Q4 2014 (£2 billion) is the smallest since Q4 2007 and much lower than the five-year quarterly average for this institutional group (£11 billion).

The provisional full-year estimate of net investment by unit trusts and property unit trusts for 2014 (£46 billion) follows net investment of £53 billion in 2012 and £51 billion in 2013. These annual estimates for 2012 and 2013 are the highest annual levels of net investment ever recorded for any institutional group.

Figure 10: Net investment by unit trusts and property unit trusts



Source: Office for National Statistics

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Table 2: Net investment by institutional group

£ billion

		Long-term insurance companies	General insurance companies	Self-administered pension funds	Investment trusts	Unit trusts and property unit trusts	Consolidation adjustment ¹
2008		17.0	9.4	-20.4	0.3	17.7	2.0
2009		5.9	4.9	32.9	-0.6	46.8	0.1
2010		15.6	-3.2	19.7	0.5	44.0	-9.1
2011		-4.2	2.3	8.6	0.4	30.3	-13.0
2012		3.7	1.6	19.7	-0.2	53.5	-22.6
2013		-17.3	0.8	18.8	0.6	50.9	-5.4
2014		-7.3	3.2	25.1	1.1	45.9	-28.4
2008	Q1	9.9	0.8	-3.9	0.6	6.5	-3.2
	Q2	6.8	3.3	0.9	-0.7	3.5	-1.8
	Q3	11.4	4.5	0.1	0.8	5.1	0.7
	Q4	-11.1	0.7	-17.6	-0.4	2.6	6.3
2009	Q1	0.8	1.4	2.6	-0.3	7.9	-4.4
	Q2	12.2	1.6	13.8	-0.2	11.0	-1.5
	Q3	1.2	-0.8	8.0	0.1	15.6	-3.6
	Q4	-8.4	2.7	8.6	-0.2	12.3	9.7
2010	Q1	1.1	-6.5	-0.1	-0.7	7.9	4.9
	Q2	2.7	0.4	-6.3	0.7	15.2	-7.0
	Q3	7.4	0.8	15.1	0.0	7.4	-3.4
	Q4	4.5	2.0	11.0	0.5	13.6	-3.6
2011	Q1	-5.6	-1.4	11.1	0.6	5.5	0.7
	Q2	5.1	1.4	-2.9	0.3	9.6	-3.4
	Q3	1.3	1.4	-1.6	-0.1	9.6	-8.1
	Q4	-4.9	0.9	2.1	-0.5	5.5	-2.3

2012	Q1	2.3	1.7	4.9	0.1	11.1	-3.0
	Q2	2.1	-1.3	-3.4	0.1	9.4	1.6
	Q3	-2.4	0.4	9.8	-0.4	15.0	-4.0
	Q4	1.8	0.8	8.4	0.1	18.0	-17.2
2013	Q1	-1.4	-1.4	-4.0	0.5	17.1	-5.5
	Q2	-0.4	1.3	6.5	-0.2	14.8	-1.0
	Q3	-4.7	0.7	10.5	0.1	6.7	1.9
	Q4	-10.8	0.2	5.8	0.1	12.3	-0.8
2014	Q1	-1.0	1.7	16.4	0.1	16.7	-10.1
	Q2	-5.1	1.1	11.3	0.4	11.1	-8.8
	Q3	1.4	1.1	2.8	0.4	16.4	-5.5
	Q4	-2.6	-0.7	-5.4	0.2	1.6	-4.1

Table source: Office for National Statistics

Table notes:

1. The consolidation adjustment is an adjustment to remove inter-sectoral flows between the different types of institution covered. The adjustment includes (i) investment in authorised unit trust units, open-ended investment companies and investment trust securities by insurance companies, pension funds and trusts and (ii) investment by pension funds in insurance managed funds and property unit trust units.
2. Components may not sum to totals due to rounding.
3. Data for all quarters of 2014 remain provisional and subject to revision until the incorporation of the 2014 annual survey results in December 2015.
4. The total net investment for all groups is shown within the excel spreadsheet.

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Income and Expenditure by Institutional Group

Rather than provide commentary on total income and expenditure for the institutional groups, it is considered more beneficial to users, based on their feedback, if commentary concentrates on the main components. For insurance companies, premiums and claims are the focus, while contributions (net of refunds) and payments are the focus for self-administered pension funds (Table 3). It should be noted that income and expenditure data are not currently collected for the trusts institutional group.

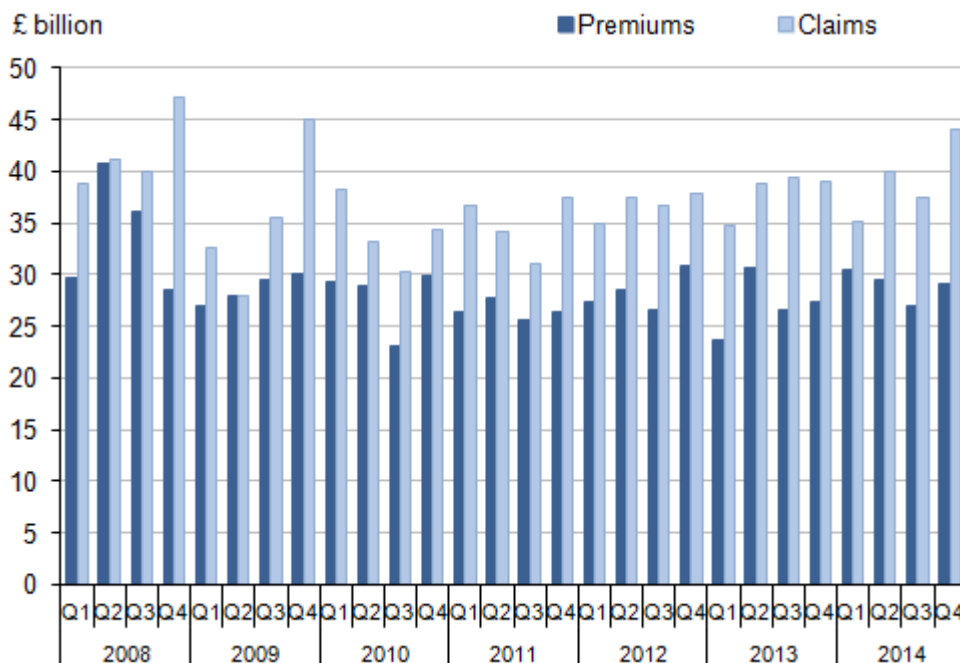
Long-Term Insurance Companies

In the fourth quarter of 2014, the value of long-term insurance premiums was £29 billion (Figure 11), an increase from £27 billion in the previous quarter and in line with the five-year quarterly average of £28 billion.

In 2006 and 2007 the value of premiums exceeded the value of claims. This trend has been reversed since and continued in each of the years 2008 to 2013. Provisional estimates for 2014 show the value of claims to be around 35% greater than the value of premiums.

In Q4 2014, long-term insurance claims (£44 billion) were at their highest level since the fourth quarter of 2009. The difference between the level of claims and premiums (£15 billion) was greater than at any time since the fourth quarter of 2009.

Figure 11: Long-term insurance companies' premiums and claims



Source: Office for National Statistics

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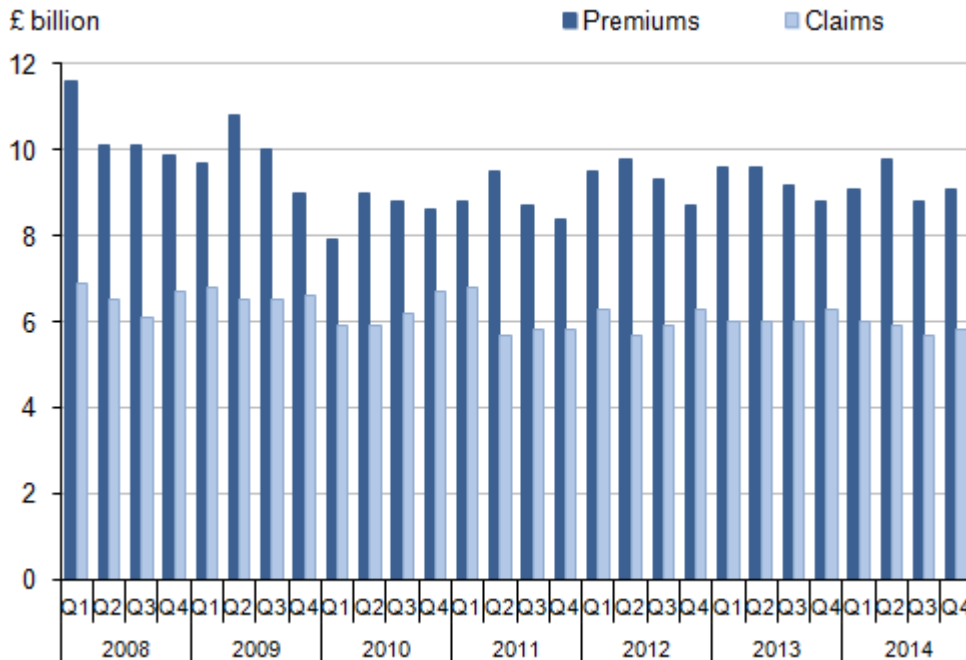
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General Insurance Companies

For general insurance, premiums (£9 billion) were around 56% greater than the value of claims (£6 billion) in Q4 2014 (Figure 12).

Figure 12: General insurance companies' premiums and claims



Source: Office for National Statistics

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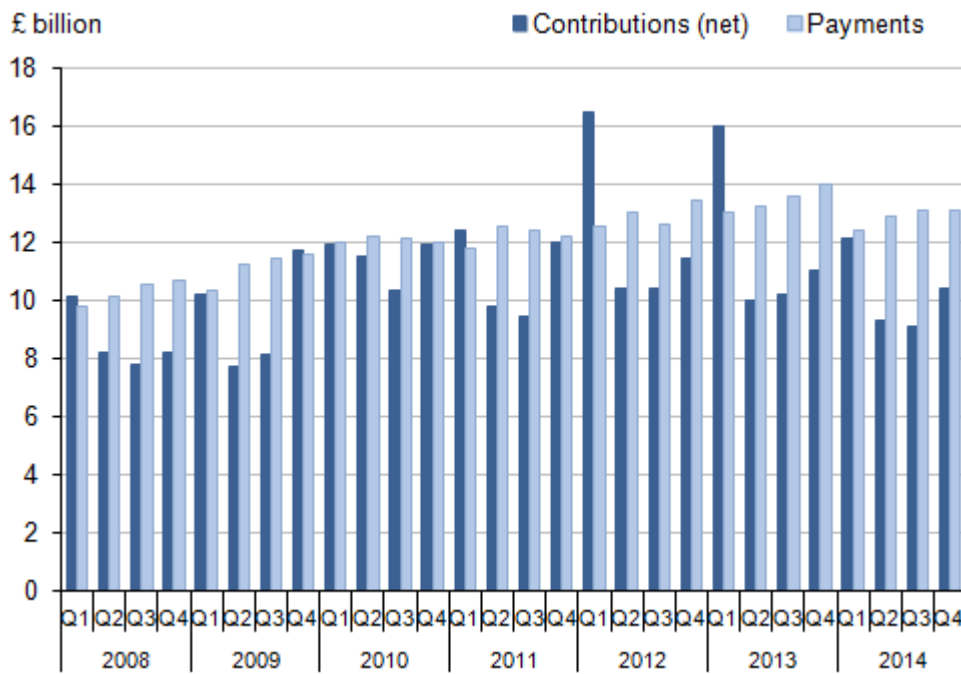
Self-Administered Pension Funds

In Q4 2014 payments (£13 billion) exceeded net contributions (£10 billion) to self-administered pension funds.

In recent years there seems to be a pattern for pension funds to make one-off payments to reduce the deficits in their funds in Q1 of a given year. This would lead to generally higher net contributions in these quarters compared with other quarters of the year (Figure 13). A possible explanation for this pattern is that companies, while compiling their end-of-year accounts, are better placed to determine by how much they are able to reduce the gap between the assets and liabilities of their pension funds by making one-off payments to reduce fund deficits.

These one-off payments are typically made in the form of employers special contributions. In Q1 2012 and Q1 2013, pension funds made special contributions of £8 billion and in Q1 2014, £5 billion. In the second, third and fourth quarters of 2012, 2013 and 2014, the largest employers special contributions made by pensions funds was £4 billion.

Figure 13: Self-administered pension funds' contributions (net) and payments



Source: Office for National Statistics

Download chart

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Table 3: Income and expenditure by institutional group

£ billion

		Long-term insurance		General insurance		Self-administered pension funds	
		Premiums	Claims	Premiums	Claims	Contributions (net)	Payments
2008		135.1	166.9	41.7	26.1	34.3	41.1
2009		114.6	141.1	39.5	26.4	37.7	44.5
2010		111.2	136.1	34.3	24.8	45.6	48.3
2011		106.1	139.5	35.4	24.1	43.6	48.8
2012		113.6	146.8	37.4	24.1	48.6	51.4
2013		108.2	152.0	37.3	24.2	47.3	53.9
2014		116.1	156.8	36.7	23.4	40.9	51.5
2008	Q1	29.6	38.8	11.6	6.9	10.1	9.8
	Q2	40.8	41.1	10.1	6.5	8.2	10.1
	Q3	36.1	39.9	10.1	6.1	7.8	10.5
	Q4	28.6	47.1	9.9	6.7	8.2	10.7
2009	Q1	27.0	32.6	9.7	6.8	10.2	10.3
	Q2	28.0	27.9	10.8	6.5	7.7	11.2
	Q3	29.5	35.4	10.0	6.5	8.1	11.4
	Q4	30.1	45.1	9.0	6.6	11.7	11.6
2010	Q1	29.3	38.3	7.9	5.9	11.9	12.0
	Q2	29.0	33.2	9.0	5.9	11.5	12.2
	Q3	23.1	30.3	8.8	6.2	10.3	12.1
	Q4	29.8	34.3	8.6	6.7	11.9	12.0
2011	Q1	26.3	36.6	8.8	6.8	12.4	11.8
	Q2	27.8	34.2	9.5	5.7	9.8	12.4
	Q3	25.6	31.1	8.7	5.8	9.4	12.3
	Q4	26.3	37.5	8.4	5.8	12.0	12.1

		Long-term insurance		General insurance		Self-administered pension funds	
		Premiums	Claims	Premiums	Claims	Contributions (net)	Payments
2012	Q1	27.4	35.0	9.5	6.3	16.5	12.4
	Q2	28.6	37.4	9.8	5.7	10.4	13.0
	Q3	26.6	36.6	9.3	5.9	10.4	12.6
	Q4	30.9	37.8	8.7	6.3	11.4	13.4
2013	Q1	23.7	34.7	9.6	6.0	16.0	13.0
	Q2	30.6	38.8	9.6	6.0	10.0	13.2
	Q3	26.6	39.4	9.2	6.0	10.2	13.6
	Q4	27.3	39.1	8.8	6.3	11.0	14.0
2014	Q1	30.5	35.2	9.1	6.0	12.1	12.4
	Q2	29.4	40.0	9.8	5.9	9.3	12.9
	Q3	27.0	37.5	8.8	5.7	9.1	13.1
	Q4	29.2	44.0	9.1	5.8	10.4	13.1

Table source: Office for National Statistics

Table notes:

1. Components may not sum to totals due to rounding.
2. Data for all quarters of 2014 remain provisional and subject to revision until the incorporation of the 2014 annual survey results in December 2015.

Download table

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(35 Kb)

Background notes

1. Institutional Groups

Insurance Companies

Active in both life insurance and non-life insurance, they also conduct pension business on behalf of companies and individuals.

Long-term business (mainly life insurance and pensions) has an emphasis on the spreading of risks over time, whereas general business (mainly home, motor and travel insurance) is largely concerned with the spreading of risks between persons and organisations.

Besides consisting largely of life insurance, long-term business also includes occupational and individual pension business. Pension business includes both insured funds and insurance managed funds. Fully insured funds belong to pension schemes where the schemes' trustees hold, as a sole asset, an insurance policy contract or an annuity contract. All the schemes' assets are held in one insurance company. Insurance managed business is where investment of the pension funds for a group of employees is managed by an insurance company. This is in the form of an investment contract in which the insurance company offers participation in one or more pooled funds. Insurance managed funds are reported both by insurance companies and self-administered pension funds, so caution should be exercised if combining estimates from the two sources.

The figures for long-term funds include items relating to shareholders' funds in respect of pure life companies. For other companies these items are consolidated into the figures for general funds.

Self-Administered Pension Funds

A self-administered pension scheme is defined as an occupational pension scheme with units invested in one or more managed schemes or unit trusts. The trustees of these types of schemes can employ either an in-house fund manager to make the day-to-day investment decisions or they can opt to use an external manager to manage the investment. Insurance managed funds are reported both by insurance companies and self-administered pension funds (see 'Insurance Companies').

Fully insured funds are excluded but their activity is included in figures for insurance companies' long-term business.

The data in this release relates to the self-administered pension and superannuation funds of the private sector and to the funded, self-administered schemes of local authorities and employees previously employed in the nationalised industries. The main superannuation arrangements in central government are unfunded and these are excluded from the statistics.

Investment Trusts

The figures cover investment trusts recognised as such by HM Revenue & Customs for tax purposes and some unrecognised trusts. Investment trusts companies acquire financial assets with money subscribed by shareholders or borrowed in the form of loan capital. They are not trusts in the legal sense, but are limited companies with two special characteristics: their assets consist of securities (mainly ordinary shares) and they are debarred by their articles of association from distributing capital gains as dividends. Shares of investment trusts are traded on the Stock Exchange and increasingly can be bought direct from the company.

Unit Trusts

The data covers unit trusts authorised by the Financial Conduct Authority under the terms of the Financial Services and Markets Act 2000. The statistics include open-ended investment companies (OEICs) but they do not cover other unitised collective investment schemes (for example unauthorised funds run on unit trust lines by, for example, securities firms and merchant banks, designed primarily for the use of institutional investors) or those based offshore (Channel Islands, Bermuda etc.) or in other EU member states.

Unit trusts are set up under trust deeds, the trustee usually being a bank or insurance company. The funds in the trusts are managed not by the trustees, but by independent management companies. Units representing a share in the trusts' assets can be bought from the managers or resold to them at any time.

Property Unit Trusts

The statistics aim to cover all UK property unit trusts authorised under the terms of the Financial Services and Markets Act 2000. Property unit trusts invest predominantly in freehold or leasehold commercial property yet may hold a small proportion of their investments in the securities of property companies. Their assets are held in the name of a trustee and are managed on a co-operative basis by a separate committee (elected by the unit holders) or company.

2. Basic Quality Information

A [Quality and Methodology Information \(270.2 Kb Pdf\) \(QMI\) \(268.3 Kb Pdf\)](#) report can be found on the Office for National Statistics (ONS) website. The QMI report aims to provide users with a greater understanding of ONS's statistics, their quality and the methods that are used to create them.

3. Administrative Data

The surveys that underpin this release use administrative data sources as their target populations. Further information can be found in the QMI report linked in background note 2.

4. Uses of Data

The primary use of data from the insurance companies, pension funds and trusts surveys is in the Financial and Sector Accounts and the compilation of Gross Domestic Product (GDP) estimates within the UK National Accounts and the UK Balance of Payments. There are numerous other users within and outside government who use the data to produce various financial analyses and to inform policy decisions. Such users include:

[Bank of England](#): Data are used for monetary policy and financial stability monitoring.

[Department for Work & Pensions](#): Specifically interested in the investment activity of pension funds, and any pension business undertaken by insurance companies.

[HM Revenue and Customs](#): Data are used to aid taxation analysis of financial institutions.

[Association of British Insurers](#): Compare its own data to that of ONS, to ensure both datasets display similar trends.

[Department for Business, Innovation and Skills](#): Use data to analyse investment activity across various financial instruments.

[Debt Management Office](#): Data are used to monitor the investment activity in British government securities (gilts).

[Investment Management Association](#): Compare its own data to that of ONS to ensure both datasets display similar trends. They also use the data to provide an overall view of the UK savings and pensions markets and the components that make it up.

[European Union's Statistical Office \(Eurostat\)](#): Use data to compile statistics at a European level to enable comparisons between countries and to support the development of European fiscal policy.

[Organisation for Economic Co-operation & Development \(OECD\)](#): Analyse investment activity to help formulate economic growth and financial stability recommendations for member countries.

Trade associations, city analysts, institutional investors and fund managers use these data for modelling or forecasting purposes and also to track asset allocation trends. Academics and journalists also use the data for research purposes.

5. Your Views Matter

We are constantly aiming to improve this release and associated commentary. We would welcome any feedback you might have, and would be particularly interested in knowing how you make use of these data to inform your work. Please contact us via email: Financial.Inquiries@ons.gsi.gov.uk or telephone Fred Norris on +44 (0)1633 456109.

There is a [Business and Trade Statistics community](#) on the [StatsUserNet](#) website. For more information, see background note 15.

6. International Comparisons

It is difficult to meaningfully compare the 'Investment by Insurance Companies, Pension Funds and Trusts' release with that of other countries. This is largely due to different rules and regulations surrounding insurance and pension provision, and also because other countries do not combine data for these specific institutional groups into a single detailed publication. The focus for other countries is frequently on collecting data for National Accounts purposes, not on producing a separate publication for these institutional groups.

Many countries around the world use different sources to collect these data. In some cases the data collection is split between the national statistical office and the central bank (Belgium) or the industry regulator (Finland). The periodicity of data collection also varies between countries; some collect data quarterly (Sweden), others on an annual basis (New Zealand). In addition,

some countries use a transactions approach (UK) to data collection, while others prefer a balance sheet style (Ireland).

International bodies such as the ([OECD](#)) compare institutional investment data across countries to help formulate economic growth and financial stability recommendations.

7. Revisions

Data for all quarters of 2014 remain provisional and subject to revision until the incorporation of the 2014 annual survey results in December 2015.

A [revisions policy \(50.7 kb Pdf\)](#) ([367 Kb Pdf](#)) is available to assist users with their understanding of the cycle and frequency of data revisions. Users of this release are strongly advised to read this policy before using these data for research or policy related purposes.

Quarterly

The first, second and third quarters of 2014 have been revised, partly as a result of late questionnaires being received and partly as a result of disaggregated data revisions. In the first quarter of 2014, net investment has been revised from £23.7 billion to £23.9 billion, and in the second quarter from £10.6 billion to £10.0 billion. The third quarter has been revised from £23.2 billion to £16.6 billion.

Revisions to data provide one indication of the reliability of key indicators. The table below compares the first published estimate for total net investment with the equivalent figure published three years later. The data start with the first estimate published for Q1 2007 (in June 2007) and compares this with the estimate for the same quarter published three years later (in June 2010). The difference between these two estimates is calculated and this process is repeated for five years of data (all quarters up to Q4 2011). The averages of this difference (with and without regard to sign) are shown in the right hand columns of the table. These can be compared with the value of the estimate in the latest quarter. A statistical test has been applied to the average revision to find out if it is statistically significantly different from zero. An asterisk (*) shows if the test is significant.

Table 4: Revisions between first publication and estimates three years later

	Value in latest quarter	Average revision	Average revision without regard to sign
Total net investment	-11.0	1.3	7.0

£ billion

Table source: Office for National Statistics

Download table

XLS [XLS format](#)

(29.5 Kb)

A spreadsheet is available giving a [revisions triangle \(393.5 Kb Excel sheet\)](#) of estimates from 1996 to date and the calculations behind the averages in the table.

Annual

The introduction of annual survey results with the third quarter figures each year leads to revisions of the published quarterly estimates, both to income and expenditure, and to transactions data.

Revisions to transactions data are usually caused by problems with quarterly misreporting of data by businesses, which are identified as part of the quality assurance of the corresponding annual survey returns made by the businesses.

For income and expenditure, the revisions are due to the incorporation of the annual insurance survey results, which are based on larger samples and also generally reflect audited accounts. It is important to note that for both pension funds and trusts an annual income and expenditure survey is not undertaken.

For each 'set' of surveys (for example, quarterly transactions and quarterly income and expenditure surveys for pension funds) there is a common sample, but each survey is conducted independently, which can result in different response rates. In some instances individual survey questionnaires are completed by different people within the same business, and with limited linkage within existing systems between the surveys at the individual respondent level. Therefore, there can be discrepancies at an aggregate level between the numbers emerging from the transactions and income and expenditure surveys.

The set of annual surveys includes balance sheet data from the insurance companies and pension funds. This allows data to be 'aligned' so that transactions, income and expenditure and the balance sheet are consistent. The alignment process assumes that the transactions data are the weakest of the three strands of information and therefore takes the necessary adjustment. This assumption has been confirmed by contact with respondents when data have been queried. It is important to note that no alignment process is currently undertaken for the trusts sector.

The following table shows the average absolute values and revisions (without regard to sign), over the last five years (2009 to 2013), arising from the take-on of the annual survey results. A statistical test has been applied to the average revision to find out if it is statistically significantly different from zero. An asterisk (*) shows if the test is significant.

Table 5: Average values and revisions (2009 to 2013)

£ billion


	Average absolute values	Average absolute revisions	
Long-term insurance companies			
Total income	219.9	8	*
Total expenditure	217.1	8.3	
Net investment	0.7	12.1	
General insurance companies			
Total income	43.6	0.3	
Total expenditure	41.7	1.6	
Net investment	1.3	3.1	*
Self-administered pension funds			
Net investment	20	15.3	
Total net investment	57.2	27.0	

Table source: Office for National Statistics

Table notes:

- * A statistical test has been applied to the average revision to find out if it is statistically significantly different from zero. An asterisk (*) shows if the test is significant.

