

MEDICAL DEFENCE RISK MANAGEMENT LIMITED

DIRECTOR'S REPORT

The director presents the annual report together with the financial statement for the year ended 31 December 2003.

❶ RESULTS AND REVIEW OF THE BUSINESS

The company did not trade during the year and is not expected to trade in the foreseeable future. There has been neither income nor expenditure and therefore the company made neither profit nor loss.

❷ DIRECTOR

The director who held office during the year was:-

M T Saunders

The director had no interest in the share capital of the company.

By Order of the Board
12 January 2004

N J Bowman

N J Bowman
Secretary

MEDICAL DEFENCE RISK MANAGEMENT LIMITED

BALANCE SHEET

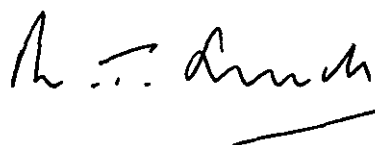
31 DECEMBER 2003

	2003 £	2002 £
CURRENT ASSETS		
Debtor - amount due from parent undertaking	2	2
	<u>2</u>	<u>2</u>
CAPITAL		
Called up share capital:		
Ordinary shares of £1 each:		
Authorised	1000	
	<u>1000</u>	
Allotted, called up and nil paid	2	2
	<u>2</u>	<u>2</u>

1. For the year ended 31 December 2003 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
2. Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.
3. The directors acknowledge their responsibility for:
 - (a) ensuring the company keeps accounting records that comply with section 221; and
 - (b) preparing accounts that give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the Director

12 January 2004



M T Saunders
Director

Note: The company is a wholly owned subsidiary of The Medical Defence Union Limited, a company limited by guarantee, which is incorporated in England. In the opinion of the director The Medical Defence Union Limited is the controlling party. The Medical Defence Union Limited is also the parent undertaking of the only Group which produces accounts including this Company. These Group accounts can be obtained at the Registrar of Companies, Crown Way, Cardiff, CF4 3UZ.