

## Condensed consolidated statement of financial position

### Assets

	Note	2013 £m		2012* £m	
		30 Jun	30 Jun	31 Dec	31 Dec
Intangible assets attributable to shareholders:					
Goodwill	M	1,474	1,467	1,469	
Deferred acquisition costs and other intangible assets	N	5,538	4,237	4,177	
Total		7,012	5,704	5,646	
Intangible assets attributable to with-profits funds:					
In respect of acquired subsidiaries for investment purposes		178	178	178	
Deferred acquisition costs and other intangible assets		79	84	78	
Total		257	262	256	
Total intangible assets		7,269	5,966	5,902	
Other non-investment and non-cash assets:					
Property, plant and equipment		868	787	754	
Reinsurers' share of insurance contract liabilities†		7,204	1,698	6,854	
Deferred tax assets	H	2,637	2,169	2,306	
Current tax recoverable		191	302	248	
Accrued investment income		2,726	2,686	2,771	
Other debtors		2,318	1,784	1,325	
Total		15,944	9,426	14,258	
Investments of long-term business and other operations:					
Investment properties		10,583	10,532	10,554	
Investments in joint ventures and associates accounted for using the equity method		696	587	635	
Financial investments‡:					
Loans	P	13,230	10,800	12,743	
Equity securities and portfolio holdings in unit trusts		112,258	89,098	98,626	
Debt securities	Q	138,256	127,349	138,907	
Other investments		6,140	7,828	7,547	
Deposits		13,542	11,951	12,248	
Total		294,705	258,145	281,260	
Assets held for sale§	AB	1,079	–	98	
Cash and cash equivalents		6,840	6,335	6,126	
<b>Total assets</b>	<b>K</b>	<b>325,837</b>	<b>279,872</b>	<b>307,644</b>	

\* The Group has adopted new accounting standards on consolidated financial statements and joint arrangements, from 1 January 2013 as described in note B. Accordingly, the 2012 comparative results and related notes have been adjusted retrospectively from those previously published for the application of these standards.

† The increase of reinsurers' share of insurance contract liabilities and other liabilities from 30 June 2012 to 31 December 2012 and 30 June 2013 is attributed to amounts due to the reinsurance arrangements attaching to the purchase by Jackson of REALIC in September 2012.

‡ Included within financial investments are £5,076 million of lent securities as at 30 June 2013 (30 June 2012: £5,273 million; 31 December 2012: £3,015 million), and £2,206 million of loans and debt securities covering liabilities for funds withheld under reinsurance arrangements of the Group's US operations from the purchase of REALIC in the second half of 2012 (31 December 2012: £2,012 million).

§ The Group agreed in July 2013 to sell, subject to regulatory approval, its closed book life assurance business in Japan. As at 30 June 2013, the business was classified as held for sale.

## Condensed consolidated statement of financial position

### Equity and liabilities

	Note	2013 £m	2012* £m	
		30 Jun	30 Jun	31 Dec
<b>Equity</b>				
Shareholders' equity		9,625	9,292	10,359
Non-controlling interests		6	34	5
<b>Total equity</b>		<b>9,631</b>	<b>9,326</b>	<b>10,364</b>
<b>Liabilities</b>				
Policyholder liabilities and unallocated surplus of with-profits funds:				
Contract liabilities (including amounts in respect of contracts classified as investment contracts under IFRS 4)	V	272,728	233,507	257,674
Unallocated surplus of with-profits funds	V	11,434	9,802	10,589
<b>Total</b>		<b>284,162</b>	<b>243,309</b>	<b>268,263</b>
Core structural borrowings of shareholder-financed operations:				
Subordinated debt		3,161	2,638	2,577
Other		988	958	977
<b>Total</b>	S	<b>4,149</b>	<b>3,596</b>	<b>3,554</b>
Other borrowings:				
Operational borrowings attributable to shareholder-financed operations	T	2,530	2,794	2,245
Borrowings attributable to with-profits operations	T	924	895	968
Other non-insurance liabilities:				
Obligations under funding, securities lending and sale and repurchase agreements		2,889	2,563	2,381
Net asset value attributable to unit holders of consolidated unit trusts and similar funds		5,394	4,186	5,145
Deferred tax liabilities	H	4,102	3,909	3,964
Current tax liabilities		325	625	443
Accruals and deferred income		538	544	751
Other creditors		3,743	2,955	2,701
Provisions		537	403	591
Derivative liabilities		2,226	3,453	2,832
Other liabilities†		3,661	1,314	3,442
<b>Total</b>		<b>23,415</b>	<b>19,952</b>	<b>22,250</b>
Liabilities held for sale§	AB	1,026	–	–
<b>Total liabilities</b>		<b>316,206</b>	<b>270,546</b>	<b>297,280</b>
<b>Total equity and liabilities</b>	K	<b>325,837</b>	<b>279,872</b>	<b>307,644</b>

\* The Group has adopted new accounting standards on consolidated financial statements and joint arrangements from 1 January 2013 as described in note B. Accordingly, the 2012 comparative results and related notes have been adjusted retrospectively from those previously published.

† The increase of reinsurers' share of insurance contract liabilities and other liabilities from 30 June 2012 to 31 December 2012 and 30 June 2013 is attributed to amounts due to the reinsurance arrangements attaching to the purchase by Jackson of REALIC in September 2012.

§ The Group agreed in July 2013 to sell, subject to regulatory approval, its closed book life assurance business in Japan. As at 30 June 2013, the business was classified as held for sale.