Download table

 [XLS format](#)
(27 Kb)

8. Response Rates

The figures in this release are based on a system of quarterly and annual surveys collecting data on income and expenditure, transactions in financial assets and the balance sheet in separate surveys.


Table 6: Overall response rate by survey

Q4 2014	%
Transactions	
Long-term insurance companies	91
General insurance companies	92
Self-administered pension funds	86
Unit trusts	93
Investment trusts	82
Property unit trusts	100
Income and expenditure	
Long-term insurance companies	91
General insurance companies	88
Self-administered pension funds	86
2013 Annual	
Balance sheet	
Long-term insurance companies	98
General insurance companies	98
Self-administered pension funds	93
Income and expenditure	
Long-term insurance companies	97
General insurance companies	98
Assets and liabilities	
Unit trusts	96

Investment trusts	89
Property unit trusts	93

Table source: Office for National Statistics

Download table

 [XLS format](#)
(31.5 Kb)

9. General Information

These points should be noted when examining reference tables:

- total pension contributions made to funded schemes cannot be derived by summing pension premiums from table 2.4 and contributions from table 4.3. To do so would result in double counting since pension business premiums in table 2.4 include any premiums (including transfers) received from self-administered pension funds and any transfers within the long-term insurance sector. More information on this and on other work undertaken to improve pension statistics as part of the 2002 pension contributions statistics review can be found on the ONS website. These pages include a [discussion note \(25.5 Kb Pdf\)](#) on how insurance companies have been recording pension transactions in the surveys used as a source for this release and on improvements made to the survey questionnaires from the first quarter of 2004 to prevent mis-reporting
- certificates of deposits issued by overseas banks are included in short-term assets overseas
- an increase in borrowing is indicated by a positive figure, a decrease by a negative figure
- total net investment for long-term funds includes investment by self-administered pension funds in insured funds
- loans to a parent authority by local authority funds are included with UK local authority securities
- the consolidation adjustment is an adjustment to remove inter-sectoral flows between the different types of financial institution covered by this release. It has been calculated by identifying and calculating totals for net investment in mutual funds such as authorised unit trust units, investment trust securities and insurance managed funds by the institutions
- components in tables denominated in £ billion may not sum to totals due to rounding.

10. Definitions and Symbols Used

† data have been revised since the last edition; the period marked is the earliest to have been revised.

c suppressed to avoid the disclosure of confidential data.

- nil or less than £0.5 million.

: not available.

A [glossary](#) of the terms used in this release is available to assist users.

11. Disclosure

It is sometimes necessary to suppress figures for certain items in order to avoid disclosing investment activity by individual institutions. In these cases the figures are usually combined with those for another item and this will be indicated in the tables by means of a footnote.

12. National Statistics

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the [Code of Practice for Official Statistics](#).

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs
- are well explained and readily accessible
- are produced according to sound methods and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

13. Social Media

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to receive our updates in your newsfeed and to post comments on our page.

Watch our videos on [YouTube](#).

14. Government Statistical Service (GSS) Business Statistics

To find out about other official business statistics, and choose the right data for your needs, use the [GSS Business Statistics Interactive User Guide](#). By selecting your topics of interest, the tool will pinpoint publications that should be of interest to you, and provide you with links to more detailed information and the relevant statistical releases. It also offers guidance on which statistics are appropriate for different uses.

15. Discussing ONS Business Statistics Online

There is a [Business and Trade Statistics](#) community on the [StatsUserNet](#) website. StatsUserNet is the Royal Statistical Society's interactive site for users of official statistics. The community objectives are to promote dialogue and share information between users and producers of official business and trade statistics about the structure, content and performance of businesses within the UK. Anyone can join the discussions by registering via either of the links.

16. Special Events

ONS has published commentary, analysis and policy on 'Special Events' which may affect statistical outputs. For full details visit the [Special Events](#) page on the ONS website.

17. Release Policy

All data in this release can be downloaded free of charge from the ONS website. Here are the instructions to obtain a full time series of data from the statistical bulletin or release pages:

- select 'Data in this release'
- select 'View datasets associated with this release'
- select the latest release
- select 'Select series from this dataset'
- select the reference table of interest
- select 'View series'
- select the series of interest (Hint: for a custom download you can use SHIFT to select a range of series or CTRL to select multiple individual series)
- select 'View selection'
- select 'download'.

18. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gsi.gov.uk

These National Statistics are produced to high professional standards and released according to the arrangements approved by the UK Statistics Authority.

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This document is also available on our website at www.ons.gov.uk.

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A COMBINED INSTITUTIONAL GROUPS¹ - TOTAL NET INVESTMENT AND SUMMARY BALANCE SHEET BY ASSET TYPE

£ million

	Total assets										
	Total assets	Short-term assets ²	UK corporate securities				Overseas securities			Other assets	
			UK government sterling securities	Ordinary shares	Other ³	Corporate securities		Government securities	UK loans	Mutual funds and other assets ⁴	UK land, buildings and new construction
						Ordinary shares	Other ³				
Holdings at market values											
	KI2V	RLJQ	RLJR	RLJT	RLJU	RLJX	RLJY	RLJZ	RLKA	KI2W	RLKD
2012	3 283 884	446 571	435 209	489 255	319 703	588 087	276 594	79 906	34 005	526 715	87 839
2013	3 472 513	483 382	449 095	525 762	305 670	664 126	274 473	82 875	35 108	563 389	88 633
Net investment											
	RLKE	RLKF	RLKG	RLKH	RLKI	RLKJ	RLKK	RLKL	RLKM	RLKO	RLKP
2010	67 538	-7 628	29 246	-21 453	2 965	5 905	13 384	5 511	720	35 136	3 752
2011	24 302	10 883	-754	-31 504	6 043	592	9 802	2 912	8 149	16 465	1 714
2012	55 641	15 043	-10 183	-22 138	12 130	16 789	21 213	8 492	3 007	10 011	1 277
2013	48 375	24 882	12 625	-25 188	4 739	955	13 049	4 060	1 103	10 745	1 405
2014	39 499	7 948	17 503	-18 760	-1 561	-8 896	13 243	5 389	1 365	17 535	5 733
2012 Q4	11 811	1 588	1 310	-4 954	117	3 655	4 907	1 333	322	3 120	413
2013 Q1	5 350	16 532	556	-6 237	-402	-8 944	1 539	1 088	32	997	189
Q2	21 147	2 755	7 073	-3 371	1 809	7 431	1 354	863	385	4 008	-1 160
Q3	15 202	7 291	3 112	-10 135	863	1 732	6 157	1 505	458	3 651	568
Q4	6 676	-1 696	1 884	-5 445	2 469	736	3 999	604	228	2 089	1 808
2014 Q1	23 871 [†]	9 993 [†]	6 683 [†]	-5 987 [†]	581	629 [†]	3 324 [†]	1 481 [†]	650	5 132 [†]	1 385
Q2	10 036	-934	9 169	-4 595	-104 [†]	-2 111	4 682	650	458	2 108	713 [†]
Q3	16 607	5 859	4 327	-2 632	955	-3 253	4 167	1 907	363 [†]	3 126	1 788
Q4	-11 015	-6 970	-2 676	-5 546	-2 993	-4 161	1 070	1 351	-106	7 169	1 847
Total identified liabilities											
	Total identified liabilities	Total monetary borrowing ⁵	Liability attributable to unit and share holders	Other UK liabilities ⁶	Overseas liabilities ⁷	Share capital issues ⁸	Net inflow to life insurance and pension funds	Net inflow to general insurance and trusts	Consolidation adjustment ⁹		
Amounts outstanding at market values											
	RLLR	RLKQ	RLKR	RLKT	RLKU	RLKS	KI2X	KI2Y	-AMRL		
2012	762 264	15 428	716 856	21 623	4 012	4 345	2 992 440	232 720	-703 540		
2013	885 102	23 903	835 226	18 941	3 291	3 741	3 130 046	232 113	-774 748		
Net transactions											
	RLLS	RLKX	RLKY	RLLA	RLLB	RLKZ	RLLQ	RLLD	-AMRU		
2010	64 452	-2 394	64 225	2 322	-803	1 102	34 633	-22 476	-9 071		
2011	19 171	3 406	19 050	-1 757	-180	-1 348	4 839	13 339	-13 047		
2012	32 988	4 936	27 638	2 363	-2 241	292	17 603	27 671	-22 621		
2013	36 893	8 475	31 650	-2 682	-721	171	-3 612	20 494	-5 400		
2014	45 901	-2 295	38 349	7 895	-36	1 988	6 128	15 894	-28 424		
2012 Q4	15 298	1 352	14 875	-58	-900	29	9 255	4 478	-17 220		
2013 Q1	9 313	987	7 066	1 255	43	-38	-7 852	9 343	-5 454		
Q2	8 021	1 035	8 915	-2 413	168	316	7 129	7 007	-1 010		
Q3	9 219	2 983	6 406	57	-278	51	2 395	1 732	1 856		
Q4	10 340	3 470	9 263	-1 581	-654	-158	-5 284	2 412	-792		
2014 Q1	15 478 [†]	-1 478 [†]	12 873 [†]	4 536 [†]	-449 [†]	-4	7 025 [†]	11 435 [†]	-10 067 [†]		
Q2	15 432	2 231	10 704	1 949	102	446	1 804	1 583	-8 783		
Q3	8 895	-1 190	7 822	1 269	49	945 [†]	4 266	8 938	-5 492		
Q4	6 096	-1 858	6 950	141	262	601	-6 967	-6 062	-4 082		

1 The sum of self-administered pension funds, long-term and general insurance companies, investment trusts, unit trusts and property unit trusts. Data from the pension funds surveys are of lower quality than equivalent data from other institutional groups because of the difficulties in constructing a suitable sampling frame of pension funds.

2 UK and overseas. Includes cash in hand; balances with banks and building societies; other liquid deposits; certificates of deposit issued by banks and building societies; money market instruments; local authority debt; commercial paper; balances due from stockbrokers and securities dealers; net transactions in derivative contracts and other short-term assets not elsewhere classified.

3 Includes corporate bonds and preference shares.

4 UK and overseas. Includes authorised and unauthorised unit trust units; property unit trusts; investment trust securities; open-ended investment companies; hedge funds; other mutual fund investments not elsewhere classified; UK government securities denominated in foreign currency; local authority and public corporation securities; overseas loans; other UK fixed assets; overseas fixed assets; investment in insurance managed funds, insurance policies and annuities; direct investment and other assets not elsewhere classified.

5 Borrowing from UK banks.

6 Includes sterling and foreign currency borrowing from building societies; borrowing arising from the issue of UK securities (other than ordinary shares); borrowing arising from the issue of sterling commercial paper; foreign currency liabilities on back-to-back loans; overdrafts and other borrowing not elsewhere classified.

7 Includes borrowing from banks; related companies and other borrowing not elsewhere classified.

8 Relates to investment trusts only.

9 An adjustment to remove inter-sectoral flows between the different types of institution covered. The adjustment includes (i) investment in authorised unit trust units, open-ended investment companies and investment trust securities by insurance companies, pension funds and trusts and (ii) investment by pension funds in insurance managed funds and property unit trust units.

Source: Office for National Statistics

B TOTAL NET INVESTMENT AND ASSET HOLDINGS BY INSTITUTIONAL GROUP

£ million

	Institutions						
	Total assets ¹	Long-term insurance companies	General insurance companies	Self-administered pension funds ¹	Investment trusts	Unit trusts and property unit trusts ²	Consolidation adjustment ³
Holdings at market values							
	KI2V	RKBI	RKBY	RYIR	CBGW	CBHR	-AMRL
2012	3 283 884	1 410 411	161 227	1 603 292	63 833	748 661	-703 540
2013	3 472 513	1 449 526	160 903	1 706 682	63 741	866 409	-774 748
Net investment							
	RLKE	RCAA	RFUC	RZNI	CBGB	CBHY	-AMRU
2010	67 538	15 645	-3 231	19 700	457	44 038	-9 071
2011	24 302	-4 211	2 310	8 600	391	30 259	-13 047
2012	55 641	3 714	1 561	19 738	-201	53 450	-22 621
2013	48 375	-17 280	768	18 788	557	50 942	-5 400
2014	39 499	-7 302	3 223	25 061	1 087	45 854	-28 424
2012 Q4	11 811	1 759	761	8 437	100	17 974	-17 220
2013 Q1	5 350	-1 387	-1 441	-4 044	547	17 129	-5 454
Q2	21 147	-363	1 343	6 534	-192	14 835	-1 010
Q3	15 202	-4 695	693	10 546	143	6 659	1 856
Q4	6 676	-10 835	173	5 752	59	12 319	-792
2014 Q1	23 871 [†]	-1 035 [†]	1 741	16 386 [†]	98 [†]	16 748 [†]	-10 067 [†]
Q2	10 036	-5 072	1 077	11 321	354	11 139	-8 783
Q3	16 607	1 394	1 081 [†]	2 779	441	16 404	-5 492
Q4	-11 015	-2 589	-676	-5 425	194	1 563	-4 082

1 Data from the pension funds surveys are of lower quality than equivalent data from other institutional groups because of the difficulties in constructing a suitable sampling frame of pension funds.

2 Includes open-ended investment companies (OEICs).

3 An adjustment to remove inter-sectoral flows between the different types of institution covered. The adjustment includes (i) investment in authorised unit trust units, open-ended investment companies and investment trust securities by insurance companies, pension funds and trusts and (ii) investment by pension funds in insurance managed funds and property unit trust units.

Source: Office for National Statistics

C TOTAL NET INVESTMENT BY ASSET TYPE AND INSTITUTIONAL GROUP

£ million

	Total assets ¹	Institutions				Unit trusts and property unit trusts ²	Consolidation adjustment ³
		Long-term insurance companies	General insurance companies	Self-administered pension funds ¹	Investment trusts		
SHORT-TERM ASSETS⁴							
2014	RLKF 7 948	RYFT 179	RYLQ 1 608	RYKP 1 908	CBGC 577	RLHL 3 676	
2013 Q4	-1 696	-2 861	-45	-305	53	1 462	
2014 Q1	9 993 [†]	3 944	1 305	3 136 [†]	60 [†]	1 548 [†]	
Q2	-934	-3 216	-419	1 489	-49	1 261	
Q3	5 859	1 208 [†]	435 [†]	836	252	3 128	
Q4	-6 970	-1 757	287	-3 553	314	-2 261	
UK GOVERNMENT STERLING SECURITIES							
2014	RLKG 17 503	AHPJ -12 541	AHOJ 501	AHQX 20 707	RLLU -201	RLHM 9 037	
2013 Q4	1 884	-2 311	1 183	2 815	-75	272	
2014 Q1	6 683 [†]	-8 681	-653	9 068 [†]	-51	7 000	
Q2	9 169	-2 007	747	9 039	-71	1 461 [†]	
Q3	4 327	-15 [†]	279 [†]	2 504	-77	1 636	
Q4	-2 676	-1 838	128	96	-2	-1 060	
UK CORPORATE SECURITIES⁵							
2014	AMQS -20 321	HLTM -18 661	HLTS 118	GATO -10 957	AMQX 177	AMRA 10 318	-AMRK -1 316
2013 Q4	-2 976	-4 402	-439	-1 879	80	3 956	-292
2014 Q1	-5 406 [†]	-5 113	-187	-1 561 [†]	-144	2 124 [†]	-525 [†]
Q2	-4 699	-5 115	250	-2 691	108 [†]	3 328	-579
Q3	-1 677	-4 127 [†]	-294 [†]	-1 502	50	4 122	74
Q4	-8 539	-4 306	349	-5 203	163	744	-286
OVERSEAS SECURITIES⁶							
2014	AMQU 9 736	HLTN -11 452	HLTT 1 782	GAMV -955	AMQY 320	AMRH 20 041	
2013 Q4	5 339	-3 542	-251	3 161	186	5 785	
2014 Q1	5 434 [†]	-1 494	979	2 105 [†]	142	3 702 [†]	
Q2	3 221	-5 252	836	605	228	6 804	
Q3	2 821	-3 334 [†]	291 [†]	-1 263	127	7 000	
Q4	-1 740	-1 372	-324	-2 402	-177	2 535	
OTHER ASSETS⁷							
2014	AMQW 24 633	HLTO 35 173	HLTU -786	GALN 14 358	AMQZ 214	AMRI 2 782	-AMTO -27 108
2013 Q4	4 125	2 281	-275	1 960	-185	844	-500
2014 Q1	7 167 [†]	10 309 [†]	297	3 638 [†]	91 [†]	2 374 [†]	-9 542 [†]
Q2	3 279	10 518	-337	2 879	138	-1 715	-8 204
Q3	5 277	7 662	370 [†]	2 204	89	518	-5 566
Q4	8 910	6 684	-1 116	5 637	-104	1 605	-3 796
TOTAL ASSETS¹							
2014	RLKE 39 499	RCAA -7 302	RFUC 3 223	RZNI 25 061	CBGB 1 087	CBHY 45 854	-AMRU -28 424
2013 Q4	6 676	-10 835	173	5 752	59	12 319	-792
2014 Q1	23 871 [†]	-1 035 [†]	1 741	16 386 [†]	98 [†]	16 748 [†]	-10 067 [†]
Q2	10 036	-5 072	1 077	11 321	354	11 139	-8 783
Q3	16 607	1 394	1 081 [†]	2 779	441	16 404	-5 492
Q4	-11 015	-2 589	-676	-5 425	194	1 563	-4 082

1 Data from the pension funds surveys are of lower quality than equivalent data from other institutional groups because of the difficulties in constructing a suitable sampling frame of pension funds for the surveys.

2 Includes open-ended investment companies (OEICs).

3 An adjustment to remove inter-sectoral flows between the different types of institution covered. The adjustment includes (i) investment in authorised unit trust units, open-ended investment companies and investment trust securities by insurance companies, pension funds and trusts and (ii) investment by pension funds in insurance managed funds and property unit trust units.

4 UK and overseas. Includes cash in hand; balances with banks and building societies; other liquid deposits; certificates of deposit issued by banks and building societies; money market instruments; local authority debt; commercial paper; balances due from stockbrokers and securities dealers; net transactions in derivative contracts and other short-term assets not elsewhere classified.

5 Includes corporate bonds; ordinary shares and preference shares.

6 Includes government, provincial and municipal securities; corporate bonds; ordinary shares and preference shares.

7 UK and overseas. Includes UK government securities denominated in foreign currency; local authority and public corporation securities; loans; mutual fund investments; fixed assets; investment in insurance managed funds, insurance policies and annuities; direct investment and other assets not elsewhere classified.

Source: Office for National Statistics

D INVESTMENT IN UK EXISTING BUILDINGS, PROPERTY, LAND AND NEW CONSTRUCTION WORK BY INSTITUTIONAL GROUP

£ million

	Institutions					Total ¹
	Long-term insurance companies	General insurance companies	Self-administered pension funds ¹	Investment trusts	Unit trusts and property unit trusts ²	
Holdings at market values						
	AHNX	AHMW	AHWA	CBHB	RLIE	RLKD
2010	44 207	2 195	28 990	197	9 484	85 073
2011	44 512	2 180	32 177	1 522	13 220	93 611
2012	40 286	2 221	30 296	1 538	13 498	87 839
2013	39 220	2 699	32 980	158	13 576	88 633
Net investment						
	AHPX	AHOW	AHRN	CBGH	RLIK	RLKP
2010	991	255	1 161	-6	1 351	3 752
2011	-366	65	1 267	108	640	1 714
2012	-790	346	1 374	64	283	1 277
2013	-613	252	558	-	1 208	1 405
2014	2 358	267	1 154	2	1 952	5 733
2012 Q4	-106	147	289	2	81	413
2013 Q1	-50	19	56	-	164	189
Q2	-1 546	120	38	-	228	-1 160
Q3	-108	78	197	-	401	568
Q4	1 091	35	267	-	415	1 808
2014 Q1	598	57	180	2	548	1 385
Q2	507	77	309 [†]	-	-180 [†]	713 [†]
Q3	349 [†]	119	402	-	918	1 788
Q4	904	14	263	-	666	1 847
Acquisitions						
	ARHX	ARGW	ARJN	CBGS	RLIV	
2010	4 166	381	1 877	6	1 613	
2011	2 199	103	2 092	c	1 216	
2012	2 493	430	2 440	c	556	
2013	5 041	289	2 003	-	1 692	
2014	4 109	308	2 740	7	3 812	
2012 Q4	908	170	475	c	255	
2013 Q1	821	20	250	-	300	
Q2	1 028	120	288	-	254	
Q3	1 161	91	690	-	625	
Q4	2 031	58	775	-	513	
2014 Q1	835	57	587	c	780	
Q2	865	77	725 [†]	-	c	
Q3	802 [†]	119	774	-	c	
Q4	1 607	55	654	c	806	
Disposals						
	ASHX	ASGW	ASJN	CBGT	RLJJ	
2010	3 175	126	716	12	262	
2011	2 565	38	825	c	576	
2012	3 283	84	1 066	c	273	
2013	5 654	37	1 445	-	484	
2014	1 751	41	1 586	5	1 860	
2012 Q4	1 014	23	186	c	174	
2013 Q1	871	1	194	-	136	
Q2	2 574	-	250	-	26	
Q3	1 269	13	493	-	224	
Q4	940	23	508	-	98	
2014 Q1	237	-	407	c	232	
Q2	358	-	416 [†]	-	c	
Q3	453 [†]	-	372	-	c	
Q4	703	41	391	c	140	

1 Data from the pension funds surveys are of lower quality than equivalent data from other institutional groups because of the difficulties in constructing a suitable sampling frame of pension funds.

2 Includes open-ended investment companies (OEICs).

Source: Office for National Statistics

1.1 INSURANCE COMPANIES' INVESTMENT: COMBINED¹ BUSINESS

£ million

		Net investment		Net investment						
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK government securities denominated in sterling	RAWZ	-8 791	-12 040	1 344	-2 700	-1 128	-9 334	-1 260	264 [†]	-1 710
Index-linked	RAWT	1 024	-3 689	877	1 017	-709	-1 612	7	287 [†]	-2 371
Other ²	JF8L	-9 815	-8 351	467	-3 717	-419	-7 722	-1 267	-23 [†]	661
UK government securities denominated in foreign currency	RAWW	13	-	6	3	4	-	-	- [†]	-
UK local authority investments ³	RARQ	1 251	1 099	54	319	706	183	310	12 [†]	594
Other UK public sector investments ⁴	RADC	22	370	4	-18	24	265	-6	270 [†]	-159
UK PUBLIC SECTOR SECURITIES	RAVM	-7 505	-10 571	1 408	-2 396	-394	-8 886	-956	546[†]	-1 275
UK corporate bonds ⁵	JX4G	1 089	-7 111	677	325	146	-612	-2 145	-1 276 [†]	-3 078
Sterling	JF92	574	-6 769	680	4	10	-624	-2 067	-1 088 [†]	-2 990
Foreign currency	JF95	515	-342	-3	321	136	12	-78	-188 [†]	-88
UK ordinary shares ⁶	JF98	-19 745	-11 411	-2 366	-7 648	-4 972	-4 686	-2 714	-3 138 [†]	-873
UK preference shares ⁵	JF9B	-143	-21	-37	-14	-15	-2	-6	-7	-6
Overseas corporate securities	JF9K	-7 983	-8 571	2 404	2 649	-3 948	-957	-3 480	-2 764 [†]	-1 370
Bonds	JF9N	2 600	-4 312	766	2 290	-479	-1 544	-1 918	-891 [†]	41
Ordinary shares	RAVV	-10 580	-4 073	1 678	359	-3 383	713	-1 553	-1 847 [†]	-1 386
Preference shares	JF9Q	-3	-186	-40	-	-86	-126	-9	-26	-25
Mutual fund investments	JF9T	3 457	30 053	-35	-769	-23	8 617 [†]	9 132	7 983	4 321
UK	JX4J	2 538	27 603	-206	-1 114	-371	7 837	7 961	7 306 [†]	4 499
Unit trust units ⁷	JX4M	-1 951	12 694	-983	-808	-1 464	3 629	3 110	2 828 [†]	3 127
Other ⁸	JX4P	4 489	14 909	777	-306	1 093	4 208	4 851	4 478 [†]	1 372
Overseas	JFB2	919	2 450	171	345	348	780 [†]	1 171	677	-178
CORPORATE SECURITIES	RAWQ	-23 325	2 939	643	-5 457	-8 812	2 360[†]	787	798	-1 006
Overseas government, provincial and municipal securities	RAXC	633	-1 099	-144	581	155	442	-936	-279 [†]	-326
Loans	JFB5	38	1 334	22	185	-43	705	526	327 [†]	-224
UK ⁹	JX4S	1 264	1 325	428	493	270	650	445	349 [†]	-119
Overseas ¹⁰	RAXS	-1 226	9	-406	-308	-313	55	81	-22 [†]	-105
Fixed assets ¹¹	JFB8	-269	2 766	-1 416	-14	1 187	670	614	507 [†]	975
UK	JX4V	-271	2 767	-1 417	-15	1 187	670	614	507 [†]	976
Overseas	JFE5	2	-1	1	1	-	-	-	-	-1
Other longer-term assets not elsewhere classified ¹²	JFE8	-377	1 439	88	88	-145	159	265	153 [†]	862
OTHER LONGER-TERM ASSETS	RAYS	25	4 440	-1 450	840	1 154	1 976	469	708[†]	1 287
LONGER-TERM ASSETS	RAYV	-30 805	-3 192	601	-7 013	-8 052	-4 550[†]	300	2 052	-994

Source: Office for National Statistics

1.1 INSURANCE COMPANIES' INVESTMENT: COMBINED¹ BUSINESS

continued

£ million

		Acquisitions		Acquisitions						
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
UK government securities denominated in sterling	RAXA	262 259	134 493	64 955	70 987	43 948	38 435	32 359	31 459 [†]	32 240
Index-linked	RAWU	22 024	27 479	5 558	7 172	3 886	5 851	7 978	6 617 [†]	7 033
Other ²	JF8J	240 235	107 014	59 397	63 815	40 062	32 584	24 381	24 842 [†]	25 207
UK government securities denominated in foreign currency	RAWX	18	–	6	6	6	–	–	– [†]	–
UK local authority investments ³	RABT	1 972	1 817	592	397	759	443	551	86 [†]	737
Other UK public sector investments ⁴	RAVI	279	843	106	82	44	355	–	351	137
UK PUBLIC SECTOR SECURITIES	RAVN	264 528	137 153	65 659	71 472	44 757	39 233	32 910	31 896[†]	33 114
UK corporate bonds ⁵	JX4E	41 064	41 799	11 595	10 419	9 655	9 250	8 998	9 826 [†]	13 725
Sterling	JF8Y	38 822	40 275	11 211	9 714	9 131	8 848	8 637	9 480 [†]	13 310
Foreign currency	JF93	2 242	1 524	384	705	524	402	361	346 [†]	415
UK ordinary shares ⁶	JF96	60 197	43 693	19 820	13 055	13 536	13 035	10 007	8 755 [†]	11 896
UK preference shares ⁵	JF99	21	18	1	16	1	3	5	1	9
Overseas corporate securities	JF9I	121 168	103 950	34 940	29 944	24 862	27 767	27 697	21 111 [†]	27 375
Bonds	JF9L	41 221	48 302	11 574	10 961	9 414	12 726	11 270	10 574 [†]	13 732
Ordinary shares	RAWV	79 462	55 446	23 265	18 917	15 362	14 962	16 356	10 508 [†]	13 620
Preference shares	JF9O	485	202	101	66	86	79	71	29 [†]	23
Mutual fund investments	JF9R	96 319	126 214	21 949	21 448	26 771	35 930 [†]	37 053	26 794	26 437
UK	JX4H	90 613	114 485	20 303	20 277	25 491	34 207	33 362	23 056 [†]	23 860
Unit trust units ⁷	JX4K	50 987	47 117	12 195	11 095	10 949	12 275	12 870	10 612 [†]	11 360
Other ⁸	JX4N	39 626	67 368	8 108	9 182	14 542	21 932	20 492	12 444 [†]	12 500
Overseas	JFA8	5 706	11 729	1 646	1 171	1 280	1 723 [†]	3 691	3 738	2 577
CORPORATE SECURITIES	RAWR	318 769	315 674	88 305	74 882	74 825	85 985[†]	83 760	66 487	79 442
Overseas government, provincial and municipal securities	RAXD	30 455	38 372	7 851	7 657	7 902	11 930	9 189	9 210 [†]	8 043
Loans	JFB3	6 424	3 620	1 546	1 686	1 700	1 163	968	639 [†]	850
UK ⁹	JX4Q	6 104	2 857	1 508	1 614	1 648	979	816	524 [†]	538
Overseas ¹⁰	RAXT	320	763	38	72	52	184	152	115 [†]	312
Fixed assets ¹¹	JFB6	5 433	4 573	1 159	1 268	2 159	907	973	960 [†]	1 733
UK	JX4T	5 431	4 573	1 158	1 267	2 159	907	973	960 [†]	1 733
Overseas	JFE3	2	–	1	1	–	–	–	–	–
Other longer-term assets not elsewhere classified ¹²	JFE6	1 110	3 596	514	168	175	518	475	990 [†]	1 613
OTHER LONGER-TERM ASSETS	RAYT	43 422	50 161	11 070	10 779	11 936	14 518	11 605	11 799[†]	12 239
LONGER-TERM ASSETS	RAYW	626 719	502 988	165 034	157 133	131 518	139 736[†]	128 275	110 182	124 795

Source: Office for National Statistics

1.1 INSURANCE COMPANIES' INVESTMENT: COMBINED¹ BUSINESS

continued

£ million

		Disposals		Disposals						
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
UK government securities denominated in sterling	RAXB	271 050	146 533	63 611	73 687	45 076	47 769	33 619	31 195 [†]	33 950
Index-linked	RAWV	21 000	31 168	4 681	6 155	4 595	7 463	7 971	6 330 [†]	9 404
Other ²	JF8K	250 050	115 365	58 930	67 532	40 481	40 306	25 648	24 865 [†]	24 546
UK government securities denominated in foreign currency	RAWY	5	–	–	3	2	–	–	–	–
UK local authority investments ³	RABZ	721	718	538	78	53	260	241	74 [†]	143
Other UK public sector investments ⁴	RAVL	257	473	102	100	20	90	6	81 [†]	296
UK PUBLIC SECTOR SECURITIES	RAVO	272 033	147 724	64 251	73 868	45 151	48 119	33 866	31 350[†]	34 389
UK corporate bonds ⁵	JX4F	39 975	48 910	10 918	10 094	9 509	9 862	11 143	11 102 [†]	16 803
Sterling	JF8Z	38 248	47 044	10 531	9 710	9 121	9 472	10 704	10 568 [†]	16 300
Foreign currency	JF94	1 727	1 866	387	384	388	390	439	534 [†]	503
UK ordinary shares ⁶	JF97	79 942	55 104	22 186	20 703	18 508	17 721	12 721	11 893 [†]	12 769
UK preference shares ⁶	JF9A	164	39	38	30	16	5	11	8	15
Overseas corporate securities	JF9J	129 151	112 521	32 536	27 295	28 810	28 724	31 177	23 875 [†]	28 745
Bonds	JF9M	38 621	52 614	10 808	8 671	9 893	14 270	13 188	11 465 [†]	13 691
Ordinary shares	RAVX	90 042	59 519	21 587	18 558	18 745	14 249	17 909	12 355 [†]	15 006
Preference shares	JF9P	488	388	141	66	172	205	80	55 [†]	48
Mutual fund investments	JF9S	92 862	96 161	21 984	22 217	26 794	27 313 [†]	27 921	18 811	22 116
UK	JX4I	88 075	86 882	20 509	21 391	25 862	26 370	25 401	15 750 [†]	19 361
Unit trust units ⁷	JX4L	52 938	34 423	13 178	11 903	12 413	8 646	9 760	7 784 [†]	8 233
Other ⁸	JX4O	35 137	52 459	7 331	9 488	13 449	17 724	15 641	7 966 [†]	11 128
Overseas	JFA9	4 787	9 279	1 475	826	932	943 [†]	2 520	3 061	2 755
CORPORATE SECURITIES	RAWS	342 094	312 735	87 662	80 339	83 637	83 625[†]	82 973	65 689	80 448
Overseas government, provincial and municipal securities	RAXE	29 822	39 471	7 995	7 076	7 747	11 488	10 125	9 489 [†]	8 369
Loans	JFB4	6 386	2 286	1 524	1 501	1 743	458	442	312 [†]	1 074
UK ⁹	JX4R	4 840	1 532	1 080	1 121	1 378	329	371	175	657
Overseas ¹⁰	RAXU	1 546	754	444	380	365	129	71	137 [†]	417
Fixed assets ¹¹	JFB7	5 702	1 807	2 575	1 282	972	237	359	453 [†]	758
UK	JX4U	5 702	1 806	2 575	1 282	972	237	359	453 [†]	757
Overseas	JFE4	–	1	–	–	–	–	–	–	1
Other longer-term assets not elsewhere classified ¹²	JFE7	1 487	2 157	426	80	320	359	210	837 [†]	751
OTHER LONGER-TERM ASSETS	RAYU	43 397	45 721	12 520	9 939	10 782	12 542	11 136	11 091[†]	10 952
LONGER-TERM ASSETS	RAYX	657 524	506 180	164 433	164 146	139 570	144 286[†]	127 975	108 130	125 789

Source: Office for National Statistics

1.1 INSURANCE COMPANIES' INVESTMENT: COMBINED¹ BUSINESS

continued

£ million

		Net investment		Net investment		Net investment		Net investment		
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	
Cash	JFF8	-	-	-	-	-	-	-	-	-
Balances with banks and building societies in the UK	JX4X	-8 701	-3 430	-2 008	1 820	-3 709	-1 880	-1 668	1 232 [†]	-1 114
Sterling	JX4Z	-9 594	-3 521	-2 706	1 829	-3 380	-1 876	-1 387	1 249 [†]	-1 507
Foreign currency	JX53	893	91	698	-9	-329	-4	-281	-17 [†]	393
Balances with overseas banks	JFG8	1 290	-558	1 793	579	-911	-311	-73	-220 [†]	46
Other liquid deposits ¹³	JFH8	20 854	854	-1 969	1 672	2 505	3 773	-1 461	-218 [†]	-1 240
Certificates of deposit issued by banks and building societies in the UK ¹⁴	JFI2	-271	1 750	424	334	-687	1 098	1 047	240 [†]	-635
Money market instruments issued by HM Treasury ¹⁵	RAZA	1 146	981	384	-523	1 250	591	-15	85 [†]	320
UK local authority debt	RAZC	1	-1	-	-	1	-1	-	-	-
Commercial paper issued by UK companies ¹⁶	JFJ4	104	766	57	105	80	785	198	-58	-159
Other UK money market instruments ¹⁷	JFJ6	-1 398	-33	770	-425	-205	114	-378	546	-315
Money market instruments issued by non-resident businesses	JFJ8	-490	-414	427	-272	-143	-46 [†]	-730	397	-35
Other short-term assets not elsewhere classified ¹⁸	JX55	-709	-742	-318	8	358	1 560 [†]	-1 685	-126	-491
Balances due from stockbrokers and securities dealers ¹⁹	RAZT	-45	475	191	-1 919	-1 220	-283	224	-71 [†]	605
Net transactions in derivative contracts with UK and overseas counterparties ²⁰	JFK6	1 229	2 139	-431	1 779	-225	-151	906	-164 [†]	1 548
SHORT-TERM ASSETS	RAZR	13 010	1 787	-680	3 158	-2 906	5 249	-3 635	1 643[†]	-1 470
Longer-term assets	RAYV	-30 805	-3 192	601	-7 013	-8 052	-4 550 [†]	300	2 052	-994
Direct investment ²¹	JFK9	1 283	-2 674	1 059	-147	296	7	-660	-1 220	-801
TOTAL ASSETS	RWEF	-16 512	-4 079	980	-4 002	-10 662	706[†]	-3 995	2 475	-3 265
		Net transactions		Net transactions		Net transactions		Net transactions		
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
Borrowing from banks and building societies in the UK ¹⁴	JX57	25	-852	288	-48	-103	316	-880	293 [†]	-581
Other UK borrowing ²²	JX59	-316	-4 249	2 141	39	-1 542	-4 420	-661	453 [†]	379
Overseas borrowing ²³	RBLP	-584	-126	434	-582	-438	-447	67	-12 [†]	266
BORROWING	RBNL	-875	-5 227	2 863	-591	-2 083	-4 551	-1 474	734[†]	64

Source: Office for National Statistics

1.1 INSURANCE COMPANIES' INVESTMENT: COMBINED¹ BUSINESS

continued

£ million

		Holdings		Holdings		Holdings		Holdings		
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	
Cash	JFF7	-	-	-	-	-	-	-	-	-
Balances with banks and building societies in the UK	JX4W	33 755	30 325	35 644	37 464	33 755	31 875	30 207	31 439 [†]	30 325
Sterling	JX4Y	30 199	26 678	31 750	33 579	30 199	28 323	26 936	28 185 [†]	26 678
Foreign currency	JX52	3 556	3 647	3 894	3 885	3 556	3 552	3 271	3 254 [†]	3 647
Balances with overseas banks	JFG7	4 512	3 954	4 844	5 423	4 512	c	c	3 908 [†]	3 954
Other liquid deposits ¹³	JFH7	41 864	42 718	37 687	39 359	41 864	45 637	44 176	43 958 [†]	42 718
Certificates of deposit issued by banks and building societies in the UK ¹⁴	JFH9	6 721	8 471	7 074	7 408	6 721	7 819	8 866	9 106 [†]	8 471
Money market instruments issued by HM Treasury ¹⁵	RAZB	3 902	4 883	3 175	2 652	3 902	4 493	4 478	4 563 [†]	4 883
UK local authority debt	RAZD	1	-	-	-	1	-	-	-	-
Commercial paper issued by UK companies ¹⁶	JFJ3	1 109	1 875	924	1 029	1 109	1 894	2 092	2 034	1 875
Other UK money market instruments ¹⁷	JFJ5	2 395	2 362	3 025	2 600	2 395	c	c	2 677	2 362
Money market instruments issued by non-resident businesses	JFJ7	2 027	1 613	2 442	2 170	2 027	1 981 [†]	1 251	1 648	1 613
Other short-term assets not elsewhere classified ¹⁸	JX54	6 363	5 621	5 997	6 005	6 363	7 923 [†]	6 238	6 112	5 621
Balances due from stockbrokers and securities dealers ¹⁹	RBAI	-1 191	-716	1 948	29	-1 191	-1 474	-1 250	-1 321 [†]	-716
SHORT-TERM ASSETS (excluding derivatives)	RAZS	101 458	101 106	102 760	104 139	101 458	106 858	102 317	104 124[†]	101 106

		Amounts outstanding		Amounts outstanding		Amounts outstanding		Amounts outstanding		
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	
Borrowing from banks and building societies in the UK ¹⁴	JX56	1 805	953	1 956	1 908	1 805	2 121	1 241	1 534 [†]	953
Other UK borrowing ²²	JX58	17 160	12 911	18 663	18 702	17 160	12 740	12 079	12 532 [†]	12 911
Overseas borrowing ²³	RBML	3 280	3 154	4 300	3 718	3 280	2 833	2 900	2 888 [†]	3 154
BORROWING	RBNZ	22 245	17 018	24 919	24 328	22 245	17 694	16 220	16 954[†]	17 018

1 Long-term and general insurance business.

2 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.

3 Includes local authority securities; negotiable bonds; loans and mortgages.

4 Includes public corporation loans and mortgages and other public sector investments not elsewhere classified.

5 Issued by: banks; building societies and other corporates.

6 Quoted and unquoted.

7 Authorised and unauthorised.

8 Includes investment trust securities; open-ended investment companies; hedge funds and other mutual fund investments not elsewhere classified.

9 Includes sterling asset backed loans; loans to individuals secured on dwellings; other loans to individuals (including policy loans); loans to businesses and other loans not elsewhere classified. Excludes loans to UK associate companies; bank term deposits and building society investments.

10 Includes loans to parent companies; subsidiaries; associates and other loans not elsewhere classified. Excludes loans categorised as direct investment; loans covered by Export Credit Guarantee Department (ECGD), specific bank guarantees or ECGD buyer credit guarantees.

11 UK and overseas. Includes existing buildings; property; land; new construction work; vehicles; machinery and equipment; valuables and intangibles. Includes the capital value of assets bought on hire purchase or acquired (as lessee) under a finance leasing arrangement and assets acquired for hiring, renting and operating leasing purposes. Excludes the capital value of assets acquired but leased out to others under finance leasing arrangements.

12 UK and overseas. Includes certificates of tax deposit; insurance policies; annuities and loans covered by Export Credit Guarantee Department (ECGD), specific bank guarantees or ECGD buyer credit guarantees. Excludes pre-payments and debtors.

13 Includes money market funds; liquidity funds and cash liquidity funds.

14 Sterling and foreign currency.

15 Includes treasury bills. Excludes UK government securities.

16 Sterling and foreign currency commercial paper issued by: banks; building societies; other financial institutions and other issuing companies.

17 Includes floating rate notes maturing within one year of issue.

18 UK and overseas. Excludes derivative contracts.

19 Net of balances owed. Includes amounts due on securities bought and sold for future settlement.

20 Cash basis (cash paid less cash received). Includes only the cash flows that have occurred between derivative counterparties; cash payments/receipts in respect of variations for derivatives traded on a margined basis, but excludes initial deposit margins and the return of these. Excludes the values of any securities/commodities underlying the derivatives.

21 UK and overseas. Loans made less loans settled. Includes non-insurance subsidiary and associate companies in the UK; UK insurance subsidiary companies; UK associate companies; UK holding companies and overseas subsidiaries, associates, branches and agencies.

22 Includes issue of securities (other than ordinary shares); issue of sterling commercial paper and other borrowing not elsewhere classified.

23 Includes borrowing from banks; related companies and other borrowing not elsewhere classified.

Source: Office for National Statistics

1.2 INSURANCE COMPANIES' BALANCE SHEET: COMBINED¹ BUSINESS ASSETS AND LIABILITIES AT MARKET VALUES

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
ASSETS								
UK government securities denominated in sterling	RCKD	174 720	185 320	184 216	196 137	218 607	198 919	183 805
Index-linked	RCJG	46 199	56 009	59 148	67 846	80 078	74 649	73 589
Other ²	JWC5	128 521	129 311	125 068	128 291	138 529	124 270	110 216
UK government securities denominated in foreign currency	RCKE	69	3	–	–	c	13	18
UK local authority investments ³	RCKH	1 001	776	655	768	c	770	3 168
Other UK public sector investments ⁴	RCKI	644	872	1 526	2 438	c	2 449	3 893
UK PUBLIC SECTOR SECURITIES	RCKJ	176 434	186 971	186 397	199 343	222 150	202 151	190 884
UK corporate bonds ⁵	JX7W	172 670	171 849	174 082	169 474	174 165	190 754	179 376
Sterling	JWD3	166 341	165 534	167 472	166 021	171 059	185 946	177 063
Foreign currency	JWD6	6 329	6 315	6 610	3 453	3 106	4 808	2 313
UK ordinary shares ⁶	JWD9	302 661	198 931	219 955	217 496	185 915	171 681	178 687
UK preference shares ⁶	JWE3	1 027	753	650	674	561	396	361
Overseas corporate securities	JWE6	249 161	240 215	289 282	296 524	281 459	327 945	340 091
Bonds	JWE7	82 568	103 158	132 883	128 185	132 683	149 501	141 465
Ordinary shares	RCKM	165 150	136 386	155 476	166 957	147 624	176 483	c
Preference shares	JWE8	1 443	671	923	1 382	1 152	1 961	c
Mutual fund investments	JWE9	223 861	188 861	233 745	264 335	271 552	332 893	365 188
UK	JX7X	204 246	172 729	209 361	229 444	241 596	302 789	340 435
Unit trust units ⁷	JX7Y	109 473	106 525	132 173	141 718	153 454	178 711	178 121
Other ⁸	JX7Z	94 773	66 204	77 188	87 726	88 142	124 078	162 314
Overseas	JWF7	19 615	16 132	24 384	34 891	29 956	30 104	24 753
CORPORATE SECURITIES	RCKV	949 380	800 609	917 714	948 503	913 652	1 023 669	1 063 703
Overseas government, provincial and municipal securities	RCKW	30 656	37 558	31 805	30 489	29 251	36 283	39 597
Loans	JWF8	17 339	25 897	23 913	26 113	34 598	36 635	36 673
UK ⁹	JX82	16 469	23 822	22 013	22 768	30 921	33 835	35 099
Overseas ¹⁰	RCLC	870	2 075	1 900	3 345	3 677	2 800	1 574
Fixed assets ¹¹	JWF9	69 994	50 410	44 039	48 091	48 259	44 020	43 348
UK	JX83	69 865	50 313	44 032	47 847	48 230	43 984	43 343
Overseas	JWG9	129	97	7	244	29	36	5
Other longer-term assets not elsewhere classified ¹²	JWH2	19 042	8 101	6 917	9 854	8 997	10 532	4 322
OTHER LONGER-TERM ASSETS	RCLD	137 031	121 966	106 674	114 547	121 105	127 470	123 940
LONGER-TERM ASSETS	RCLP	1 262 845	1 109 546	1 210 785	1 262 393	1 256 907	1 353 290	1 378 527

Source: Office for National Statistics

1.2 INSURANCE COMPANIES' BALANCE SHEET: COMBINED¹ BUSINESS ASSETS AND LIABILITIES AT MARKET VALUES

continued

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
ASSETS								
Cash	JFF7	-	-	-	-	-	-	-
Balances with banks and building societies in the UK	JX4W	57 568	61 010	54 710	41 987	42 617	42 456	33 755
Sterling	JX4Y	52 855	55 626	50 860	39 117	39 230	39 793	30 199
Foreign currency	JX52	4 713	5 384	3 850	2 870	3 387	2 663	3 556
Balances with overseas banks	JFG7	2 499	4 066	4 896	3 747	2 876	3 222	4 512
Other liquid deposits ¹³	JFH7	1 053	2 507	14 861	17 402	18 807	21 010	41 864
Certificates of deposit issued by banks and building societies in the UK ¹⁴	JFH9	23 441	19 176	10 179	9 180	7 001	6 992	6 721
Money market instruments issued HM Treasury ¹⁵	RAZB	1 127	887	2 323	836	1 629	2 756	3 902
UK local authority debt	RAZD	-	-	-	-	-	-	1
Commercial paper issued by UK companies ¹⁶	JFJ3	5 405	3 908	3 436	921	1 172	1 005	1 109
Other UK money market instruments ¹⁷	JFJ5	3 161	3 437	3 305	3 567	5 861	3 793	2 395
Money market instruments issued by non-resident businesses	JFJ7	4 120	2 966	4 076	3 501	2 275	2 517	2 027
Other short-term assets not elsewhere classified ¹⁸	JX54	21 577	21 131	10 794	5 957	7 092	7 072	6 363
Balances due from stockbrokers and securities dealers ¹⁹	RBAI	165	492	-1 107	-744	-1 219	-1 146	-1 191
SHORT-TERM ASSETS (excluding derivatives)	RAZS	120 116	119 580	107 473	86 354	88 111	89 677	101 458
Derivative contracts with UK and overseas counterparties which have a positive (asset) value ²⁰	JX84	5 413	18 577	10 772	13 305	24 689	23 837	22 243
Agents' balances and outstanding premiums in respect of direct insurance and facultative reinsurance contracts ²¹								
UK	RCNG	8 954	9 557	8 638	8 985	8 776	10 204	9 858
Overseas	RCNH	398	55	74	-12	-197	711	868
Reinsurance, coinsurance and treaty balances ²²								
UK	RCOI	751	92	5 547	-1 003	-1 405	-1 960	1 876
Overseas	RCVF	813	-6 818	-7 741	-5 645	-5 114	-6 429	-5 373
Outstanding interest, dividends and rents ²³	RCVG	9 945	10 364	10 116	9 356	9 237	9 440	8 643
Other debtors and assets not elsewhere classified ²⁴	RCMW	70 469	54 531	43 947	41 430	39 489	41 998	41 500
Direct investment for non-insurance subsidiary and associate companies in the UK ²⁵	RKAR	31 140	32 743	31 310	23 303	25 876	28 756	28 635
Direct investment for UK insurance subsidiary, associate and holding companies ²⁵	RKAS	14 514	15 559	14 393	12 972	13 947	10 640	10 751
Direct investment for overseas subsidiaries, associates, branches and agencies ²⁵	RKAT	13 277	15 826	16 265	13 999	12 413	11 474	11 443
TOTAL ASSETS	RKAU	1 538 635	1 379 612	1 451 579	1 465 437	1 472 729	1 571 638	1 610 429

Source: Office for National Statistics

1.2 INSURANCE COMPANIES' BALANCE SHEET: COMBINED¹ BUSINESS ASSETS AND LIABILITIES AT MARKET VALUES

continued

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
LIABILITIES								
Borrowing	RBNZ	31 023	32 681	26 468	26 973	26 365	23 120	22 245
Banks and building societies in the UK ¹⁴	JX56	4 476	5 432	4 049	2 720	2 586	1 780	1 805
Other UK ²⁶	JX58	17 584	18 011	15 425	17 947	17 721	17 476	17 160
Overseas ²⁷	RBML	8 963	9 238	6 994	6 306	6 058	3 864	3 280
General business technical reserves ²⁸	RKCT	71 146	76 980	70 947	58 484	57 539	61 771	59 738
Long-term business insurance and investment contract liabilities ²⁸	RKDC	1 205 183	1 069 993	1 153 944	1 178 823	1 171 844	1 241 671	1 277 415
Claims admitted but not paid ²⁸	RKBM	3 848	3 426	4 637	2 946	3 072	3 387	3 608
Provisions for taxation in respect of UK authorities ²⁹	RKAX	9 716	863	2 123	3 005	1 872	2 525	3 234
Provisions for taxation in respect of overseas authorities ²⁹	RKAY	10	-2	2	4	-20	21	7
Provisions for dividends payable ³⁰	RKAZ	249	57	1	4	148	94	102
Other creditors, provisions and liabilities not elsewhere classified ³¹	RKBA	61 596	73 998	67 779	72 193	85 828	95 728	93 278
Excess of total assets over liabilities in respect of:								
Long-term business ³²	RKBR	72 992	28 526	38 644	45 883	40 644	44 075	48 998
Minority interests in UK subsidiary companies	RKTJ	791	1 902	315	-	-	531	461
Shareholders' capital and reserves	RKBC	74 014	75 924	82 172	73 861	82 011	92 297	93 954
Other reserves ³³	RKBD	8 067	15 264	4 547	3 261	3 426	6 418	7 389
TOTAL LIABILITIES	RKAU	1 538 635	1 379 612	1 451 579	1 465 437	1 472 729	1 571 638	1 610 429

- 1 Long-term and general insurance business.
- 2 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.
- 3 Includes local authority securities; negotiable bonds; loans and mortgages.
- 4 Includes public corporation loans and mortgages and other public sector investments not elsewhere classified.
- 5 Issued by: banks; building societies and other corporates.
- 6 Quoted and unquoted.
- 7 Authorised and unauthorised.
- 8 Includes investment trust securities; open-ended investment companies; hedge funds and other mutual fund investments not elsewhere classified.
- 9 Includes sterling asset backed loans; loans to individuals secured on dwellings; other loans to individuals (including policy loans); loans to businesses and other loans not elsewhere classified. Excludes loans to UK associate companies; bank term deposits and building society investments.
- 10 Includes loans to parent companies; subsidiaries; associates and other loans not elsewhere classified. Excludes loans categorised as direct investment; loans covered by Export Credit Guarantee Department (ECGD), specific bank guarantees or ECGD buyer credit guarantees.
- 11 UK and overseas. Includes existing buildings; property; land; new construction work; vehicles; machinery and equipment; valuables and intangibles. Includes the capital value of assets bought on hire purchase or acquired (as lessee) under a finance leasing arrangement and assets acquired for hiring, renting and operating leasing purposes. Excludes the capital value of assets acquired but leased out to others under finance leasing arrangements.
- 12 UK and overseas. Includes certificates of tax deposit; insurance policies; annuities and loans covered by Export Credit Guarantee Department (ECGD), specific bank guarantees or ECGD buyer credit guarantees. Excludes pre-payments and debtors.
- 13 Includes money market funds; liquidity funds and cash liquidity funds.
- 14 Sterling and foreign currency.
- 15 Includes treasury bills. Excludes UK government securities.
- 16 Sterling and foreign currency commercial paper issued by: banks; building societies; other financial institutions and other issuing companies.
- 17 Includes floating rate notes maturing within one year of issue.
- 18 UK and overseas. Excludes derivative contracts.
- 19 Net of balances owed. Includes amounts due on securities bought and sold for future settlement.
- 20 Includes credit default products; employee stock options; other options; other swaps; futures; forwards and other derivative contracts not elsewhere classified.
- 21 Net of insurance liabilities.
- 22 Net of reinsurance bought and sold.
- 23 Net value.
- 24 Includes deferred acquisition costs.
- 25 Net asset value of attributable companies.
- 26 Includes issue of securities (other than ordinary shares); issue of sterling commercial paper and other borrowing not elsewhere classified.
- 27 Includes borrowing from banks; related companies and other borrowing not elsewhere classified.
- 28 Net of reinsurers share.
- 29 Includes deferred tax net of amounts receivable.
- 30 UK and overseas.
- 31 UK and overseas. Includes derivative contracts which have a negative (liability) value.
- 32 Includes unallocated divisible surplus.
- 33 Includes the 'net worth' of UK branches of overseas companies, including profit and loss account balances.

Source: Office for National Statistics

2.1 INSURANCE COMPANIES' INVESTMENT: LONG-TERM BUSINESS

£ million

		Net investment		Net investment		Net investment		Net investment		
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK government securities denominated in sterling	AHPJ	-9 008	-12 541	984	-2 726	-2 311	-8 681	-2 007	-15 [†]	-1 838
Index-linked	AHQJ	790	-3 840	767	980	-755	-1 657	-44	235 [†]	-2 374
Other ¹	IQ8U	-9 798	-8 701	217	-3 706	-1 556	-7 024	-1 963	-250 [†]	536
UK government securities denominated in foreign currency	RGCV	13	-	6	3	4	-	-	-	-
UK local authority investments ²	AHPN	1 251	1 099	54	319	706	183	310	12 [†]	594
Other UK public sector investments ³	RGAI	30	405	6	-15	27	300	-6	270 [†]	-159
UK PUBLIC SECTOR SECURITIES	RYFD	-7 714	-11 037	1 050	-2 419	-1 574	-8 198	-1 703	267[†]	-1 403
UK corporate bonds ⁴	JX2B	452	-7 396	571	261	7	-712	-2 432	-1 198 [†]	-3 054
Sterling	ICTA	-90	-7 088	573	-30	-164	-707	-2 319	-1 088 [†]	-2 974
Foreign currency	ICTG	542	-308	-2	291	171	-5	-113	-110 [†]	-80
UK ordinary shares ⁵	AHPO	-18 949	-11 243	-2 691	-7 211	-4 395	-4 399	-2 676	-2 922 [†]	-1 246
UK preference shares ⁵	ICTO	-140	-22	-37	-17	-14	-2	-7	-7	-6
Overseas corporate securities	ICTT	-9 696	-11 061	1 765	2 053	-4 114	-1 626	-4 898	-3 237 [†]	-1 300
Bonds	HLJK	726	-6 695	239	1 569	-802	-2 230	-3 315	-1 284 [†]	134
Ordinary shares	AHPQ	-10 418	-4 176	1 567	484	-3 226	731	-1 574	-1 926 [†]	-1 407
Preference shares	HLJW	-4	-190	-41	-	-86	-127	-9	-27	-27
Mutual fund investments ⁶	ICWF	3 101	29 657	-125	-887	24	8 495 [†]	8 999	7 720	4 443
CORPORATE SECURITIES	RYFJ	-25 232	-65	-517	-5 801	-8 492	1 756[†]	-1 014	356	-1 163
Overseas government, provincial and municipal securities	AHPS	983	-391	-149	629	572	132	-354	-97 [†]	-72
Other longer-term assets not elsewhere classified ⁷	JX89	139	5 005	-1 098	375	1 197	1 334	1 182	821 [†]	1 668
OTHER LONGER-TERM ASSETS	RYFP	1 122	4 614	-1 247	1 004	1 769	1 466	828	724[†]	1 596
LONGER-TERM ASSETS	RYFS	-31 824	-6 488	-714	-7 216	-8 297	-4 976[†]	-1 889	1 347	-970
		Acquisitions		Acquisitions		Acquisitions		Acquisitions		
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK public sector securities	RYFB	248 435	131 078	62 772	67 993	38 983	37 445	31 287	30 225 [†]	32 121
Corporate securities	RYFH	302 194	294 175	83 956	70 933	70 546	79 746 [†]	78 250	61 955	74 224
Other longer-term assets	RYFN	31 726	42 934	8 033	7 780	8 570	11 978	10 001	10 361 [†]	10 594
LONGER-TERM ASSETS	RYFQ	582 355	468 187	154 761	146 706	118 099	129 169[†]	119 538	102 541	116 939
		Disposals		Disposals		Disposals		Disposals		
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK public sector securities	RYFC	256 149	142 115	61 722	70 412	40 557	45 643	32 990	29 958 [†]	33 524
Corporate securities	RYFI	327 426	294 240	84 473	76 734	79 038	77 990 [†]	79 264	61 599	75 387
Other longer-term assets	RYFO	30 604	38 320	9 280	6 776	6 801	10 512	9 173	9 637 [†]	8 998
LONGER-TERM ASSETS	RYFR	614 179	474 675	155 475	153 922	126 396	134 145[†]	121 427	101 194	117 909

Note: To avoid having to suppress confidential data, this page contains a less detailed breakdown of 'Acquisitions' and 'Disposals' than that displayed for the corresponding data on 'Net investment'.

Source: Office for National Statistics

2.1 INSURANCE COMPANIES' INVESTMENT: LONG-TERM BUSINESS

continued

£ million

		Net investment		Net investment						
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
Cash	ICNY	-	-	-	-	-	-	-	-	-
Balances with banks and building societies in the UK	JX2D	-8 639	-789	-1 571	1 806	-3 990	-566	112	801 [†]	-1 136
Sterling	JX3S	-9 189	-1 251	-2 338	1 963	-3 452	-568	1	851 [†]	-1 535
Foreign currency	JX3U	550	462	767	-157	-538	2	111	-50 [†]	399
Balances with overseas banks	ICOG	1 762	228	1 595	450	-467	393	-24	-192 [†]	51
Other liquid deposits ⁸	ICOH	21 586	318	-1 422	1 728	2 591	3 595	-2 152	-13 [†]	-1 112
Certificates of deposit issued by banks and building societies in the UK ⁹	AHPD	-451	926	227	134	-346	943	721	78	-816
Money market instruments issued by HM Treasury ¹⁰	RGDI	1 607	-1 569	516	-582	871	-1 317	-460	-17	225
UK local authority debt	AHPF	1	-1	-	-	1	-1	-	-	-
Commercial paper issued by UK companies ¹¹	JF78	152	-240	58	73	-17	-152	76	-94	-70
Other UK money market instruments ¹²	ICPB	-1 485	-383	704	-457	-241	-439	-171	498	-271
Money market instruments issued by non-resident businesses	ICPC	-1 161	202	-14	-26	-86	591	-752	448 [†]	-85
Other short-term assets not elsewhere classified ¹³	JX2F	-426	-1 024	111	-39	279	1 345	-1 716	-15	-638
Balances due from stockbrokers and securities dealers ¹⁴	RGAP	-83	520	240	-2 172	-1 171	-191	236	-72 [†]	547
Net transactions in derivative contracts with UK and overseas counterparties ¹⁵	ICPH	1 055	1 991	-466	1 758	-285	-257	914	-214 [†]	1 548
SHORT-TERM ASSETS	RYFT	13 918	179	-22	2 673	-2 861	3 944	-3 216	1 208[†]	-1 757
Longer-term assets	RYFS	-31 824	-6 488	-714	-7 216	-8 297	-4 976 [†]	-1 889	1 347	-970
Direct investment ¹⁶	ICXG	626	-993	373	-152	323	-3	33	-1 161	138
TOTAL ASSETS	RCAA	-17 280	-7 302	-363	-4 695	-10 835	-1 035[†]	-5 072	1 394	-2 589
		Net transactions		Net transactions						
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
Borrowing from banks and building societies in the UK ⁹	JX2H	50	-764	254	-29	-32	-83	-458	344 [†]	-567
Other UK borrowing ¹⁷	ICXV	-707	576	1 287	-209	-1 859	438	-595	251 [†]	482
Overseas borrowing ¹⁸	RGBC	109	189	26	-74	-74	226	-40	-33 [†]	36
BORROWING	AHPI	-548	1	1 567	-312	-1 965	581	-1 093	562[†]	-49

Source: Office for National Statistics

2.1 INSURANCE COMPANIES' INVESTMENT: LONG-TERM BUSINESS

continued

£ million

		Holdings		Holdings		Holdings		Holdings		
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	
Cash	HLGW	-	-	-	-	-	-	-	-	-
Balances with banks and building societies in the UK	JX2C	26 785	25 996	28 969	30 775	26 785	26 219	26 331	27 132 [†]	25 996
Sterling	JX3R	24 616	23 365	26 105	28 068	24 616	24 048	24 049	24 900 [†]	23 365
Foreign currency	JX3T	2 169	2 631	2 864	2 707	2 169	2 171	2 282	2 232 [†]	2 631
Balances with overseas banks	HLHB	3 143	3 371	3 160	3 610	3 143	c	c	3 320 [†]	3 371
Other liquid deposits ⁸	HLHC	38 843	39 161	34 524	36 252	38 843	42 438	40 286	40 273 [†]	39 161
Certificates of deposit issued by banks and building societies in the UK ⁹	AHND	5 318	6 244	5 530	5 664	5 318	6 261	6 982	7 060	6 244
Money market instruments issued by HM Treasury ¹⁰	RGBM	2 688	1 119	2 399	1 817	2 688	1 371	911	894	1 119
UK local authority debt	AHNF	1	-	-	-	1	-	-	-	-
Commercial paper issued by UK companies ¹¹	JF77	648	408	592	665	648	496	572	478	408
Other UK money market instruments ¹²	HLHL	2 055	1 672	2 753	2 296	2 055	c	c	1 943	1 672
Money market instruments issued by non-resident businesses	HLHM	907	1 109	1 019	993	907	1 498	746	1 194 [†]	1 109
Other short-term assets not elsewhere classified ¹³	JX2E	5 582	4 558	5 342	5 303	5 582	6 927	5 211	5 196	4 558
Balances due from stockbrokers and securities dealers ¹⁴	RGBU	-1 228	-708	2 115	-57	-1 228	-1 419	-1 183	-1 255 [†]	-708

SHORT-TERM ASSETS (excluding derivatives)	RYEW	84 742	82 930	86 403	87 318	84 742	88 943	84 813	86 235[†]	82 930
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		Amounts outstanding		Amounts outstanding		Amounts outstanding		Amounts outstanding		
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	
Borrowing from banks and building societies in the UK ⁹	JX2G	1 011	247	1 072	1 043	1 011	928	470	814 [†]	247
Other UK borrowing ¹⁷	ICXU	8 368	8 944	10 436	10 227	8 368	8 806	8 211	8 462 [†]	8 944
Overseas borrowing ¹⁸	RGDD	733	922	881	807	733	959	919	886 [†]	922
BORROWING	AHNI	10 112	10 113	12 389	12 077	10 112	10 693	9 600	10 162[†]	10 113

1 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.

2 Includes local authority securities; negotiable bonds; loans and mortgages.

3 Includes public corporation loans and mortgages and other public sector investments not elsewhere classified.

4 Issued by: banks; building societies and other corporates.

5 Quoted and unquoted.

6 UK and overseas. Includes authorised and unauthorised unit trust units; investment trust securities; open-ended investment companies; hedge funds and other mutual fund investments not elsewhere classified.

7 UK and overseas. Includes loans; fixed assets and other longer-term assets not elsewhere classified.

8 Includes money market funds; liquidity funds and cash liquidity funds.

9 Sterling and foreign currency.

10 Includes treasury bills. Excludes UK government securities.

11 Sterling and foreign currency commercial paper issued by: banks; building societies; other financial institutions and other issuing companies.

12 Includes floating rate notes maturing within one year of issue.

13 UK and overseas. Excludes derivative contracts.

14 Net of balances owed. Includes amounts due on securities bought and sold for future settlement.

15 Cash basis (cash paid less cash received). Includes only the cash flows that have occurred between derivative counterparties; cash payments/receipts in respect of variations for derivatives traded on a margined basis, but excludes initial deposit margins and the return of these. Excludes the values of any securities/commodities underlying the derivatives.

16 UK and overseas. Loans made less loans settled. Includes non-insurance subsidiary and associate companies in the UK; UK insurance subsidiary companies; UK associate companies; UK holding companies and overseas subsidiaries, associates, branches and agencies.

17 Includes issue of securities (other than ordinary shares); issue of sterling commercial paper and other borrowing not elsewhere classified.

18 Includes borrowing from banks; related companies and other borrowing not elsewhere classified.

Source: Office for National Statistics

2.2 INSURANCE COMPANIES' BALANCE SHEET: LONG-TERM BUSINESS ASSETS AND LIABILITIES AT MARKET VALUES

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
ASSETS								
UK government securities denominated in sterling	AHNJ	158 694	166 879	167 247	182 506	205 223	187 145	170 950
Index-linked	AHQI	45 902	54 387	57 157	66 115	78 354	72 499	71 234
Other ¹	J5HZ	112 792	112 492	110 090	116 391	126 869	114 646	99 716
UK government securities denominated in foreign currency	RGBV	–	–	–	–	–	–	–
UK local authority investments ²	AHNN	998	776	655	768	813	770	3 168
Other UK public sector investments ³	RGCS	634	872	1 461	2 189	2 207	2 197	3 684
UK PUBLIC SECTOR SECURITIES	RYEK	160 326	168 527	169 363	185 463	208 243	190 112	177 802
UK corporate bonds ⁴	IPLF	159 273	159 789	160 532	158 987	163 348	178 627	167 021
Sterling	IPLG	153 694	154 525	155 184	156 477	160 842	174 682	165 453
Foreign currency	IPLH	5 579	5 264	5 348	2 510	2 506	3 945	1 568
UK ordinary shares ⁵	IPLI	293 655	188 430	209 992	207 971	177 480	162 949	170 841
UK preference shares ⁵	RLOL	983	724	624	648	536	375	340
Overseas corporate securities	IPLJ	234 388	219 957	266 280	278 930	262 823	303 565	315 453
Bonds	RLOP	69 696	85 077	111 866	112 338	115 744	127 629	119 631
Ordinary shares	AHNQ	163 249	134 211	153 500	165 216	145 932	173 982	194 250
Preference shares	RLOM	1 443	669	914	1 376	1 147	1 954	1 572
Mutual fund investments ⁶	IPLK	222 081	186 950	230 247	259 457	265 750	328 657	360 502
CORPORATE SECURITIES	RYEO	910 380	755 850	867 675	905 993	869 937	974 173	1 014 157
Overseas government, provincial and municipal securities	AHNS	25 787	29 053	24 601	25 363	23 727	26 928	30 013
Other longer-term assets not elsewhere classified ⁷	JX8D	99 316	76 139	67 531	74 900	81 916	81 039	74 737
OTHER LONGER-TERM ASSETS	RYER	125 103	105 192	92 132	100 263	105 643	107 967	104 750
LONGER-TERM ASSETS	RYES	1 195 809	1 029 569	1 129 170	1 191 719	1 183 823	1 272 252	1 296 709

Source: Office for National Statistics

2.2 INSURANCE COMPANIES' BALANCE SHEET: LONG-TERM BUSINESS ASSETS AND LIABILITIES AT MARKET VALUES

continued

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
ASSETS								
Cash	HLGW	-	-	-	-	-	-	-
Balances with banks and building societies in the UK	JX2C	48 619	51 139	44 483	34 026	34 998	35 424	26 785
Sterling	JX3R	45 948	47 456	42 097	32 387	32 698	33 805	24 616
Foreign currency	JX3T	2 671	3 683	2 386	1 639	2 300	1 619	2 169
Balances with overseas banks	HLHB	1 484	2 816	3 758	2 766	1 726	1 381	3 143
Other liquid deposits ⁸	HLHC	678	1 638	12 385	14 076	15 891	17 257	38 843
Certificates of deposit issued by banks and building societies in the UK ⁹	AHND	15 177	11 401	8 177	8 622	6 158	5 769	5 318
Money market instruments issued HM Treasury ¹⁰	RGBM	785	179	1 344	509	1 392	1 081	2 688
UK local authority debt	AHNF	-	-	-	-	-	-	1
Commercial paper issued by UK companies ¹¹	JF77	2 723	2 268	1 806	646	891	496	648
Other UK money market instruments ¹²	HLHL	3 071	3 159	2 959	3 208	5 501	3 540	2 055
Money market instruments issued by non-resident businesses	HLHM	859	689	1 755	2 956	1 530	2 068	907
Other short-term assets not elsewhere classified ¹³	JX2E	20 965	19 555	10 076	5 232	6 159	6 008	5 582
Balances due from stockbrokers and securities dealers ¹⁴	RGBU	140	-399	-1 159	-834	-1 245	-1 145	-1 228
SHORT-TERM ASSETS (excluding derivatives)	RYEW	94 501	92 445	85 584	71 207	73 001	71 879	84 742
Derivative contracts with UK and overseas counterparties which have a positive (asset) value ¹⁵	IFKX	5 205	17 892	10 317	12 399	24 060	20 805	18 144
Agents' balances and outstanding premiums in respect of direct insurance and facultative reinsurance contracts ¹⁶								
UK	RYP A	738	535	467	515	554	620	769
Overseas	RYP B	-177	-	1	3	3	-	-
Reinsurance, coinsurance and treaty balances ¹⁷								
UK	RYP C	-413	-1 000	3 817	-838	-1 147	-1 778	2 109
Overseas	RYP D	836	-7 355	-8 232	-6 020	-6 035	-6 425	-5 590
Outstanding interest, dividends and rents ¹⁸	RYP H	8 690	9 256	9 158	8 591	8 511	8 716	7 762
Other debtors and assets not elsewhere classified ¹⁹	RYP F	51 373	37 342	33 162	30 366	28 806	27 717	28 595
Direct investment for non-insurance subsidiary and associate companies in the UK ²⁰	RYET	9 186	11 484	10 129	5 097	7 249	8 880	8 125
Direct investment for UK insurance subsidiary, associate and holding companies ²⁰	RYEU	7 578	7 890	7 234	6 720	7 152	4 275	3 865
Direct investment for overseas subsidiaries, associates, branches and agencies ²⁰	RYEV	3 832	5 011	4 141	4 131	3 340	3 470	4 296
TOTAL ASSETS	RKBI	1 377 158	1 203 069	1 284 948	1 323 890	1 329 317	1 410 411	1 449 526

Source: Office for National Statistics

2.2 INSURANCE COMPANIES' BALANCE SHEET: LONG-TERM BUSINESS ASSETS AND LIABILITIES AT MARKET VALUES

continued

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
LIABILITIES								
Borrowing	AHNI	12 426	12 467	10 866	12 542	12 084	10 660	10 112
Banks and building societies in the UK ⁹	JX2G	3 801	5 089	3 305	2 099	1 980	961	1 011
Other UK ²¹	ICXU	6 699	4 832	5 460	8 112	8 730	9 075	8 368
Overseas ²²	RGDD	1 926	2 546	2 101	2 331	1 374	624	733
Long-term business insurance and investment contract liabilities ²³	RKDC	1 205 183	1 069 993	1 153 944	1 178 823	1 171 844	1 241 671	1 277 415
Claims admitted but not paid ²³	RKBM	3 848	3 426	4 637	2 946	3 072	3 387	3 608
Provisions for taxation and dividends payable ²⁴	KVE9	7 489	60	1 781	2 973	1 993	2 400	2 919
Other creditors, provisions and liabilities not elsewhere classified ²⁵	RYPL	39 527	52 849	47 803	53 826	66 466	69 971	68 289
Excess of total assets over liabilities in respect of: long-term business; minority interests in UK subsidiary companies; shareholders' capital and reserves and any other reserves ²⁶	A4YP	108 685	64 274	65 917	72 780	73 858	82 322	87 183
TOTAL LIABILITIES	RKBI	1 377 158	1 203 069	1 284 948	1 323 890	1 329 317	1 410 411	1 449 526

1 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.

2 Includes local authority securities; negotiable bonds; loans and mortgages.

3 Includes public corporation loans and mortgages and other public sector investments not elsewhere classified.

4 Issued by: banks; building societies and other corporates.

5 Quoted and unquoted.

6 UK and overseas. Includes authorised and unauthorised unit trust units; investment trust securities; open-ended investment companies; hedge funds and other mutual fund investments not elsewhere classified.

7 UK and overseas. Includes loans; fixed assets and other longer-term assets not elsewhere classified.

8 Includes money market funds; liquidity funds and cash liquidity funds.

9 Sterling and foreign currency.

10 Includes treasury bills. Excludes UK government securities.

11 Sterling and foreign currency commercial paper issued by: banks; building societies; other financial institutions and other issuing companies.

12 Includes floating rate notes maturing within one year of issue.

13 UK and overseas. Excludes derivative contracts.

14 Net of balances owed. Includes amounts due on securities bought and sold for future settlement.

15 Includes credit default products; employee stock options; other options; other swaps; futures; forwards and other derivative contracts not elsewhere classified.

16 Net of insurance liabilities.

17 Net of reinsurance bought and sold.

18 Net value.

19 Includes deferred acquisition costs.

20 Net asset value of attributable companies.

21 Includes issue of securities (other than ordinary shares); issue of sterling commercial paper and other borrowing not elsewhere classified.

22 Includes borrowing from banks; related companies and other borrowing not elsewhere classified.

23 Net of reinsurers share.

24 UK and overseas. Includes deferred tax net of amounts receivable.

25 UK and overseas. Includes derivative contracts which have a negative (liability) value.

26 Includes unallocated divisible surplus and the 'net worth' of UK branches of overseas companies, including profit and loss account balances.

Source: Office for National Statistics

2.3 INSURANCE COMPANIES' INCOME AND EXPENDITURE: LONG-TERM BUSINESS

£ million

		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
INCOME										
Premiums earned ¹	A3YH	108 183	116 092	30 614	26 561	27 298	30 476	29 373 [†]	27 003	29 240
Life assurance ²	A2FE	12 848	13 168	3 153	3 212	3 410	3 180	3 224	3 181 [†]	3 583
Single premiums	A2FG	6 197	8 179	1 470	1 531	1 754	1 801	1 848	1 910 [†]	2 620
Regular premiums	A2FI	6 651	4 989	1 683	1 681	1 656	1 379	1 376	1 271 [†]	963
General annuity contracts	A2FK	854	2 466	214	210	341	206	223 [†]	218	1 819
Single premiums	A2FM	832	c	208	204	336	193	211 [†]	242	c
Regular premiums	A2FO	22	c	6	6	5	13	12	-24	c
Pension business	A2FQ	88 448	94 406	26 166	20 722	21 724	25 829	23 481 [†]	22 495	22 601
Single premiums	A2FS	73 805	79 212	21 828	17 382	18 160	21 784	19 571 [†]	18 739	19 118
Personal and stakeholder ³	A2FU	23 774	16 659	7 199	6 174	4 238	4 242	4 319 [†]	5 182	2 916
Occupational ⁴	A2FW	50 031	62 553	14 629	11 208	13 922	17 542	15 252	13 557 [†]	16 202
Regular premiums	A2FY	14 643	15 194	4 338	3 340	3 564	4 045	3 910	3 756 [†]	3 483
Personal and stakeholder ³	A2G2	9 630	10 694	2 401	2 451	2 295	2 701	2 712	2 644 [†]	2 637
Occupational ⁴	A2G4	5 013	4 500	1 937	889	1 269	1 344	1 198	1 112 [†]	846
Income protection ⁵	A2G6	945	813	284	224	168	213	236	192 [†]	172
Bulk buy-outs	SFQR	4 790	c	741	2 065	1 585	998	2 163	c	1 013
Other premiums ⁶	SFRC	298	c	56	128	70	50	46	c	52
Rents, dividends and interest received	RKCX	43 980	41 527	13 213	10 391	9 930	10 306	11 597	10 123 [†]	9 501
Realised and unrealised investment gains and losses	RKED	60 911	95 623	-40 102	18 766	21 814	10 506	15 716	20 227 [†]	49 174
Other income ⁷	RKCY	2 280	1 711	550	81	900	204	632	492 [†]	383
TOTAL INCOME	RKEG	215 354	254 953	4 275	55 799	59 942	51 492	57 318[†]	57 845	88 298
EXPENDITURE										
Claims incurred ⁸	A3YJ	151 969	156 785	38 759	39 378	39 137	35 220 [†]	40 002	37 517	44 046
Life assurance ²	A2G8	32 924	26 446	8 775	8 915	7 304	6 936 [†]	6 629	6 608	6 273
General annuity contracts	A2GA	1 689	1 835	360	338	676	428 [†]	433	496	478
Pension business	A2GC	116 055	127 124	29 365	29 791	30 770	27 531 [†]	32 630	30 061	36 902
Personal and stakeholder ³	A2GE	47 936	46 185	12 402	12 411	11 604	12 252 [†]	11 629	11 589	10 715
Occupational ⁴	A2GG	68 119	80 939	16 963	17 380	19 166	15 279	21 001	18 472 [†]	26 187
Income protection ⁵	A2GI	613	716	111	147	171	170	153	176	217
Other claims ⁶	SFUR	688	664	148	187	216	155	157 [†]	176	176
Taxation, commissions, fees, administrative and other expenses ⁹	RKDA	14 773	12 076	3 230	3 346	4 162	2 569	3 303	2 536 [†]	3 668
Dividends paid and gross interest incurred ¹⁰	RKSZ	4 443	4 406	919	523	1 876	774	2 365	418 [†]	849
Other expenditure ¹¹	J9BK	36 604	71 863	-34 648	13 778	7 696	10 968	10 693	14 957 [†]	35 245
TOTAL EXPENDITURE	RKFF	207 789	245 130	8 260	57 025	52 871	49 531[†]	56 363	55 428	83 808
SURPLUS OF INCOME OVER EXPENDITURE	RKZL	7 565	9 823	-3 985	-1 226	7 071	1 961[†]	955	2 417	4 490

Source: Office for National Statistics

2.3 INSURANCE COMPANIES' INCOME AND EXPENDITURE: LONG-TERM BUSINESS

continued

£ million

		2007	2008	2009	2010	2011	2012	2013
INCOME								
Premiums earned¹								
Life assurance ²	A2FE	49 445	35 044	20 142	18 983	16 649	17 493	12 848
Single premiums	A2FG	39 609	25 916	11 459	11 773	9 989	10 158	6 197
Regular premiums	A2FI	9 836	9 128	8 683	7 210	6 660	7 335	6 651
General annuity contracts	A2FK	646	1 354	1 386	1 345	900	680	854
Single premiums	A2FM	272	1 246	1 353	1 253	867	626	832
Regular premiums	A2FO	374	108	33	92	33	54	22
Pension business	A2FQ	113 848	93 921	90 820	86 569	83 832	91 539	88 448
Single premiums	A2FS	95 500	76 492	74 549	71 732	68 773	75 111	73 805
Personal and stakeholder ³	A2FU	27 581	26 330	25 515	27 341	27 425	29 807	23 774
Occupational ⁴	A2FW	67 919	50 162	49 034	44 391	41 348	45 304	50 031
Regular premiums	A2FY	18 348	17 429	16 271	14 837	15 059	16 428	14 643
Personal and stakeholder ³	A2G2	13 538	13 193	12 801	11 602	11 463	12 775	9 630
Occupational ⁴	A2G4	4 810	4 236	3 470	3 235	3 596	3 653	5 013
Income protection ⁵	A2G6	1 489	1 261	1 033	909	884	1 046	945
Bulk buy-outs	SFQR	229	3 425	1 006	3 180	3 634	2 580	4 790
Other premiums ⁶	SFRC	563	118	217	185	156	224	298
Total premiums earned	A3YH	166 220	135 123	114 604	111 171	106 055	113 562	108 183
of which overseas	RKDR	1 954	1 118	834	541	955	885	2 978
Rents earned¹²								
UK and overseas properties	RKZX	3 394	3 469	2 985	2 964	2 778	2 863	2 572
Dividends received and interest earned¹³								
UK investments	RKZY	42 307	43 776	34 915	31 186	32 326	32 582	29 853
Overseas investments	RKDZ	5 429	7 138	8 514	8 570	9 214	10 360	11 555
Other income								
Realised and unrealised investment gains and losses	RKED	41 102	-174 421	92 088	84 786	3 688	69 501	60 911
Other income not elsewhere classified ⁷	RKCY	3 830	4 685	2 419	1 636	1 789	3 692	2 280
TOTAL INCOME	RKEG	262 282	19 770	255 525	240 313	155 850	232 560	215 354

1 Premiums earned on contracts with UK and overseas policyholders. Net of reinsurance ceded (reinsurance accepted in the UK and overseas, less rebates and refunds in the UK and overseas).

2 Includes any rider benefits.

3 Includes group personal and employer-sponsored stakeholder pensions and other personal pensions not elsewhere classified.

4 Excludes group personal pensions (GPPs); bulk buy-outs; group critical illness and group income protection.

5 Includes group income protection and permanent health insurance.

6 Includes long-term care; stand alone and group critical illness.

7 UK and overseas. Includes underwriting commission; income from fund management activity (including fees and commission earned from investment contract business); income earned on stock lending; any explicit commissions and fees earned from brokers and others for arranging derivative contracts with a counterparty; transfers from general insurance business; profits remitted to the UK from overseas branches and agencies and transfers of funds received by UK branches from overseas parent companies if the branches undertake only long-term business.

12 Net of associated ongoing expenses such as property management expenses.

13 Gross of tax. Includes dividends on shareholders' assets for businesses undertaking only long-term business; dividends received and interest earned from overseas subsidiaries and associate companies; special dividends received as part of the consideration for shares sold during mergers and acquisitions; income from securities issued by related and unrelated companies registered outside the UK (including securities of overseas registered companies that are listed on the UK stock exchange); income from deposits made at UK and overseas offices of related and unrelated UK and overseas banks and financial institutions; interest earned from overseas branches and agencies that act as subsidiaries and other dividend and interest income not elsewhere classified. Excludes any interest flows (including settlement) related to interest rate swaps and forward rate agreements.

Source: Office for National Statistics

2.3 INSURANCE COMPANIES' INCOME AND EXPENDITURE: LONG-TERM BUSINESS

continued

£ million

		2007	2008	2009	2010	2011	2012	2013
EXPENDITURE								
Claims incurred⁸								
Life assurance ²	A2G8	52 850	62 485	40 928	36 147	35 686	37 161	32 924
General annuity contracts	A2GA	1 398	1 601	1 317	1 295	1 203	2 148	1 689
Pension business	A2GC	101 468	101 708	97 498	97 583	101 736	106 131	116 055
Personal and stakeholder ³	A2GE	49 380	43 191	38 035	42 226	42 711	47 548	47 936
Occupational ⁴	A2GG	52 088	58 517	59 463	55 357	59 025	58 583	68 119
Income protection ⁵	A2GI	917	777	702	681	638	736	613
Other claims ⁶	SFUR	275	281	611	356	195	592	688
Total claims incurred	A3YJ	156 908	166 852	141 056	136 062	139 458	146 768	151 969
of which overseas	RKEN	2 146	1 596	1 567	920	934	1 241	1 453
Expenses incurred								
Commission and fees incurred ¹⁴	RKEO	5 630	5 379	4 064	4 320	4 578	4 881	3 483
Administrative expenses	RKEP	7 076	7 610	7 652	6 416	7 243	8 560	9 404
Compensation of employees ¹⁵	RKIC	1 433	809	852	795	689	987	965
Other administrative expenses ¹⁶	RKID	5 643	6 801	6 800	5 621	6 554	7 573	8 439
Total expenses incurred	RKEQ	12 706	12 989	11 716	10 736	11 821	13 441	12 887
of which overseas	RKER	346	236	215	69	115	185	414
Taxation¹⁷								
Tax expense in respect of UK authorities	RKES	1 030	-4 501	2 389	2 230	1 100	1 743	1 668
Tax expense in respect of overseas authorities	IFYF	190	227	166	194	181	222	218
Dividends paid and gross interest incurred¹⁰								
	RKSZ	4 674	2 798	1 338	2 170	3 791	2 813	4 443
Other expenditure								
Transfers to general business and other expenditure not elsewhere classified ¹⁸	IFYG	5 826	3 496	1 078	1 057	1 476	1 394	898
Movement in the unallocated divisible surplus	RKFE	1 237	-25 142	6 973	-1 108	-570	1 348	-1 227
Movement in the profit and loss account in respect of changes in long-term insurance and investment contract liabilities ¹⁹	J8U8	:	:	89 081	84 290	-1 551	64 882	36 933
Excess/shortfall of income over expenditure in the profit and loss account ²⁰	RKFD	612	1 079	:	:	:	:	:
TOTAL EXPENDITURE	RKFF	183 183	157 798	253 797	235 631	155 706	232 611	207 789

2 Includes any rider benefits.

3 Includes group personal and employer-sponsored stakeholder pensions and other personal pensions not elsewhere classified.

4 Excludes group personal pensions (GPPs); bulk buy-outs; group critical illness and group income protection.

5 Includes group income protection and permanent health insurance.

6 Includes long-term care; stand alone and group critical illness.

8 Claims incurred on contracts with UK and overseas policyholders. Net of amounts covered by reinsurers.

9 UK and overseas. Includes any deferred tax, adjustments for group relief provisions and/or tax rebates; commissions (net of reinsurance commission); compensation of employees (including wages and salaries, national insurance contributions, pension contributions and benefits in kind); acquisition costs and changes in deferred acquisition costs; levies and components of management recharges.

10 UK and overseas. Excludes any interest flows (including settlement) related to interest rate swaps and forward rate agreements.

11 UK and overseas. Includes movement in the profit and loss account in respect of changes in long-term insurance and investment contract liabilities; movement in the unallocated divisible surplus; transfers to general business and other expenditure not elsewhere classified.

14 UK and overseas. Net of reinsurance commission.

15 Includes wages and salaries; national insurance contributions; pension contributions; benefits in kind and employee expense component of management recharges.

16 Includes acquisition costs and changes in deferred acquisition costs; levies and other components of management recharges.

17 Includes any deferred tax, adjustments for group relief provisions and/or tax rebates; operations of overseas branches and agencies which form an integral part of the UK company and any other UK and overseas tax.

18 UK and overseas. Includes explicit commissions and fees incurred for arranging options, futures or swaps contracts with a counterparty; expenditure resulting from stock borrowing and transfers of funds from UK branches to overseas parent companies. Excludes transfers to shareholders' funds. Figures prior to 2009 included transfers into shareholders' funds.

19 New series from 2009. Estimates not available for earlier periods.

20 Series discontinued after 2008.

Source: Office for National Statistics

2.4 INSURANCE COMPANIES' INCOME: LONG-TERM BUSINESS BREAKDOWN OF PENSION BUSINESS PREMIUMS

£ million

		2007	2008	2009	2010	2011	2012	2013
PREMIUMS EARNED¹								
Personal and stakeholder pension business	A4E8	41 119	39 523	38 316	38 943	38 888	42 582	33 404
Single premiums	A2FU	27 581	26 330	25 515	27 341	27 425	29 807	23 774
Regular premiums	A2G2	13 538	13 193	12 801	11 602	11 463	12 775	9 630
Individual personal pensions ²	SFRI	16 964	16 381	15 539	13 068	15 000	16 213	11 668
Single premiums	SFRD	9 783	11 276	10 065	8 564	11 178	11 739	8 150
Regular premiums	SFRE	7 181	5 105	5 474	4 504	3 822	4 474	3 518
Individual stakeholder pensions ³	SFRV	3 913	5 387	4 300	6 709	4 453	6 626	5 216
Single premiums	SFRK	1 523	1 951	1 061	3 499	920	2 602	2 324
Regular premiums	SFRM	2 390	3 436	3 239	3 210	3 533	4 024	2 892
Group personal and employer-sponsored stakeholder pensions ⁴	SFSB	2 505	6 793	5 298	5 580	6 383	7 482	6 451
Single premiums	SFRY	567	3 512	2 489	2 744	3 482	3 979	3 647
Regular premiums	SFRZ	1 938	3 281	2 809	2 836	2 901	3 503	2 804
Other pensions ⁵	SFSP	17 737	10 962	13 179	13 586	13 052	12 261	10 069
Single premiums	SFSC	15 708	9 591	11 900	12 534	11 845	11 487	9 653
Regular premiums	SFSL	2 029	1 371	1 279	1 052	1 207	774	416
Occupational pension business	A4EA	72 729	54 398	52 504	47 626	44 944	48 957	55 044
Single premiums	A2FW	67 919	50 162	49 034	44 391	41 348	45 304	50 031
Regular premiums	A2G4	4 810	4 236	3 470	3 235	3 596	3 653	5 013
Defined benefit schemes ⁶	SFTG	13 673	15 906	16 269	14 762	12 931	17 310	15 724
Single premiums	SFTC	13 186	15 239	16 053	14 633	12 777	17 098	15 616
Regular premiums	SFTF	487	667	216	129	154	212	108
Defined contribution schemes ⁷	SFTU	56 624	38 430	36 200	32 833	31 989	31 624	39 287
Single premiums	SFTI	52 339	34 901	32 971	29 745	28 561	28 188	34 387
Regular premiums	SFTJ	4 285	3 529	3 229	3 088	3 428	3 436	4 900
Hybrid schemes ⁸	SFUA	2 432	62	35	31	24	23	33
Single premiums	SFTV	2 394	22	10	13	10	18	28
Regular premiums	SFTW	38	40	25	18	14	5	5

1 Premiums earned on contracts with UK and overseas policyholders. Net of reinsurance ceded (reinsurance accepted in the UK and overseas, less rebates and refunds in the UK and overseas).

2 A personal pension scheme is a scheme approved by HM Revenue and Customs that is not an occupational pension scheme.

3 A stakeholder pension is a form of personal pension where certain conditions, laid down by the Government, must apply. These conditions relate to the maximum amount that the pension company may charge for the product, the minimum level of contribution they must accept and the abolition of a fixed frequency for contributions. Stakeholder pension schemes must be registered with The Pensions Regulator (TPR).

4 A group personal or employer-sponsored stakeholder pension is an arrangement made for employees of a particular employer, or a group of self-employed individuals, to participate in a personal or stakeholder pension scheme on a grouped basis. This is a collecting arrangement only: the contract is between the individual and the insurance company.

5 Other pensions include self-invested personal pensions (SIPPs), free standing additional voluntary contributions (FSAVCs), premium waiver benefits, unsecured pension funds, pension annuities and section 32 buy-outs.

6 Defined benefit schemes are those pension schemes in which the rules specify the benefits to be paid, some based on final salary and some based on average salary. They are also known as salary related schemes.

7 Defined contribution schemes are those pension schemes in which the benefits are determined by the contributions paid into the scheme and the investment return on those contributions. They are also known as money purchase schemes.

8 Hybrid schemes are those pension schemes with elements of both defined contribution and defined benefit schemes. For example, pensions set as the better of a final salary and a money purchase.

Source: Office for National Statistics

3.1 INSURANCE COMPANIES' INVESTMENT: GENERAL BUSINESS

£ million

		Net investment				Net investment				
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK government securities denominated in sterling	AHOJ	217	501	360	26	1 183	-653	747	279 [†]	128
Index-linked	AHQH	234	151	110	37	46	45	51	52 [†]	3
Other ¹	IX8U	-17	350	250	-11	1 137	-698	696	227 [†]	125
UK government securities denominated in foreign currency	RFMK	-	-	-	-	-	-	-	- [†]	-
UK local authority investments ²	AHON	-	-	-	-	-	-	-	-	-
Other UK public sector investments ³	RFKY	-8	-35	-2	-3	-3	-35	-	-	-
UK PUBLIC SECTOR SECURITIES	RYKX	209	466	358	23	1 180	-688	747	279[†]	128
UK corporate bonds ⁴	JX3G	637	285	106	64	139	100	287	-78 [†]	-24
Sterling	IFGJ	664	319	107	34	174	83	252	- [†]	-16
Foreign currency	IFGM	-27	-34	-1	30	-35	17	35	-78 [†]	-8
UK ordinary shares ⁵	AKCN	-796	-168	325	-437	-577	-287	-38	-216 [†]	373
UK preference shares ⁵	IFGP	-3	1	-	3	-1	-	1	-	-
Overseas corporate securities	IFGS	1 713	2 490	639	596	166	669	1 418	473 [†]	-70
Bonds	HLPB	1 874	2 383	527	721	323	686	1 397	393 [†]	-93
Ordinary shares	AHQO	-162	103	111	-125	-157	-18	21	79	21
Preference shares	HLPN	1	4	1	-	-	1	-	1	2
Mutual fund investments ⁶	IFGV	356	396	90	118	-47	122	133	263	-122
CORPORATE SECURITIES	RYLG	1 907	3 004	1 160	344	-320	604	1 801	442[†]	157
Overseas government, provincial and municipal securities	AHOS	-350	-708	5	-48	-417	310	-582	-182 [†]	-254
Other longer-term assets not elsewhere classified ⁷	JX8C	-747	534	-208	-116	-198	200	223	166 [†]	-55
OTHER LONGER-TERM ASSETS	RYLM	-1 097	-174	-203	-164	-615	510	-359	-16[†]	-309
LONGER-TERM ASSETS	RYLP	1 019	3 296	1 315	203	245	426	2 189	705[†]	-24
		Acquisitions				Acquisitions				
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK public sector securities	RYKV	16 093	6 075	2 887	3 479	5 774	1 788	1 623	1 671 [†]	993
Corporate securities	RYLE	16 575	21 499	4 349	3 949	4 279	6 239	5 510	4 532 [†]	5 218
Other longer-term assets	RYLK	11 696	7 227	3 037	2 999	3 366	2 540	1 604	1 438 [†]	1 645
LONGER-TERM ASSETS	RYLN	44 364	34 801	10 273	10 427	13 419	10 567	8 737	7 641[†]	7 856
		Disposals				Disposals				
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK public sector securities	RYKW	15 884	5 609	2 529	3 456	4 594	2 476	876	1 392 [†]	865
Corporate securities	RYLF	14 668	18 495	3 189	3 605	4 599	5 635	3 709	4 090 [†]	5 061
Other longer-term assets	RYLL	12 793	7 401	3 240	3 163	3 981	2 030	1 963	1 454 [†]	1 954
LONGER-TERM ASSETS	RYLO	43 345	31 505	8 958	10 224	13 174	10 141	6 548	6 936[†]	7 880

Note: To avoid having to suppress confidential data, this page contains a less detailed breakdown of 'Acquisitions' and 'Disposals' than that displayed for the corresponding data on 'Net investment'.

Source: Office for National Statistics

3.1 INSURANCE COMPANIES' INVESTMENT: GENERAL BUSINESS

continued

£ million

		Net investment		Net investment						
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash	ICTB	-	-	-	-	-	-	-	-	-
Balances with banks and building societies in the UK										
Sterling	JX3I JX44	-62 -405	-2 641 -2 270	-437 -368	14 -134	281 72	-1 314 -1 308	-1 780 -1 388	431 [†] 398 [†]	22 28
Foreign currency	JX46	343	-371	-69	148	209	-6	-392	33 [†]	-6
Balances with overseas banks	ICTV	-472	-786	198	129	-444	-704	-49	-28 [†]	-5
Other liquid deposits ⁸	ICTW	-732	536	-547	-56	-86	178	691	-205 [†]	-128
Certificates of deposit issued by banks and building societies in the UK ⁹	IX8N	180	824	197	200	-341	155	326	162 [†]	181
Money market instruments issued by HM Treasury ¹⁰	ICWJ	-461	2 550	-132	59	379	1 908	445	102 [†]	95
UK local authority debt	AHOF	-	-	-	-	-	-	-	-	-
Commercial paper issued by UK companies ¹¹	JF76	-48	1 006	-1	32	97	937	122	36	-89
Other UK money market instruments ¹²	ICWY	87	350	66	32	36	553	-207	48	-44
Money market instruments issued by non-resident businesses	ICWZ	671	-616	441	-246	-57	-637 [†]	22	-51	50
Other short-term assets not elsewhere classified ¹³	JX2J	-283	282	-429	47	79	215 [†]	31	-111	147
Balances due from stockbrokers and securities dealers ¹⁴	RFLF	38	-45	-49	253	-49	-92	-12	1 [†]	58
Net transactions in derivative contracts with UK and overseas counterparties ¹⁵	ICXJ	174	148	35	21	60	106	-8	50	-
SHORT-TERM ASSETS	RYLQ	-908	1 608	-658	485	-45	1 305	-419	435[†]	287
Longer-term assets	RYLP	1 019	3 296	1 315	203	245	426	2 189	705 [†]	-24
Direct investment ¹⁶	IFHH	657	-1 681	686	5	-27	10	-693	-59	-939
TOTAL ASSETS	RFUC	768	3 223	1 343	693	173	1 741	1 077	1 081[†]	-676
		Net transactions		Net transactions						
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
Borrowing from banks and building societies in the UK ⁹	JX3K	-25	-88	34	-19	-71	399	-422	-51	-14
Other UK borrowing ¹⁷	IFHY	391	-4 825	854	248	317	-4 858	-66	202 [†]	-103
Overseas borrowing ¹⁸	RFLY	-693	-315	408	-508	-364	-673	107	21 [†]	230
BORROWING	AHOI	-327	-5 228	1 296	-279	-118	-5 132	-381	172[†]	113

Source: Office for National Statistics

3.1 INSURANCE COMPANIES' INVESTMENT: GENERAL BUSINESS

continued

£ million

		Holdings		2013		2013		Holdings		2014	
		2013	2014	Q2	Q3	2013	2014	2014	2014	2014	2014
Cash	HLMN	-	-	-	-	-	-	-	-	-	-
Balances with banks and building societies in the UK	JX3H	6 970	4 329	6 675	6 689	6 970	5 656	3 876	4 307 [†]	4 329	
Sterling	JX43	5 583	3 313	5 645	5 511	5 583	4 275	2 887	3 285 [†]	3 313	
Foreign currency	JX45	1 387	1 016	1 030	1 178	1 387	1 381	989	1 022 [†]	1 016	
Balances with overseas banks	HLMS	1 369	583	1 684	1 813	1 369	665	616	588 [†]	583	
Other liquid deposits ⁸	HLMT	3 021	3 557	3 163	3 107	3 021	3 199	3 890	3 685 [†]	3 557	
Certificates of deposit issued by banks and building societies in UK ⁹	IX8K	1 403	2 227	1 544	1 744	1 403	1 558	1 884	2 046 [†]	2 227	
Money market instruments issued by HM Treasury ¹⁰	ICWI	1 214	3 764	776	835	1 214	3 122	3 567	3 669 [†]	3 764	
UK local authority debt	AHMF	-	-	-	-	-	-	-	-	-	
Commercial paper issued by UK companies ¹¹	JF75	461	1 467	332	364	461	1 398	1 520	1 556	1 467	
Other UK money market instruments ¹²	HLNC	340	690	272	304	340	893	686	734	690	
Money market instruments issued by non-resident businesses	HLND	1 120	504	1 423	1 177	1 120	483 [†]	505	454	504	
Other short-term assets not elsewhere classified ¹³	JX2I	781	1 063	655	702	781	996 [†]	1 027	916	1 063	
Balances due from stockbrokers and securities dealers ¹⁴	RYMA	37	-8	-167	86	37	-55	-67	-66 [†]	-8	
SHORT-TERM ASSETS (excluding derivatives)	RYME	16 716	18 176	16 357	16 821	16 716	17 915	17 504	17 889[†]	18 176	
		Amounts outstanding		2013		2013		Amounts outstanding		2014	
		2013	2014	Q2	Q3	2013	2014	2014	2014	2014	2014
Borrowing from banks and building societies in the UK ⁹	JX3J	794	706	884	865	794	1 193	771	720	706	
Other UK borrowing ¹⁷	IFHX	8 792	3 967	8 227	8 475	8 792	3 934	3 868	4 070 [†]	3 967	
Overseas borrowing ¹⁸	RYMD	2 547	2 232	3 419	2 911	2 547	1 874	1 981	2 002 [†]	2 232	
BORROWING	AHMI	12 133	6 905	12 530	12 251	12 133	7 001	6 620	6 792[†]	6 905	

1 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.

2 Includes local authority securities; negotiable bonds; loans and mortgages.

3 Includes public corporation loans and mortgages and other public sector investments not elsewhere classified.

4 Issued by: banks; building societies and other corporates.

5 Quoted and unquoted.

6 UK and overseas. Includes authorised and unauthorised unit trust units; investment trust securities; open-ended investment companies; hedge funds and other mutual fund investments not elsewhere classified.

7 UK and overseas. Includes loans; fixed assets and other longer-term assets not elsewhere classified.

8 Includes money market funds; liquidity funds and cash liquidity funds.

9 Sterling and foreign currency.

10 Includes treasury bills. Excludes UK government securities.

11 Sterling and foreign currency commercial paper issued by: banks; building societies; other financial institutions and other issuing companies.

12 Includes floating rate notes maturing within one year of issue.

13 UK and overseas. Excludes derivative contracts.

14 Net of balances owed. Includes amounts due on securities bought and sold for future settlement.

15 Cash basis (cash paid less cash received). Includes only the cash flows that have occurred between derivative counterparties; cash payments/receipts in respect of variations for derivatives traded on a margined basis, but excludes initial deposit margins and the return of these. Excludes the values of any securities/commodities underlying the derivatives.

16 UK and overseas. Loans made less loans settled. Includes non-insurance subsidiary and associate companies in the UK; UK insurance subsidiary companies; UK associate companies; UK holding companies and overseas subsidiaries, associates, branches and agencies.

17 Includes issue of securities (other than ordinary shares); issue of sterling commercial paper and other borrowing not elsewhere classified.

18 Includes borrowing from banks; related companies and other borrowing not elsewhere classified.

Source: Office for National Statistics

3.2 INSURANCE COMPANIES' BALANCE SHEET: GENERAL BUSINESS ASSETS AND LIABILITIES AT MARKET VALUES

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
ASSETS								
UK government securities denominated in sterling	AHMJ	16 026	18 441	16 969	13 631	13 384	11 774	12 855
Index-linked	AHMZ	297	1 622	1 991	1 731	1 724	2 150	2 355
Other ¹	J8EX	15 729	16 819	14 978	11 900	11 660	9 624	10 500
UK government securities denominated in foreign currency	RYMQ	69	3	–	–	c	13	18
UK local authority investments ²	AHMN	3	–	–	–	c	–	–
Other UK public sector investments ³	RYMU	10	–	65	249	c	252	209
UK PUBLIC SECTOR SECURITIES	RYMV	16 108	18 444	17 034	13 880	13 907	12 039	13 082
UK corporate bonds ⁴	IFVV	13 397	12 060	13 550	10 487	10 817	12 127	12 355
Sterling	IFVW	12 647	11 009	12 288	9 544	10 217	11 264	11 610
Foreign currency	IFVX	750	1 051	1 262	943	600	863	745
UK ordinary shares ⁵	IFVY	9 006	10 501	9 963	9 525	8 435	8 732	7 846
UK preference shares ⁵	RLOT	44	29	26	26	25	21	21
Overseas corporate securities	IFVZ	14 773	20 258	23 002	17 594	18 636	24 380	24 638
Bonds	RLOX	12 872	18 081	21 017	15 847	16 939	21 872	21 834
Ordinary shares	AHMQ	1 901	2 175	1 976	1 741	1 692	2 501	c
Preference shares	RLOU	–	2	9	6	5	7	c
Mutual fund investments ⁶	IFWA	1 780	1 911	3 498	4 878	5 802	4 236	4 686
CORPORATE SECURITIES	RYNF	39 000	44 759	50 039	42 510	43 715	49 496	49 546
Overseas government, provincial and municipal securities	AHMS	4 869	8 505	7 204	5 126	5 524	9 355	9 584
Other longer-term assets not elsewhere classified ⁷	JX8E	7 059	8 269	7 338	9 158	9 938	10 148	9 606
OTHER LONGER-TERM ASSETS	RYNO	11 928	16 774	14 542	14 284	15 462	19 503	19 190
LONGER-TERM ASSETS	RYNP	67 036	79 977	81 615	70 674	73 084	81 038	81 818

Source: Office for National Statistics

3.2 INSURANCE COMPANIES' BALANCE SHEET: GENERAL BUSINESS ASSETS AND LIABILITIES AT MARKET VALUES

continued

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
ASSETS								
Cash	HLMN	–	–	–	–	–	–	–
Balances with banks and building societies in the UK	JX3H	8 949	9 871	10 227	7 961	7 619	7 032	6 970
Sterling	JX43	6 907	8 170	8 763	6 730	6 532	5 988	5 583
Foreign currency	JX45	2 042	1 701	1 464	1 231	1 087	1 044	1 387
Balances with overseas banks	HLMS	1 015	1 250	1 138	981	1 150	1 841	1 369
Other liquid deposits ⁸	HLMT	375	869	2 476	3 326	2 916	3 753	3 021
Certificates of deposit issued by banks and building societies in the UK ⁹	IX8K	8 264	7 775	2 002	558	843	1 223	1 403
Money market instruments issued HM Treasury ¹⁰	ICWI	342	708	979	327	237	1 675	1 214
UK local authority debt	AHMF	–	–	–	–	–	–	–
Commercial paper issued by UK companies ¹¹	JF75	2 682	1 640	1 630	275	281	509	461
Other UK money market instruments ¹²	HLNC	90	278	346	359	360	253	340
Money market instruments issued by non-resident businesses	HLND	3 261	2 277	2 321	545	745	449	1 120
Other short-term assets not elsewhere classified ¹³	JX2I	612	1 576	718	725	933	1 064	781
Balances due from stockbrokers and securities dealers ¹⁴	RYMA	25	891	52	90	26	–1	37
SHORT-TERM ASSETS (excluding derivatives)	RYME	25 615	27 135	21 889	15 147	15 110	17 798	16 716
Derivative contracts with UK and overseas counterparties which have a positive (asset) value ¹⁵	IFVJ	208	685	455	906	629	3 032	4 099
Agents' balances and outstanding premiums in respect of direct insurance and facultative reinsurance contracts ¹⁶								
UK	RYMF	8 216	9 022	8 171	8 470	8 222	9 584	9 089
Overseas	RYMG	575	55	73	–15	–200	711	868
Reinsurance, coinsurance and treaty balances ¹⁷								
UK	RYMH	1 164	1 092	1 730	–165	–258	–182	–233
Overseas	RYMI	–23	537	491	375	921	–4	217
Outstanding interest, dividends and rents ¹⁸	RYPN	1 255	1 108	958	765	726	724	881
Other debtors and assets not elsewhere classified ¹⁹	RKAC	19 096	17 189	10 785	11 064	10 683	14 281	12 905
Direct investment for non-insurance subsidiary and associate companies in the UK ²⁰	RYNR	21 954	21 259	21 181	18 206	18 627	19 876	20 510
Direct investment for UK insurance subsidiary, associate and holding companies ²⁰	RYNS	6 936	7 669	7 159	6 252	6 795	6 365	6 886
Direct investment for overseas subsidiaries, associates, branches and agencies ²⁰	RYNT	9 445	10 815	12 124	9 868	9 073	8 004	7 147
TOTAL ASSETS	RKBY	161 477	176 543	166 631	141 547	143 412	161 227	160 903

Source: Office for National Statistics

3.2 INSURANCE COMPANIES' BALANCE SHEET: GENERAL BUSINESS ASSETS AND LIABILITIES AT MARKET VALUES

continued

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
LIABILITIES								
Borrowing	AHMI	18 597	20 214	15 602	14 431	14 281	12 460	12 133
Banks and building societies in the UK ⁹	JX3J	675	343	744	621	606	819	794
Other UK ²¹	IFHX	10 885	13 179	9 965	9 835	8 991	8 401	8 792
Overseas ²²	RYMD	7 037	6 692	4 893	3 975	4 684	3 240	2 547
General business technical reserves ²³	RKCT	71 146	76 980	70 947	58 484	57 539	61 771	59 738
Provisions for taxation and dividends payable ²⁴	KVF2	2 486	858	345	40	7	240	424
Other creditors, provisions and liabilities not elsewhere classified ²⁵	RYPR	22 069	21 149	19 976	18 367	19 362	25 757	24 989
Excess of total assets over liabilities in respect of: minority interests in UK subsidiary companies; shareholders' capital and reserves and any other reserves ²⁶	A8SI	47 179	57 342	59 761	50 225	52 223	60 999	63 619
TOTAL LIABILITIES	RKBY	161 477	176 543	166 631	141 547	143 412	161 227	160 903

1 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.

2 Includes local authority securities; negotiable bonds; loans and mortgages.

3 Includes public corporation loans and mortgages and other public sector investments not elsewhere classified.

4 Issued by: banks; building societies and other corporates.

5 Quoted and unquoted.

6 UK and overseas. Includes authorised and unauthorised unit trust units; investment trust securities; open-ended investment companies; hedge funds and other mutual fund investments not elsewhere classified.

7 UK and overseas. Includes loans; fixed assets and other longer-term assets not elsewhere classified.

8 Includes money market funds; liquidity funds and cash liquidity funds.

9 Sterling and foreign currency.

10 Includes treasury bills. Excludes UK government securities.

11 Sterling and foreign currency commercial paper issued by: banks; building societies; other financial institutions and other issuing companies.

12 Includes floating rate notes maturing within one year of issue.

13 UK and overseas. Excludes derivative contracts.

14 Net of balances owed. Includes amounts due on securities bought and sold for future settlement.

15 Includes credit default products; employee stock options; other options; other swaps; futures; forwards and other derivative contracts not elsewhere classified.

16 Net of insurance liabilities.

17 Net of reinsurance bought and sold.

18 Net value.

19 Includes deferred acquisition costs.

20 Net asset value of attributable companies.

21 Includes issue of securities (other than ordinary shares); issue of sterling commercial paper and other borrowing not elsewhere classified.

22 Includes borrowing from banks; related companies and other borrowing not elsewhere classified.

23 Net of reinsurers share.

24 UK and overseas. Includes deferred tax net of amounts receivable.

25 UK and overseas. Includes derivative contracts which have a negative (liability) value.

26 Includes the 'net worth' of UK branches of overseas companies, including profit and loss account balances.

Source: Office for National Statistics

3.3 INSURANCE COMPANIES' INCOME AND EXPENDITURE: GENERAL BUSINESS

£ million

		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
INCOME										
Premiums earned ¹	RKCN	37 269	36 701	9 626	9 210	8 796	9 121	9 760 [†]	8 760	9 060
Rents, dividends and interest received	RKCO	4 341	4 106	1 581	1 039	818	664	1 019 [†]	766	1 657
Realised and unrealised investment gains and losses	RKFY	-643	156	-684	9	-59	43	161 [†]	183	-231
Other income ²	RKCP	1 861	1 706	266	336	621	462	522 [†]	310	412
TOTAL INCOME	RKGB	42 828	42 669	10 789	10 594	10 176	10 290	11 462[†]	10 019	10 898
EXPENDITURE										
Claims incurred ³	RKCQ	24 229	23 411	5 981	6 007	6 255	5 956 [†]	5 926	5 738	5 791
Taxation, commissions, fees, administrative and other expenses ⁴	RKCR	14 743	14 119	3 531	3 711	3 727	3 341	3 585 [†]	3 563	3 630
Dividends paid and gross interest incurred ⁵	RKTA	3 206	2 255	1 029	470	1 184	115	816	364 [†]	960
Other expenditure ⁶	J9C3	-348	-130	433	-153	-650	132	289 [†]	-660	109
TOTAL EXPENDITURE	RKHE	41 830	39 655	10 974	10 035	10 516	9 544[†]	10 616	9 005	10 490
SURPLUS OF INCOME OVER EXPENDITURE	RLEE	998	3 014	-185	559	-340	746[†]	846	1 014	408

Source: Office for National Statistics

3.3 INSURANCE COMPANIES' INCOME AND EXPENDITURE: GENERAL BUSINESS

continued

£ million

		2007	2008	2009	2010	2011	2012	2013
INCOME								
Premiums earned¹								
Direct insurance and facultative reinsurance business premiums (non marine, aviation, transport and treaty business) ⁷								
Contracts written on the UK home market	RKFG	35 890	37 308	35 648	34 133	34 252	34 235	33 621
Contracts written on the UK home-foreign market ⁸	RKFFH	3 169	3 990	4 232	3 577	3 217	4 043	4 646
Contracts written on overseas markets	RKFI	1 455	1 541	1 701	1 091	1 230	2 309	2 720
LESS outward reinsurance premiums incurred (non marine, aviation, transport and treaty business)⁷								
UK reinsurers	RKfJ	3 565	3 042	2 432	2 571	2 628	2 554	2 580
Overseas reinsurers	RKfK	2 873	3 609	3 762	4 439	3 481	3 616	4 356
Direct insurance, facultative reinsurance and treaty reinsurance premiums on marine, aviation and transport business ⁹								
Contracts written on the UK market	IUZV	1 338	1 275	1 300	1 039	1 164	1 223	1 227
Contracts written on overseas markets	RKfN	271	354	530	455	474	924	852
Treaty reinsurance premiums earned less reinsurance premiums incurred (non marine, aviation and transport business) in respect of business ceded ¹⁰								
Overseas insurers net of business ceded to overseas insurers	RKfP	144	2 512	829	430	439	144	332
Others	RKfO	1 027	1 346	1 457	621	757	659	807
Rents earned¹¹								
UK and overseas properties	RRUE	31	48	60	42	43	47	63
Dividends received and interest earned¹²								
UK investments	RRUG	6 390	6 411	3 718	3 466	2 674	2 955	2 916
Overseas investments	RKfU	1 613	1 620	2 514	1 196	1 518	1 305	1 362
Other income								
Realised and unrealised investment gains and losses	RKfY	-7 271	-3 351	1 563	2 099	-252	1 458	-643
Other income not elsewhere classified ²	RKCP	4 327	3 344	608	1 065	1 477	857	1 861
TOTAL INCOME	RKGB	41 946	49 747	47 966	42 204	40 884	43 989	42 828

1 UK and overseas. Net of rebates, refunds and outward reinsurance premiums incurred on business ceded to reinsurers. Includes direct insurance, facultative reinsurance and treaty reinsurance.

2 UK and overseas. Includes underwriting commission; income from fund management activity; income earned on stock lending; any explicit commissions and fees earned from brokers and others for arranging derivative contracts with a counterparty; transfers from long-term insurance business; profits remitted to the UK from overseas branches and agencies and transfers of funds received by UK branches from overseas parent companies. Figures prior to 2009 included transfers into shareholders' funds.

7 Gross of commission and reinsurance payable, but net of rebates and refunds.

8 Contracts written on the UK market covering overseas risks.

9 Net of commission, outward premiums incurred on business ceded to reinsurers, rebates and refunds. Includes net amounts receivable in respect of outstanding premium and claim portfolios as reported under the current UK Companies Act, as they apply to insurance companies.

10 Gross of commission incurred. Includes proportional and non-proportional business; net amounts receivable in respect of outstanding premium and claim portfolios as reported under the current UK Companies Act, as they apply to insurance companies and premiums earned less premiums incurred in respect of reinsurance business ceded to/from retrocessionaires.

11 Net of associated ongoing expenses such as property management expenses.

12 Gross of tax. Includes dividends on shareholders' assets in addition to dividends on policyholders assets; dividends received and interest earned from overseas subsidiaries and associate companies; special dividends received as part of the consideration for shares sold during mergers and acquisitions; income from securities issued by related and unrelated companies registered outside the UK (including securities of overseas registered companies that are listed on the UK stock exchange); income from deposits made at UK and overseas offices of related and unrelated UK and overseas banks and financial institutions; interest earned from overseas branches and agencies that act as subsidiaries and other dividend and interest income not elsewhere classified. Excludes any interest flows (including settlement) related to interest rate swaps and forward rate agreements.

Source: Office for National Statistics

3.3 INSURANCE COMPANIES' INCOME AND EXPENDITURE: GENERAL BUSINESS

continued

£ million

		2007	2008	2009	2010	2011	2012	2013
EXPENDITURE								
Claims incurred³								
Direct insurance and facultative reinsurance business claims (non marine, aviation, transport and treaty business) ¹³								
Contracts written on the UK home market	RKGC	23 331	22 910	23 768	22 620	21 935	21 208	21 162
Contracts written on the UK home-foreign market ⁸	RKGD	1 452	2 133	2 117	2 698	2 129	2 457	1 903
Contracts written on overseas markets	RKGE	706	739	1 085	207	740	1 304	1 908
LESS amounts recoverable from reinsurers (non marine, aviation, transport and treaty business)¹³								
UK reinsurers	RKIN	2 668	1 369	1 086	1 348	986	926	914
Overseas reinsurers	RKIO	1 414	1 252	1 783	1 112	916	1 341	1 872
Direct insurance and facultative reinsurance claims incurred on marine, aviation and transport business ¹³								
Contracts written on the UK home market	J9BY	872	558	2 085	1 557	1 429	1 824	2 250
Contracts written on overseas markets	RKGI	217	357	368	306	341	343	571
Treaty reinsurance claims incurred on marine, aviation and transport business ¹⁴								
	RKGT	897	542	593	251	164	302	435
LESS amounts recoverable from reinsurers and retrocessionaires on marine, aviation, transport and treaty business								
	RKGG	848	711	1 803	1 002	1 111	1 551	1 666
Treaty reinsurance claims incurred less amounts recoverable (non marine, aviation and transport business)								
Overseas reinsurers	RKIP	918	1 464	457	369	95	154	154
Other	RKIQ	829	721	551	232	248	344	298
Expenses incurred								
Commission and fees incurred (non marine, aviation and transport business) ¹⁵								
	RKGM	5 928	6 370	6 575	4 529	4 358	5 018	5 474
Administrative expenses								
Compensation of employees ¹⁶	J9BO	7 451	7 317	7 267	7 025	7 092	8 475	8 637
Other administrative expenses ¹⁷	RKIU	2 805	3 139	3 177	3 131	2 469	2 920	3 428
	RKIV	4 646	4 178	4 090	3 894	4 623	5 555	5 209
Total expenses incurred								
of which overseas	RRUS	13 379	13 687	13 842	11 554	11 450	13 493	14 111
	RRUT	486	718	653	327	251	838	1 456
Taxation¹⁸								
Tax expense in respect of UK authorities								
	RKGR	658	-529	406	-63	325	916	533
Tax expense in respect of overseas authorities								
	IZMV	33	465	45	13	23	25	99
Dividends paid and gross interest incurred⁵								
	RKTA	4 337	3 529	2 376	2 635	2 551	3 406	3 206
Other expenditure								
Transfers to long-term business and other expenditure not elsewhere classified ¹⁹								
	J9CV	960	1 659	1 394	1 609	68	327	208
Movement in the profit and loss account in respect of changes in general insurance liabilities ²⁰								
	J9BQ	:	:	-527	746	410	132	-556
Excess/shortfall of income over expenditure in the profit and loss account ²¹								
	RKHC	4 018	1 254	:	:	:	:	:
Addition to other reserves ²¹								
	RKHD	30	-146	:	:	:	:	:
TOTAL EXPENDITURE								
	RKHE	47 707	46 011	43 888	41 272	38 895	42 417	41 830

3 UK and overseas. Net of amounts recoverable from reinsurers and retrocessionaires. Includes direct insurance, facultative reinsurance and treaty reinsurance.

4 UK and overseas. Includes any deferred tax, adjustments for group relief provisions and/or tax rebates; commissions (net of reinsurance commission); compensation of employees (including wages and salaries, national insurance contributions, pension contributions and benefits in kind); acquisition costs and changes in deferred acquisition costs; levies and components of management recharges.

5 UK and overseas. Excludes any interest flows (including settlement) related to interest rate swaps and forward rate agreements.

6 UK and overseas. Includes movement in the profit and loss account in respect of changes in general insurance liabilities; transfers to long-term business and other expenditure not elsewhere classified.

8 Contracts written on the UK market covering overseas risks.

13 Gross value.

14 Gross value. Includes proportional and non-proportional business.

15 UK and overseas. Net of reinsurance commission.

16 Includes wages and salaries; national insurance contributions; pension contributions; benefits in kind and employee expense component of management recharges.

17 Includes acquisition costs and changes in deferred acquisition costs; levies and other components of management recharges.

18 Includes any deferred tax, adjustments for group relief provisions and/or tax rebates; operations of overseas branches and agencies which form an integral part of the UK company and any other UK and overseas tax.

19 UK and overseas. Includes explicit commissions and fees incurred for arranging options, futures or swaps contracts with a counterparty; expenditure resulting from stock borrowing and transfers of funds from UK branches to overseas parent companies. Excludes transfers to shareholders' funds. Figures prior to 2009 included transfers into shareholders' funds.

20 New series from 2009. Estimates not available for earlier periods.

21 Series discontinued after 2008.

Source: Office for National Statistics

4.1 SELF-ADMINISTERED PENSION FUNDS¹ INVESTMENT

£ million

		Net investment		Net investment						
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
UK government securities denominated in sterling	AHQX	17 232	20 707	3 492	5 472	2 815	9 068 [†]	9 039	2 504	96
Index-linked	AHRP	7 643	13 618	826	3 770	1 225	5 957 [†]	3 079	2 861	1 721
Other ²	IQ5J	9 589	7 089	2 666	1 702	1 590	3 111 [†]	5 960	-357	-1 625
UK government securities denominated in foreign currency	RZIO	-4	92	-38	33	-24	12	-29	84 [†]	25
UK local authority investments ³	AHRB	1	83	-	1	-	29	35	-	19
Other UK public sector investments ⁴	JE5I	8	50	-196	191	37	21	-7	32	4
UK PUBLIC SECTOR SECURITIES	RYJE	17 237	20 932	3 258	5 697	2 828	9 130[†]	9 038	2 620	144
UK corporate bonds ⁵	JX5J	2 549	1 209	801	1 119	744	459	851 [†]	399	-500
Sterling	GQFJ	2 442	923	785	1 058	681	398	710 [†]	219	-404
Foreign currency	GQFK	107	286	16	61	63	61	141 [†]	180	-96
UK ordinary shares ⁶	AHRC	-9 581	-12 173	-3 267	-3 259	-2 606	-2 020 [†]	-3 548	-1 902	-4 703
UK preference shares ⁵	IX7V	-11	7	3	-12	-17	-	6	1	-
Overseas corporate securities	IX85	-2 622	-1 406	-1 325	1 501	2 678	1 765 [†]	360	-1 130	-2 401
Bonds	GNQR	2 228	3 667	-1 420	1 885	2 109	1 759 [†]	2 272	2 020	-2 384
Ordinary shares	AHRE	-4 539	-5 145	226	-309	590	59 [†]	-1 892	-3 221	-91
Preference shares	GNRD	-311	72	-131	-75	-21	-53	-20	71 [†]	74
Mutual fund investments	IX86	3 476	9 357	3 573	-1 085	35	3 300 [†]	1 306	-544	5 295
UK	J8Y6	-4 048	708	1 341	-3 091	-1 080	1 401 [†]	762	-2 166	711
Unit trust units ⁷	JX5M	-3 775	-2 185	985	-2 985	-960	671 [†]	-167	-2 506	-183
Other ⁸	JX5P	-273	2 893	356	-106	-120	730 [†]	929	340	894
Overseas	JE4V	7 524	8 649	2 232	2 006	1 115	1 899 [†]	544	1 622	4 584
CORPORATE SECURITIES	RYKI	-6 189	-3 006	-215	-1 736	834	3 504[†]	-1 025	-3 176	-2 309
Overseas government, provincial and municipal securities	AHRG	993	451	647	66	483	340 [†]	245	-133	-1
Loans	IX87	-989	99	-268	-203	-247	1	12	17	69
UK ⁹	IX9Q	-161	40	-43	-35	-42	-	13	14	13
Overseas ¹⁰	AHRM	-828	59	-225	-168	-205	1	-1	3	56
Fixed assets ¹¹	IX88	536	1 185	43	175	241	228 [†]	297	400	260
UK	IX9T	555	1 150	38	197	267	179	305 [†]	402	264
Overseas	GNSO	-19	35	5	-22	-26	49 [†]	-8	-2	-4
Investment in insurance managed funds, insurance policies and annuities	RZOA	2 172	1 639	-121	1 067	523	-59 [†]	1 094	755	-151
Other longer-term assets not elsewhere classified ¹²	IX89	4 016	1 853	1 061	1 918	1 395	106 [†]	171	1 460	116
OTHER LONGER-TERM ASSETS	RYKL	6 728	5 227	1 362	3 023	2 395	616[†]	1 819	2 499	293
LONGER-TERM ASSETS	RYKO	17 776	23 153	4 405	6 984	6 057	13 250[†]	9 832	1 943	-1 872

Source: Office for National Statistics

4.1 SELF-ADMINISTERED PENSION FUNDS¹ INVESTMENT

continued

£ million

		Acquisitions		Acquisitions						
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
UK government securities denominated in sterling	ARIX	127 317	130 559	32 030	36 201	25 504	39 683 [†]	32 185	30 789	27 902
Index-linked	ARIW	47 793	64 650	10 828	16 009	7 970	20 408 [†]	12 965	18 277	13 000
Other ²	IQ4X	79 524	65 909	21 202	20 192	17 534	19 275 [†]	19 220	12 512	14 902
UK government securities denominated in foreign currency	RZIM	205	325	71	95	5	c	c	108	c
UK local authority investments ³	ARJB	1	85	–	1	–	c	c	–	c
Other UK public sector investments ⁴	JE5G	1 571	634	785	500	158	537	45	38	14
UK PUBLIC SECTOR SECURITIES	RYJC	129 094	131 603	32 886	36 797	25 667	40 350[†]	32 294	30 935	28 024
UK corporate bonds ⁵	JX5H	17 428	15 534	4 226	4 104	4 095	3 839 [†]	3 989	3 860	3 846
Sterling	GQFL	15 362	13 772	3 581	3 602	3 806	3 389 [†]	3 457	3 357	3 569
Foreign currency	GQFM	2 066	1 762	645	502	289	450	532 [†]	503	277
UK ordinary shares ⁶	ARJC	45 892	26 857	14 218	8 504	11 396	7 905 [†]	6 610	6 231	6 111
UK preference shares ⁵	IX8B	95	14	3	–	74	2	8	3	1
Overseas corporate securities	IX8C	140 767	120 934	36 188	37 158	33 167	30 884 [†]	31 931	29 738	28 381
Bonds	GNQN	32 711	44 052	8 147	7 003	7 744	10 846 [†]	11 980	11 761	9 465
Ordinary shares	ARJE	107 508	76 330	27 908	30 026	25 252	19 984 [†]	19 782	17 800	18 764
Preference shares	GNQZ	548	552	133	129	171	54	169 [†]	177	152
Mutual fund investments	IX8D	114 663	115 075	30 679	30 593	27 791	30 001 [†]	22 749	29 856	32 469
UK	J8YD	62 677	50 107	15 836	17 636	15 616	11 682 [†]	10 769	13 025	14 631
Unit trust units ⁷	JX5K	45 527	31 261	12 150	12 333	10 432	7 454 [†]	6 391	8 366	9 050
Other ⁸	JX5N	17 150	18 846	3 686	5 303	5 184	4 228 [†]	4 378	4 659	5 581
Overseas	JE4T	51 986	64 968	14 843	12 957	12 175	18 319 [†]	11 980	16 831	17 838
CORPORATE SECURITIES	RYKG	318 845	278 414	85 314	80 359	76 523	72 631[†]	65 287	69 688	70 808
Overseas government, provincial and municipal securities	ARJG	56 855	76 688	14 211	16 179	12 241	17 779	20 675 [†]	19 187	19 047
Loans	IX8E	52	568	2	41	7	2	14	480	72
UK ⁹	IX9O	c	c	c	c	c	c	c	c	c
Overseas ¹⁰	ARJM	c	c	c	c	c	c	c	c	c
Fixed assets ¹¹	IX8F	2 521	2 850	450	838	818	685	725 [†]	782	658
UK	IX9R	2 003	c	288	690	775	587	725 [†]	774	c
Overseas	GNSM	518	c	162	148	43	98	–	8	c
Investment in insurance managed funds, insurance policies and annuities	RZNY	11 250	10 291	1 522	3 310	3 428	3 218 [†]	2 095	2 562	2 416
Other longer-term assets not elsewhere classified ¹²	IX8G	19 002	19 085	3 998	4 601	6 216	4 299 [†]	4 842	5 403	4 541
OTHER LONGER-TERM ASSETS	RYKJ	89 680	109 482	20 183	24 969	22 710	25 983[†]	28 351	28 414	26 734
LONGER-TERM ASSETS	RYKM	537 619	519 499	138 383	142 125	124 900	138 964[†]	125 932	129 037	125 566

Source: Office for National Statistics

4.1 SELF-ADMINISTERED PENSION FUNDS¹ INVESTMENT

continued

£ million

		Disposals		Disposals						
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
UK government securities denominated in sterling	ASIX	110 085	109 852	28 538	30 729	22 689	30 615 [†]	23 146	28 285	27 806
Index-linked	ASIW	40 150	51 032	10 002	12 239	6 745	14 451 [†]	9 886	15 416	11 279
Other ²	IQ4Y	69 935	58 820	18 536	18 490	15 944	16 164 [†]	13 260	12 869	16 527
UK government securities denominated in foreign currency	RZIN	209	233	109	62	29	c	c	24 [†]	c
UK local authority investments ³	ASJB	–	2	–	–	–	c	c	–	c
Other UK public sector investments ⁴	JE5H	1 563	584	981	309	121	516	52	6	10
UK PUBLIC SECTOR SECURITIES	RYJD	111 857	110 671	29 628	31 100	22 839	31 220[†]	23 256	28 315	27 880
UK corporate bonds ⁵	JX5I	14 879	14 325	3 425	2 985	3 351	3 380 [†]	3 138	3 461	4 346
Sterling	GQFN	12 920	12 849	2 796	2 544	3 125	2 991 [†]	2 747	3 138	3 973
Foreign currency	GQFO	1 959	1 476	629	441	226	389	391 [†]	323	373
UK ordinary shares ⁶	ASJC	55 473	39 030	17 485	11 763	14 002	9 925 [†]	10 158	8 133	10 814
UK preference shares ⁶	IX8I	106	7	–	12	91	2	2	2	1
Overseas corporate securities	IX8J	143 389	122 340	37 513	35 657	30 489	29 119 [†]	31 571	30 868	30 782
Bonds	GNQP	30 483	40 385	9 567	5 118	5 635	9 087 [†]	9 708	9 741	11 849
Ordinary shares	ASJE	112 047	81 475	27 682	30 335	24 662	19 925 [†]	21 674	21 021	18 855
Preference shares	GNRB	859	480	264	204	192	107	189 [†]	106	78
Mutual fund investments	IX93	111 187	105 718	27 106	31 678	27 756	26 701 [†]	21 443	30 400	27 174
UK	J8YE	66 725	49 399	14 495	20 727	16 696	10 281 [†]	10 007	15 191	13 920
Unit trust units ⁷	JX5L	49 302	33 446	11 165	15 318	11 392	6 783 [†]	6 558	10 872	9 233
Other ⁸	JX5O	17 423	15 953	3 330	5 409	5 304	3 498 [†]	3 449	4 319	4 687
Overseas	JE4U	44 462	56 319	12 611	10 951	11 060	16 420 [†]	11 436	15 209	13 254
CORPORATE SECURITIES	RYKH	325 034	281 420	85 529	82 095	75 689	69 127[†]	66 312	72 864	73 117
Overseas government, provincial and municipal securities	ASJG	55 862	76 237	13 564	16 113	11 758	17 439 [†]	20 430	19 320	19 048
Loans	IX94	1 041	469	270	244	254	1	2	463	3
UK ⁹	IX9P	c	c	c	c	c	c	c	c	c
Overseas ¹⁰	ASJM	c	c	c	c	c	c	c	c	c
Fixed assets ¹¹	IX95	1 985	1 665	407	663	577	457 [†]	428	382	398
UK	IX9S	1 448	c	250	493	508	408	420 [†]	372	c
Overseas	GNSN	537	c	157	170	69	49 [†]	8	10	c
Investment in insurance managed funds, insurance policies and annuities	RZNZ	9 078	8 652	1 643	2 243	2 905	3 277 [†]	1 001	1 807	2 567
Other longer-term assets not elsewhere classified ¹²	IX96	14 986	17 232	2 937	2 683	4 821	4 193 [†]	4 671	3 943	4 425
OTHER LONGER-TERM ASSETS	RYKK	82 952	104 255	18 821	21 946	20 315	25 367[†]	26 532	25 915	26 441
LONGER-TERM ASSETS	RYKN	519 843	496 346	133 978	135 141	118 843	125 714[†]	116 100	127 094	127 438

Source: Office for National Statistics

4.1 SELF-ADMINISTERED PENSION FUNDS¹ INVESTMENT

continued

£ million

		Net investment		Net investment						
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash	IQ5B	-	-	-	-	-	-	-	-	-
Balances with banks and building societies in the UK										
Sterling	JX5R	-228	1 089	866	-256	-605	16 [†]	2 127	-360	-694
Foreign currency	JX5T	-708	1 243	860	-628	-324	295 [†]	1 536	-146	-442
	JX5V	480	-154	6	372	-281	-279 [†]	591	-214	-252
Balances with overseas banks	GK5V	192	154	93	94	-20	-64	142 [†]	48	28
Other liquid deposits ¹³	GK5W	5 240	-6 850	1 024	3 695	-324	-1 978 [†]	-441	-1 469	-2 962
Certificates of deposit issued by banks and building societies in the UK ¹⁴	AHQP	-781	-548	97	-486	56	185	-489 [†]	-175	-69
Money market instruments issued by HM Treasury ¹⁵	IX9A	-2 949	c	44	28	82	-361	-84 [†]	122	c
UK local authority debt	AHQS	-102	c	-233	37	59	74	-68	-30	c
Commercial paper issued by UK companies ¹⁶	GQFP	-920	227	111	-833	-214	113	-138 [†]	28	224
Other UK money market instruments ¹⁷	GKZF	1 939	-278	2 527	-446	-45	746 [†]	-94	-37	-893
Money market instruments issued by non-resident businesses	GKZG	-	1 976	363	-117	6	-911 [†]	353	216	2 318
Other short-term assets not elsewhere classified ¹⁸	JX5X	-116	1 335	33	-122	130	512 [†]	527	362	-66
Balances due from stockbrokers and securities dealers ¹⁹	RZHM	-675	404	-2 222	1 204	822	1 515 [†]	-2 250	1 488	-349
Net transactions in derivative contracts with UK and overseas counterparties ²⁰	IX9K	-588	4 580	-574	764	-252	3 289 [†]	1 904	643	-1 256
SHORT-TERM ASSETS	RYKP	1 012	1 908	2 129	3 562	-305	3 136[†]	1 489	836	-3 553
Longer-term assets	RYKO	17 776	23 153	4 405	6 984	6 057	13 250 [†]	9 832	1 943	-1 872
TOTAL ASSETS	RZNI	18 788	25 061	6 534	10 546	5 752	16 386[†]	11 321	2 779	-5 425
		Net transactions		Net transactions						
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
BORROWING²¹	GQEC	5 447	11 234	-2 589	3 599	2 179	7 818[†]	5 361	-685	-1 260

Source: Office for National Statistics

4.1 SELF-ADMINISTERED PENSION FUNDS¹ INVESTMENT

continued

£ million

		Holdings				Holdings				
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	
Cash	GNOR	-	-	-	-	-	-	-	-	-
Balances with banks and building societies in the UK										
Sterling	JX5Q	22 701	23 790	23 562	23 306	22 701	22 717 [†]	24 844	24 484	23 790
Foreign currency	JX5S	18 193	19 436	19 145	18 517	18 193	18 488 [†]	20 024	19 878	19 436
	JX5U	4 508	4 354	4 417	4 789	4 508	4 229 [†]	4 820	4 606	4 354
Balances with overseas banks	GNOW	349	503	275	369	349	285	427 [†]	475	503
Other liquid deposits ¹³	GNOX	20 505	13 655	17 134	20 829	20 505	18 527 [†]	18 086	16 617	13 655
Certificates of deposit issued by banks and building societies in the UK ¹⁴	IX8H	1 288	740	1 718	1 232	1 288	1 473	984 [†]	809	740
Money market instruments issued by HM Treasury ¹⁵	IX9J	1 167	c	1 057	1 085	1 167	806	722 [†]	844	c
UK local authority debt	AHVF	130	c	34	71	130	204	136	106	c
Commercial paper issued by UK companies ¹⁶	GQFR	334	561	1 381	548	334	447	309 [†]	337	561
Other UK money market instruments ¹⁷	GOZR	4 655	4 377	5 146	4 700	4 655	5 401 [†]	5 307	5 270	4 377
Money market instruments issued by non-resident businesses	GOZS	2 752	4 728	2 863	2 746	2 752	1 841 [†]	2 194	2 410	4 728
Other short-term assets not elsewhere classified ¹⁸	JX5W	1 788	3 123	1 780	1 658	1 788	2 300 [†]	2 827	3 189	3 123
Balances due from stockbrokers and securities dealers ¹⁹	RYIC	-2 278	-1 874	-4 304	-3 100	-2 278	-763 [†]	-3 013	-1 525	-1 874
SHORT-TERM ASSETS (excluding derivatives)	RYIB	53 391	50 719	50 646	53 444	53 391	53 238[†]	52 823	53 016	50 719
		Amounts outstanding		Amounts outstanding		Amounts outstanding		Amounts outstanding		
		2013	2014	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
BORROWING²¹	GQED	16 050	27 284	10 272	13 871	16 050	23 868[†]	29 229	28 544	27 284

1 Combined public and private sector. Data from the pension funds surveys are of lower quality than equivalent data from other institutional groups because of the difficulties in constructing a suitable sampling frame of pension funds.

2 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.

3 Includes local authority securities; negotiable bonds; loans and mortgages.

4 Includes public corporation loans and mortgages and other public sector investments not elsewhere classified.

5 Issued by: banks; building societies and other corporates.

6 Quoted and unquoted.

7 Authorised and unauthorised.

8 Includes property unit trusts; investment trust securities; open-ended investment companies; hedge funds and other mutual fund investments not elsewhere classified.

9 Includes sterling asset backed loans; loans to individuals secured on dwellings; other loans to individuals (including policy loans); loans to businesses and other loans not elsewhere classified. Excludes loans to UK associate companies; bank term deposits and building society investments.

10 Includes loans to parent companies; subsidiaries; associates and other loans not elsewhere classified. Excludes loans categorised as direct investment; loans covered by Export Credit Guarantee Department (ECGD), specific bank guarantees or ECGD buyer credit guarantees.

11 UK and overseas. Includes existing buildings; property; land; new construction work; vehicles; machinery and equipment; valuables and intangibles. Includes the capital value of assets bought on hire purchase or acquired (as lessee) under a finance leasing arrangement and assets acquired for hiring, renting and operating leasing purposes. Excludes the capital value of assets acquired but leased out to others under finance leasing arrangements.

12 UK and overseas. Includes certificates of tax deposit; insurance policies; annuities and loans covered by Export Credit Guarantee Department (ECGD), specific bank guarantees or ECGD buyer credit guarantees. Excludes pre-payments and debtors.

13 Includes money market funds; liquidity funds and cash liquidity funds.

14 Sterling and foreign currency.

15 Includes treasury bills. Excludes UK government securities.

16 Sterling and foreign currency commercial paper issued by: banks; building societies; other financial institutions and other issuing companies.

17 Includes floating rate notes maturing within one year of issue.

18 UK and overseas. Excludes derivative contracts.

19 Net of balances owed. Includes amounts due on securities bought and sold for future settlement.

20 Cash basis (cash paid less cash received). Includes only the cash flows that have occurred between derivative counterparties; cash payments/receipts in respect of variations for derivatives traded on a margined basis, but excludes initial deposit margins and the return of these. Excludes the values of any securities/commodities underlying the derivatives.

21 UK and overseas. Includes from a UK perspective: sterling and foreign currency borrowing from UK banks and building societies; borrowing arising from the issue of floating rate notes and preference shares; foreign currency liabilities on back-to-back loans; overdrafts and other borrowing not elsewhere classified. Includes from an overseas perspective: borrowing from banks and other borrowing not elsewhere classified.

Source: Office for National Statistics

4.2 SELF-ADMINISTERED PENSION FUNDS¹ BALANCE SHEET ASSETS AND LIABILITIES AT MARKET VALUES

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
ASSETS								
UK government securities denominated in sterling	AHVK	113 617	98 577	108 871	122 007	167 372	199 400	227 528
Index-linked	AHWC	64 797	58 564	70 317	83 016	110 808	142 565	159 843
Other ²	J8Y5	48 820	40 013	38 554	38 991	56 564	56 835	67 685
UK government securities denominated in foreign currency	RYEX	42	4	126	89	1 287	5 695	275
UK local authority investments ³	AHVO	5	–	2	274	113	263	291
Other UK public sector investments ⁴	JE5J	1 351	1 259	2 347	2 911	1 703	1 611	3 862
UK PUBLIC SECTOR SECURITIES	RYHC	115 015	99 840	111 346	125 281	170 475	206 969	231 956
UK corporate bonds ⁵	JX62	57 306	55 741	64 351	59 469	61 586	64 508	64 581
Sterling	GQFT	55 550	53 765	62 073	57 086	59 322	61 896	61 938
Foreign currency	GQFU	1 756	1 976	2 278	2 383	2 264	2 612	2 643
UK ordinary shares ⁶	AHVP	152 048	110 571	116 710	121 882	108 631	111 913	109 777
UK preference shares ⁶	J8YF	235	775	833	16	11	29	51
Overseas corporate securities	JRS8	215 068	175 747	214 230	222 751	211 562	226 274	232 277
Bonds	RLPF	44 387	47 612	57 920	60 826	61 129	60 424	61 655
Ordinary shares	AHVR	169 598	127 525	155 577	161 043	149 638	165 141	170 007
Preference shares	RLPC	1 083	610	733	882	795	709	615
Mutual fund investments	JRS9	254 936	211 724	286 493	369 955	385 337	448 583	476 623
UK	J8Y7	194 833	148 798	203 523	266 058	264 652	293 071	302 024
Unit trust units ⁷	JX63	147 536	110 558	148 642	178 027	172 120	208 155	212 566
Other ⁸	JX64	47 297	38 240	54 881	88 031	92 532	84 916	89 458
Overseas	JE4P	60 103	62 926	82 970	103 897	120 685	155 512	174 599
CORPORATE SECURITIES	RYHN	679 593	554 558	682 617	774 073	767 127	851 307	883 309
Overseas government, provincial and municipal securities	AHVT	22 434	21 527	16 900	17 335	21 424	23 768	23 462
Loans	JRT4	417	518	1 768	2 343	1 656	1 313	324
UK ⁹	JE5E	12	–	116	81	77	170	c
Overseas ¹⁰	AHVZ	405	518	1 652	2 262	1 579	1 143	c
Fixed assets ¹¹	JRT5	30 466	22 892	24 957	30 159	32 991	30 705	33 695
UK	JE5F	30 306	22 818	24 718	28 991	32 178	30 372	33 064
Overseas	GOLB	160	74	239	1 168	813	333	631
Investment in insurance managed funds, insurance policies and annuities	RYHS	103 610	86 541	70 318	80 613	93 823	99 896	110 723
Other longer-term assets not elsewhere classified ¹²	J8YA	41 455	45 301	51 100	69 419	81 562	90 893	109 368
OTHER LONGER-TERM ASSETS	RYHW	198 382	176 779	165 043	199 869	231 456	246 575	277 572
LONGER-TERM ASSETS	RYHX	992 990	831 177	959 006	1 099 223	1 169 058	1 304 851	1 392 837

Source: Office for National Statistics

4.2 SELF-ADMINISTERED PENSION FUNDS¹ BALANCE SHEET ASSETS AND LIABILITIES AT MARKET VALUES

continued

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
ASSETS								
Cash	GNOR	–	–	–	–	–	–	–
Balances with banks and building societies in the UK	JX5Q	25 974	20 133	23 054	23 736	23 854	22 929	22 701
Sterling	JX5S	22 615	16 802	19 099	20 043	20 159	18 901	18 193
Foreign currency	JX5U	3 359	3 331	3 955	3 693	3 695	4 028	4 508
Balances with overseas banks	GNOW	807	351	134	197	72	157	349
Other liquid deposits ¹³	GNOX	5 392	4 300	12 431	9 631	11 956	15 265	20 505
Certificates of deposit issued by banks and building societies in the UK ¹⁴	IX8H	8 156	6 480	2 269	2 472	6 498	2 069	1 288
Money market instruments issued HM Treasury ¹⁵	IX9J	304	548	1 709	1 109	1 734	4 116	1 167
UK local authority debt	AHVF	205	323	210	116	157	232	130
Commercial paper issued by UK companies ¹⁶	GQFR	857	367	664	1 135	993	1 254	334
Other UK money market instruments ¹⁷	GOZR	1 893	1 959	2 822	3 416	3 936	2 716	4 655
Money market instruments issued by non-resident businesses	GOZS	1 279	911	963	2 067	3 709	2 752	2 752
Other short-term assets not elsewhere classified ¹⁸	JX5W	1 304	3 474	3 113	3 644	2 311	1 904	1 788
Balances outstanding from stockbrokers and securities dealers ¹⁹	RYIL	28 297	30 536	11 281	7 145	8 241	6 213	5 989
Income accrued on investments and rents	RYIM	2 744	2 576	2 714	2 761	2 930	2 872	3 169
Amounts outstanding from HM Revenue and Customs ¹⁹	RYIN	15	23	32	37	53	67	54
Other debtors and assets not elsewhere classified	RYIO	22 454	24 565	21 464	13 159	8 902	11 387	7 543
Derivative contracts with UK counterparties which have a positive (asset) value ²⁰	JRO3	29 789	35 194	61 862	99 420	170 170	186 184	191 511
Derivative contracts with overseas counterparties which have a positive (asset) value ²⁰	GOJU	8 652	5 835	20 534	19 803	29 445	38 324	49 910
TOTAL ASSETS	RYIR	1 131 112	968 752	1 124 262	1 289 071	1 444 019	1 603 292	1 706 682

Source: Office for National Statistics

4.2 SELF-ADMINISTERED PENSION FUNDS¹ BALANCE SHEET ASSETS AND LIABILITIES AT MARKET VALUES

continued

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
LIABILITIES								
Borrowing ²¹	GQED	16 180	4 461	3 859	2 830	3 361	10 603	16 050
Balances owed to stockbrokers and securities dealers ¹⁹	RYIS	33 965	37 912	13 707	7 312	9 688	7 816	8 267
Pensions due but not paid ²²	RYIT	220	167	280	271	300	5 152	2 672
Derivative contracts with UK counterparties which have a negative (liability) value ²⁰	JRP9	26 187	27 533	37 689	78 322	147 217	149 493	161 962
Derivative contracts with overseas counterparties which have a negative (liability) value ²⁰	GKGR	11 275	6 335	41 110	37 345	42 712	60 725	73 848
Other creditors, provisions and liabilities not elsewhere classified	RYIU	18 327	20 577	21 603	18 889	9 905	9 011	13 236
Market value of pension funds ²³	AHVA	1 024 958	871 767	1 006 014	1 144 102	1 230 836	1 360 492	1 430 647
TOTAL LIABILITIES	RYIR	1 131 112	968 752	1 124 262	1 289 071	1 444 019	1 603 292	1 706 682

1 Combined public and private sector. Data from the pension funds surveys are of lower quality than equivalent data from other institutional groups because of the difficulties in constructing a suitable sampling frame of pension funds.

2 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.

3 Includes local authority securities; negotiable bonds; loans and mortgages.

4 Includes public corporation loans and mortgages and other public sector investments not elsewhere classified.

5 Issued by: banks; building societies and other corporates.

6 Quoted and unquoted.

7 Authorised and unauthorised.

8 Includes property unit trusts; investment trust securities; open-ended investment companies; hedge funds and other mutual fund investments not elsewhere classified.

9 Includes sterling asset backed loans; loans to individuals secured on dwellings; other loans to individuals (including policy loans); loans to businesses and other loans not elsewhere classified. Excludes loans to UK associate companies; bank term deposits and building society investments.

10 Includes loans to parent companies; subsidiaries; associates and other loans not elsewhere classified. Excludes loans categorised as direct investment; loans covered by Export Credit Guarantee Department (ECGD), specific bank guarantees or ECGD buyer credit guarantees.

11 UK and overseas. Includes existing buildings; property; land; new construction work; vehicles; machinery and equipment; valuables and intangibles. Includes the capital value of assets bought on hire purchase or acquired (as lessee) under a finance leasing arrangement and assets acquired for hiring, renting and operating leasing purposes. Excludes the capital value of assets acquired but leased out to others under finance leasing arrangements.

12 UK and overseas. Includes certificates of tax deposit; insurance policies; annuities and loans covered by Export Credit Guarantee Department (ECGD), specific bank guarantees or ECGD buyer credit guarantees. Excludes pre-payments and debtors.

13 Includes money market funds; liquidity funds and cash liquidity funds.

14 Sterling and foreign currency.

15 Includes treasury bills. Excludes UK government securities.

16 Sterling and foreign currency commercial paper issued by: banks; building societies; other financial institutions and other issuing companies.

17 Includes floating rate notes maturing within one year of issue.

18 UK and overseas. Excludes derivative contracts.

19 Gross value.

20 Includes credit default products; employee stock options; other options; other swaps; futures; forwards and other derivative contracts not elsewhere classified.

21 UK and overseas. Includes from a UK perspective: sterling and foreign currency borrowing from UK banks and building societies; borrowing arising from the issue of floating rate notes and preference shares; foreign currency liabilities on back-to-back loans; overdrafts and other borrowing not elsewhere classified. Includes from an overseas perspective: borrowing from banks and other borrowing not elsewhere classified.

22 Excludes any estimated future liabilities.

23 Net value as found in statement of net assets.

Source: Office for National Statistics

4.3 SELF-ADMINISTERED PENSION FUNDS¹ INCOME AND EXPENDITURE

£ million

		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
INCOME										
Employees contributions	RKQI	4 673	4 579	1 047	1 175	1 199	1 245	1 023	1 176 [†]	1 135
Normal contributions	GQFY	4 134	4 029	927	1 051	1 060	1 096	898	1 037 [†]	998
Defined benefit schemes ²	SFWS	3 604	3 544	819	896	895	965	797	900 [†]	882
Defined contribution schemes ³	SFWU	497	445	100	147	156	121	91	127 [†]	106
Hybrid schemes ⁴	SFWW	33	40	8	8	9	10	10	10	10
Additional voluntary contributions ⁵	GQGA	539	550	120	124	139	149	125	139 [†]	137
Defined benefit schemes ²	IQ4D	346	345	77	82	93	90	79	89	87
Defined contribution schemes ³	IQ4E	183	198	41	41	44	57	45	48 [†]	48
Hybrid schemes ⁴	IQ4F	10	7	2	1	2	2	1	2	2
Employers contributions	RKST	42 659	36 343	8 985	9 086	9 858	10 907 [†]	8 282	7 918	9 236
Normal contributions	GAJJ	25 944	23 235	6 094	6 325	6 759	6 094 [†]	5 465	5 537	6 139
Defined benefit schemes ²	SFXF	21 719	19 949	5 096	5 194	5 715	5 284 [†]	4 676	4 704	5 285
Defined contribution schemes ³	SFXI	3 786	2 898	891	1 021	949	721 [†]	681	745	751
Hybrid schemes ⁴	SFXJ	439	388	107	110	95	89	108	88 [†]	103
Special contributions	GAJK	16 715	13 108	2 891	2 761	3 099	4 813 [†]	2 817	2 381	3 097
Defined benefit schemes ²	IQ4G	15 652	12 544	2 740	2 585	2 900	4 524 [†]	2 691	2 326	3 003
Defined contribution schemes ³	IQ4H	189	158	32	57	35	57 [†]	33	31	37
Hybrid schemes ⁴	IQ4I	874	406	119	119	164	232	93	24	57
LESS refunds of contributions ⁶	RKQQ	60	33	7	27	17	9	4	6	14
Total contributions net of refunds	RKAF	47 272	40 889	10 025	10 234	11 040	12 143[†]	9 301	9 088	10 357
Transfers from other pension schemes ⁷	RKQK	1 126	882	254	211	229	301 [†]	193	183	205
Defined benefit schemes ²	IQ4J	1 013	721	227	181	198	264 [†]	159	136	162
Defined contribution schemes ³	IQ4K	107	138	26	28	29	27	30 [†]	41	40
Hybrid schemes ⁴	IQ4L	6	23	1	2	2	10	4	6	3
Rents receivable from properties	RKQA	1 708	1 646	422	425	419	407	381	435 [†]	423
Dividends received from investments	GLZL	8 964	8 889	2 818	2 140	1 951	2 111 [†]	2 691	2 125	1 962
Interest earned on investments	GLZN	10 968	11 652	2 695	2 803	2 925	2 874 [†]	2 840	3 169	2 769
Other income not elsewhere classified ⁸	RKQL	2 764	2 282	734	678	751	680	612 [†]	450	540
TOTAL INCOME⁹	RKQM	72 802	66 240	16 948	16 491	17 315	18 516[†]	16 018	15 450	16 256
EXPENDITURE										
Pensions payable gross of income tax	RKQN	45 324	43 310	11 043	11 346	11 870	10 496 [†]	10 817	10 905	11 092
Lump sums payable on retirement	RKQO	7 843	7 394	2 040	2 110	1 924	1 684 [†]	1 994	1 957	1 759
Death benefits	RKQP	702	768	151	171	172	188	133 [†]	210	237
Transfers to other pension schemes ¹⁰	RKQR	6 084	5 025	1 312	1 901	1 763	893 [†]	860	1 684	1 588
Gross interest and rent incurred ¹¹	RKQS	107	11	33	7	36	1	1	6 [†]	3
Administration costs met by the fund ¹²	GPHK	3 731	3 724	828	949	1 010	981 [†]	807	973	963
Tax payable in the UK on dividend and interest receipts	GLZP	62	39	19	17	11	12	3	14 [†]	10
Other expenditure not elsewhere classified	GPHP	892	1 222	224	298	175	268	281	144 [†]	529
TOTAL EXPENDITURE	RKQU	64 745	61 493	15 650	16 799	16 961	14 523[†]	14 896	15 893	16 181
SURPLUS OF INCOME OVER EXPENDITURE	RKQV	8 057	4 747	1 298	-308	354	3 993[†]	1 122	-443	75
NET TRANSFERS	RSYG	-4 958	-4 143	-1 058	-1 690	-1 534	-592[†]	-667	-1 501	-1 383

1 Combined public and private sector. Data from the pension funds surveys are of lower quality than equivalent data from other institutional groups because of the difficulties in constructing a suitable sampling frame of pension funds.

2 Defined benefit pension schemes are those in which the rules specify the benefits to be paid, some based on final salary and some based on average salary. They are also known as salary related schemes.

3 Defined contribution pension schemes are those in which the benefits are determined by the contributions paid into the scheme and the investment return on those contributions. They are also known as money purchase schemes.

4 Hybrid pension schemes are those with elements of both defined benefit and defined contribution schemes. For example, pensions set as the better of a final salary and a money purchase scheme.

5 Includes in-house additional voluntary contributions only. Excludes contributions into free-standing additional voluntary contribution schemes.

6 Gross of income tax.

7 Includes insurance invested schemes; the state scheme; individual smaller schemes taken over en bloc and miscellaneous transfers.

8 Includes underwriting commissions earned.

9 Excludes profit less losses realised on sales of investments.

10 Includes the state scheme; transfers to personal pension schemes and any miscellaneous transfers.

11 Excludes any administrative cost of running the fund.

12 Includes wages and salaries; employers national insurance contributions; energy and materials for business use; services for business use and investment management fees.

Source: Office for National Statistics

5.1 INVESTMENT TRUSTS' INVESTMENT

£ million

		Net investment		Net investment						
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK government securities denominated in sterling	RLLU	-184	-201	83	-64	-75	-51	-71	-77	-2
Index-linked	RATK	6	-	6	-	-	-	-	-	-
Other ¹	K5HI	-190	-201	77	-64	-75	-51	-71	-77	-2
UK government securities denominated in foreign currency	RAQY	-	-	-	-	-	-	-	-	-
UK local authority investments ²	RARA	-	-	-	-	-	-	-	-	-
Other UK public sector investments ³	AHES	-	-	-	-	-	-	-	-	-
Ordinary shares ⁴										
UK	CBGD	199	184	-104	186	65	-169	109 [†]	49	195
Overseas	AHFC	759	320	181	68	254	135	234	121	-170
Other corporate securities ⁵										
UK	CBGE	47	-7	-1	38	15	25	-1 [†]	1	-32
Overseas	CBGF	-79	16	-30	24	54	51	-5	-13	-17
UK authorised unit trust units	AHET	3	42	-5	-	3	32	-	5	5
Overseas government, provincial and municipal securities	AHEY	-9	-16	118	-14	-122	-44	-1	19	10
UK existing buildings, property, land and new construction work	CBGH	-	2	-	-	-	2	-	-	-
Other longer-term assets not elsewhere classified ⁶										
UK	AHEU	26	-44	21	-4	16	-	-31 [†]	34	-47
Overseas	AHFD	-289	214	-209	149	-204	57 [†]	169	50	-62
LONGER-TERM ASSETS	AHED	473	510	54	383	6	38[†]	403	189	-120
UK local authority debt	AHDK	-	-	-	-	-	-	-	-	-
Certificates of deposit issued by banks and building societies in the UK ⁷	AHDH	-12	-14	4	-23	-7	-15	-7	7	1
Other UK short-term assets ⁸	JX68	139	213	-214	-235	164	-188 [†]	-101	252	250
Overseas short-term assets ⁹	AHDS	-43	378	-36	18	-104	263 [†]	59	-7	63
SHORT-TERM ASSETS	CBGC	84	577	-246	-240	53	60[†]	-49	252	314
TOTAL ASSETS	CBGB	557	1 087	-192	143	59	98[†]	354	441	194
		Net transactions		Net transactions						
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
Borrowing from UK and overseas banks ¹⁰	CBHE	807	-485	92	-78	681	-515 [†]	-248	137	141
Other UK borrowing ¹¹	CBHH	124	274	-4	-63	73	38	156	-50	130
Other overseas borrowing ¹²	CBHJ	-106	90	-4	-115	3	-3	-9	105	-3
Issued share and loan capital ¹³	CBHL	6	1 396	250	-124	-81	70	220	876	230
TOTAL LIABILITIES	CBHP	831	1 275	334	-380	676	-410[†]	119	1 068	498

Source: Office for National Statistics

5.1 INVESTMENT TRUSTS' INVESTMENT

continued

£ million

		Acquisitions		Acquisitions						
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK government securities denominated in sterling	RLLV	739	283	193	127	120	177	44	37	25
Index-linked	RAPL	c	c	c	–	–	c	c	c	c
Other ¹	K5HG	c	c	c	127	120	c	c	c	c
UK government securities denominated in foreign currency	AFLN	–	–	–	–	–	–	–	–	–
UK local authority investments ²	AREO	–	–	–	–	–	–	–	–	–
Other UK public sector investments ³	AREP	–	–	–	–	–	–	–	–	–
Ordinary shares ⁴										
UK	CBGM	6 361	6 762	1 385	1 392	1 350	2 283	1 511 [†]	1 405	1 563
Overseas	RAQF	13 688	14 342	3 582	2 823	3 182	3 906	3 565	3 494	3 377
Other corporate securities ⁵										
UK	CBGO	241	78	18	47	50	35	c	23	c
Overseas	CBGQ	432	396	63	71	101	148	96	61	91
UK authorised unit trust units	AREQ	20	54	5	1	8	c	–	c	9
Overseas government, provincial and municipal securities	AREV	763	343	275	207	95	c	c	c	c
UK existing buildings, property, land and new construction work	CBGS	–	7	–	–	–	c	–	–	c
Other longer-term assets not elsewhere classified ⁶										
UK	ARER	207	496	74	25	67	28	60 [†]	85	323
Overseas	ARFA	1 754	1 939	426	484	429	444 [†]	534	525	436
LONGER-TERM ASSETS	AREA	24 205	24 700	6 021	5 177	5 402	7 162[†]	5 875	5 755	5 908
		Disposals		Disposals						
		2013	2014	2013	2013	2013	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK government securities denominated in sterling	RLLW	923	484	110	191	195	228	115	114	27
Index-linked	RAPM	c	c	c	–	–	c	c	c	c
Other ¹	K5HH	c	c	c	191	195	c	c	c	c
UK government securities denominated in foreign currency	AFLP	–	–	–	–	–	–	–	–	–
UK local authority investments ²	ASEO	–	–	–	–	–	–	–	–	–
Other UK public sector investments ³	ASEP	–	–	–	–	–	–	–	–	–
Ordinary shares ⁴										
UK	CBGN	6 162	6 578	1 489	1 206	1 285	2 452	1 402 [†]	1 356	1 368
Overseas	RAQG	12 929	14 022	3 401	2 755	2 928	3 771	3 331	3 373	3 547
Other corporate securities ⁵										
UK	CBGP	194	85	19	9	35	10	c	22	c
Overseas	CBGR	511	380	93	47	47	97	101	74	108
UK authorised unit trust units	ASEQ	17	12	10	1	5	c	–	c	4
Overseas government, provincial and municipal securities	ASEV	772	359	157	221	217	c	c	c	c
UK existing buildings, property, land and new construction work	CBGT	–	5	–	–	–	c	–	–	c
Other longer-term assets not elsewhere classified ⁶										
UK	ASER	181	540	53	29	51	28	91 [†]	51	370
Overseas	ASFA	2 043	1 725	635	335	633	387 [†]	365	475	498
LONGER-TERM ASSETS	ASEA	23 732	24 190	5 967	4 794	5 396	7 124[†]	5 472	5 566	6 028

Source: Office for National Statistics

5.1 INVESTMENT TRUSTS' INVESTMENT

continued

£ million

		Holdings		Holdings		Holdings		Holdings		Holdings	
		2013	2014	2013	2013	2013	2014	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4
UK local authority debt	AHAK	-	-	-	-	-	-	-	-	-	-
Certificates of deposit issued by banks and building societies in the UK ⁷	AHAH	22	c	52	29	22	c	-	c	c	
Other UK short-term assets ⁸	JX67	2 311	:	:	:	:	:	:	:	:	
Overseas short-term assets ⁹	AHAS	515	:	:	:	:	:	:	:	:	
SHORT-TERM ASSETS	CBGX	2 848	:	:	:	:	:	:	:	:	

		Amounts outstanding		Amounts outstanding		Amounts outstanding		Amounts outstanding		Amounts outstanding	
		2013	2014	2013	2013	2013	2014	2014	2014	2014	2014
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4
Borrowing from UK and overseas banks ¹⁰	CBHD	3 652	3 167	3 049	2 971	3 652	3 137 [†]	2 889	3 026	3 167	
Other UK borrowing ¹¹	CBHG	989	1 263	979	916	989	1 027	1 183	1 133	1 263	
Other overseas borrowing ¹²	CBHI	11	c	123	8	11	c	-1	c	c	
Issued share and loan capital ¹³	CBHK	3 741	:	:	:	:	:	:	:	:	
TOTAL LIABILITIES	CBHO	8 393	:	:	:	:	:	:	:	:	

1 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.

2 Includes local authority securities; negotiable bonds; loans and mortgages.

3 Includes public corporation loans and mortgages and other public sector investments not elsewhere classified.

4 UK and overseas. Quoted and unquoted. Includes investment trust securities.

5 Includes corporate bonds and preference shares.

6 UK and overseas. Includes mutual funds investments (except UK authorised unit trust units); other UK fixed assets; overseas fixed assets and other longer-term assets not elsewhere classified.

7 Sterling and foreign currency.

8 Includes cash in hand; balances with banks and building societies, other liquid deposits; money market instruments; commercial paper; balances due from stockbrokers and securities dealers; net transactions in derivative contracts and other short-term assets not elsewhere classified.

9 Includes balances with banks; money market instruments; net transactions in derivative contracts and other short-term assets not elsewhere classified.

10 Sterling and foreign currency. Includes foreign currency liabilities on back-to-back loans and overdrafts.

11 Includes sterling and foreign currency borrowing from building societies; issue of securities (other than ordinary shares); issue of sterling commercial paper and other borrowing not elsewhere classified (such as borrowing from parent, subsidiary and associate companies, and other related concerns).

12 Includes borrowing from related companies and other borrowing not elsewhere classified.

13 Quoted and unquoted. Includes ordinary shares; preference shares; deferred stocks; bonds; debentures and loan stocks.

Source: Office for National Statistics

5.2 INVESTMENT TRUSTS' ASSETS AND LIABILITIES AT MARKET VALUES

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
ASSETS								
UK government securities denominated in sterling	RLLT	715	628	585	466	681	857	487
Index-linked	AFIS	–	–	–	8	95	c	45
Other ¹	K5HJ	715	628	585	458	586	c	442
UK government securities denominated in foreign currency	CBPP	–	–	–	–	–	–	–
UK local authority investments ²	AHBR	–	–	–	–	–	–	–
Other UK public sector investments ³	AHBS	–	–	–	–	–	–	–
UK ordinary shares								
Quoted ⁴	AHBM	21 848	13 428	16 297	17 547	17 329	18 655	18 907
Unquoted	AHBQ	1 186	938	1 349	1 336	1 437	1 363	1 323
Overseas ordinary shares	AHCC	25 795	18 385	23 865	29 341	29 083	30 758	31 859
Other corporate securities ⁵								
UK	CBGZ	1 259	813	665	560	529	470	498
Overseas	CBHA	1 038	623	939	1 304	1 344	1 129	1 217
UK authorised unit trust units	AHBT	–	28	33	42	76	53	86
Overseas government, provincial and municipal securities	AHBY	151	410	256	410	254	251	118
UK existing buildings, property, land and new construction work	CBHB	154	142	141	197	1 522	1 538	158
Other longer-term assets not elsewhere classified ⁶	AMSE	3 462	3 684	3 824	4 618	5 439	5 744	6 240
LONGER-TERM ASSETS	AHBD	55 608	39 079	47 954	55 821	57 694	60 818	60 893
Short-term assets	CBGX	3 303	3 397	2 522	2 174	2 893	3 015	2 848
TOTAL ASSETS	CBGW	58 911	42 476	50 476	57 995	60 587	63 833	63 741
LIABILITIES								
Borrowing from UK and overseas banks ⁷	CBHD	2 708	2 553	2 216	2 359	2 897	2 845	3 652
Other UK borrowing ⁸	CBHG	988	1 012	1 062	1 123	914	865	989
Other overseas borrowing ⁹	CBHI	–	225	185	186	126	117	11
Issued share and loan capital ¹⁰	CBHK	5 659	3 834	3 627	3 361	4 395	4 345	3 741
TOTAL LIABILITIES	CBHO	9 355	7 624	7 090	7 029	8 332	8 172	8 393
NET ASSETS	CBHM	49 556	34 852	43 386	50 966	52 255	55 661	55 348

1 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.

2 Includes local authority securities; negotiable bonds; loans and mortgages.

3 Includes public corporation loans and mortgages and other public sector not elsewhere classified

4 Includes investment trust securities.

5 Includes corporate bonds and preference shares.

6 Includes UK unauthorised unit trust units; UK open-ended investment companies; overseas mutual fund investments; other UK fixed assets; overseas fixed assets; overseas direct investment and other UK and overseas assets not elsewhere classified.

7 Sterling and foreign currency. Includes foreign currency liabilities on back-to-back loans and overdrafts.

8 Includes sterling and foreign currency borrowing from building societies; issue of securities (other than ordinary shares); issue of sterling commercial paper and other borrowing not elsewhere classified (such as borrowing from parent, subsidiary and associate companies, and other related concerns).

9 Includes borrowing from related companies and other borrowing not elsewhere classified.

10 Quoted and unquoted. Includes ordinary shares; preference shares; deferred stocks; bonds; debentures and loan stocks.

Source: Office for National Statistics

6.1 UNIT TRUSTS AND PROPERTY UNIT TRUSTS' INVESTMENT

continued

£ million

		Acquisitions		Acquisitions							
		2013	2014	2013	2013	2013	2014	2014	2014	2014	
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	
UK government securities denominated in sterling	RLHS	51 274	63 745	13 435	13 004	10 662	20 865 [†]	14 745	14 873	13 262	
Index-linked	RBNN	8 354	9 066	2 288	1 901	1 365	2 845	2 298 [†]	1 668	2 255	
Other ¹	K5HR	42 920	54 679	11 147	11 103	9 297	18 020 [†]	12 447	13 205	11 007	
Ordinary shares ²											
UK	RLIM	85 262	93 204	20 114	18 508	24 035	24 755 [†]	26 720	21 207	20 522	
Overseas	RLIN	173 559	153 405	43 848	40 166	40 397	41 498 [†]	38 935	36 593	36 379	
Other corporate securities ³											
UK	RLHT	25 159	28 360	6 587	4 549	6 463	6 016 [†]	8 243	8 419	5 682	
Overseas	RLHU	56 107	64 061	13 450	12 603	15 291	15 243 [†]	18 985	13 953	15 880	
Overseas government, provincial and municipal securities	RLIO	33 787	35 427	10 886	7 716	7 033	8 959	c	c	9 072	
UK existing buildings, property, land and new construction work	RLIV	1 692	3 812	254	625	513	780	c	c	806	
Other longer-term assets not elsewhere classified ⁴	K966	50 439	56 841	11 041	12 008	15 310	12 835 [†]	15 663	13 149	15 194	
LONGER-TERM ASSETS	GNIN	477 279	498 855	119 615	109 179	119 704	130 951[†]	133 975	117 132	116 797	
		Disposals		Disposals							
		2013	2014	2013	2013	2013	2014	2014	2014	2014	
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	
UK government securities denominated in sterling	RLHY	46 906	54 708	11 281	12 600	10 390	13 865 [†]	13 284	13 237	14 322	
Index-linked	RBNO	10 167	7 318	2 854	2 003	1 891	1 988	1 784 [†]	1 432	2 114	
Other ¹	K5HS	36 739	47 390	8 427	10 597	8 499	11 877 [†]	11 500	11 805	12 208	
Ordinary shares ²											
UK	RLIY	81 100	87 248	17 624	17 953	21 675	23 342 [†]	24 583	18 922	20 401	
Overseas	RLIZ	158 244	153 403	38 502	38 552	37 122	41 776 [†]	37 835	34 899	38 893	
Other corporate securities ³											
UK	RLHZ	23 951	23 998	6 221	5 142	4 867	5 305 [†]	7 052	6 582	5 059	
Overseas	RLJA	47 493	50 075	11 241	10 570	12 869	12 006 [†]	14 623	10 947	12 499	
Overseas government, provincial and municipal securities	RLJB	31 344	29 374	10 644	6 844	6 945	8 216	c	c	7 404	
UK existing buildings, property, land and new construction work	RLJJ	484	1 860	26	224	98	232	c	c	140	
Other longer-term assets not elsewhere classified ⁴	K967	47 591	56 011	10 793	11 446	14 881	11 009 [†]	17 198	13 549	14 255	
LONGER-TERM ASSETS	GNIO	437 113	456 677	106 332	103 331	108 847	115 751[†]	124 097	103 856	112 973	

Source: Office for National Statistics

6.1 UNIT TRUSTS AND PROPERTY UNIT TRUSTS' INVESTMENT

continued

£ million

		Holdings		2013		2013		2014		2014	
		2013	2014	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Cash in hand and balances with banks in the UK ⁵	GNIU	24 573	23 453	21 882	22 157	24 573	24 675	24 528 [†]	25 903	23 453	
Other UK short-term assets ⁶	GNIW	33 361	:	:	:	:	:	:	:	:	
Overseas short-term assets ⁷	GNIW	4 087	2 719	4 535	4 554	4 087	4 105	4 355 [†]	4 310	2 719	
SHORT-TERM ASSETS	CBHS	62 021	:	:	:	:	:	:	:	:	

		Amounts outstanding		2013		2013		2014		2014	
		2013	2014	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Borrowing from UK and overseas banks ⁸	RLLF	3 154	2 757	2 762	2 781	3 154	2 962 [†]	3 467	3 342	2 757	
Other UK borrowing ⁹	RLLH	34	109	34	25	34	48	c	c	109	
Other overseas borrowing ¹⁰	RLLI	–	–	–	–	–	–	–	–	–	
Derivative contracts with UK and overseas counterparties which have a negative (liability) value ¹²	KUU6	26 255	:	:	:	:	:	:	:	:	
Other creditors, provisions and liabilities not elsewhere classified	KUU7	1 740	:	:	:	:	:	:	:	:	
Liability attributable to unit and share holders	RLLG	835 226	:	:	:	:	:	:	:	:	
TOTAL LIABILITIES	RLLLE	866 409	:	:	:	:	:	:	:	:	

1 Includes securities of: 0 up to 15 years maturity; over 15 years maturity and undated maturity. Excludes treasury bills and index-linked securities.

2 UK and overseas. Quoted and unquoted. Includes investment trust securities.

3 Includes corporate bonds and preference shares.

4 UK and overseas. Includes UK government securities denominated in foreign currency; local authority and public corporation securities; mutual fund investments; other UK fixed assets; overseas fixed assets; direct investment and other assets not elsewhere classified.

5 Sterling and foreign currency.

6 Includes balances with building societies; other liquid deposits; certificates of deposit; money market instruments; commercial paper; local authority debt; balances due from stockbrokers and securities dealers; net transactions in derivative contracts and other short-term assets not elsewhere classified.

7 Includes balances with banks; money market instruments; net transactions in derivative contracts and other short-term assets not elsewhere classified.

8 Sterling and foreign currency. Includes foreign currency liabilities on back-to-back loans and overdrafts.

9 Includes sterling and foreign currency borrowing from building societies; issue of securities (other than ordinary shares); issue of sterling commercial paper and other borrowing not elsewhere classified (such as borrowing from parent, subsidiary and associate companies, and other related concerns).

10 Includes borrowing from related companies and other borrowing not elsewhere classified.

11 Reflects data collected on a quarterly basis. Data are not comparable with the annual total liabilities estimate in table 6.2. This is due to the exclusion of figures for derivative contracts, other creditors, provisions and liabilities not elsewhere classified, which are only collected annually.

12 Includes credit default products; employee stock options; other options; other swaps; futures; forwards and other derivative contracts not elsewhere classified.

Source: Office for National Statistics

6.2 UNIT TRUSTS AND PROPERTY UNIT TRUSTS' BALANCE SHEET ASSETS AND LIABILITIES AT MARKET VALUES

£ million at end of year

		2007	2008	2009	2010	2011	2012	2013
ASSETS								
UK government securities denominated in sterling ¹	CBHT	32 120	33 466	29 331	33 306	37 116	36 033	37 275
Ordinary shares ²								
UK	RLIB	195 009	143 550	167 401	204 616	179 940	201 822	234 866
Overseas	RLIC	142 211	113 667	150 863	200 028	187 714	215 705	265 209
Other corporate securities ³								
UK	CBHU	30 626	30 174	36 646	52 786	52 735	63 546	60 803
Overseas	CBHV	30 029	30 442	43 301	49 098	48 388	62 870	67 946
Overseas government, provincial and municipal securities	CBHW	3 880	5 754	5 810	9 251	14 797	19 604	19 698
UK existing buildings, property, land and new construction work	RLIE	12 480	8 518	7 248	9 484	13 220	13 498	13 576
Other longer-term assets not elsewhere classified ⁴	CBHX	38 707	42 670	49 417	60 029	66 640	81 849	105 015
Short-term assets	CBHS	27 969	35 224	37 263	48 382	45 001	53 734	62 021
of which:								
Derivative contracts with UK and overseas counterparties which have a positive (asset) value ⁵	KUU5	7 271	13 151	17 132	25 944	18 168	25 644	27 923
TOTAL ASSETS	CBHR	513 031	443 465	527 280	666 980	645 551	748 661	866 409
LIABILITIES								
Borrowing from UK and overseas banks ⁶	RLLF	2 603	3 486	1 541	991	1 992	3 430	3 154
Other UK borrowing ⁷	RLLH	36	80	26	74	350	83	34
Other overseas borrowing ⁸	RLLI	–	–	54	–	–	–	–
Derivative contracts with UK and overseas counterparties which have a negative (liability) value ⁵	KUU6	6 382	11 890	15 294	23 676	17 464	22 832	26 255
Other creditors, provisions and liabilities not elsewhere classified	KUU7	2 562	3 442	5 524	7 228	14 087	5 460	1 740
Liability attributable to unit and share holders	RLLG	501 448	424 567	504 841	635 011	611 658	716 856	835 226
TOTAL LIABILITIES	RLL E	513 031	443 465	527 280	666 980	645 551	748 661	866 409

1 Includes securities of: 0 up to 15 years maturity; over 15 years maturity; undated maturity and index-linked. Excludes treasury bills.

2 UK and overseas. Quoted and unquoted. Includes investment trust securities.

3 Includes corporate bonds and preference shares.

4 UK and overseas. Includes UK government securities denominated in foreign currency; local authority and public corporation securities; mutual fund investments; other UK fixed assets; overseas fixed assets; direct investment and other assets not elsewhere classified.

5 Includes credit default products; employee stock options; other options; other swaps; futures; forwards and other derivative contracts not elsewhere classified.

6 Sterling and foreign currency. Includes foreign currency liabilities on back-to-back loans and overdrafts.

7 Includes sterling and foreign currency borrowing from building societies; issue of securities (other than ordinary shares); issue of sterling commercial paper and other borrowing not elsewhere classified (such as borrowing from parent, subsidiary and associate companies, and other related concerns).

8 Includes borrowing from related companies and other borrowing not elsewhere classified.

Source: Office for National Statistics