Registered number: 05636081

Annual Report and Financial Statements 2024

LV Insurance Management Limited

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Company Information

Directors:	S Diffey S Raffard H Topham
Company Secretary:	C M Twemlow
Registered office:	57 Ladymead Guildford Surrey GU1 1DB
Registered number:	05636081
Independent auditors:	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT

The Directors present their Strategic Report for the year ended 31 December 2024.

LV Insurance Management Limited (“LVIM”, “the Company”) is a wholly owned subsidiary of Liverpool Victoria General Insurance Group Limited (“LVGIG”), which via an intermediate holding company, is owned by Allianz (UK) Limited (“AZ(UK)”). AZ(UK) and its subsidiaries are collectively referred to in this document as “Allianz UK”. The Company’s ultimate shareholder is Allianz Societas Europaea (“Allianz SE”), which is headquartered in Germany. Allianz SE and its subsidiaries are collectively referred to in this document as “Allianz SE Group”.

Principal activities
The Company provides management services to other Allianz UK companies. In return for the services provided, the Company charges a mark-up to some Allianz UK entities on their costs.

Business review
The results for the year are set out in the Statement of Profit and Loss and Other Comprehensive Income on page 10. The profit for the year wholly attributable to the equity holder amounted to £750k (2023: £343k).

Key Performance Indicators ("KPIs")
The financial KPIs monitored by the Company are profit before tax and total equity. The profit before tax for the year amounted to £885k (2023: £449k) and total equity was £721k (2023: £29k net liabilities value). The profit for the year was attributable to the mark-up charged to other LVGIG subsidiaries when expenses are recharged.

Principal risks and uncertainties
Given the nature of the operations, the Directors do not consider there are any significant risks and uncertainties facing the Company.

For further information on Capital management and risk management, please see note 20.

Future outlook
No changes in the principal activities are anticipated in the foreseeable future.

Going concern
The Directors, having undertaken an assessment, are confident in the Company's ability to continue as a going concern. For more information on the going concern assessment please refer to the Directors’ Report on page 4.

Section 172 (1) Companies Act 2006 Statement
Section 172 (1) of the Companies Act 2006 (the “Act”) requires the Directors of a company to act in a way that promotes the success of the Company for the benefit of its members as a whole. This statement sets out how the Directors have had regard to the matters set out in section 172(1) of the Act when performing their duties. The Directors have acted in a way that they considered, both individually and collectively, in good faith, would be most likely to promote the success of the Company for the benefit of its members, having had regard to the stakeholders set out in section 172(1)(a) to (f) of the Act in the decisions taken during the year.

Allianz UK operated a combined board (the “Combined Board”) during the year comprising its key operating and holding companies. As a result of the governance structure of Allianz UK, strategic decisions and matters which affect Allianz UK are considered by the Combined Board or its committees to an appropriate extent for Allianz UK. Certain Group stakeholders and their interests (including employees, community and the environment) are considered at and actions concerning them determined for Allianz UK by the Combined Board and its committees, rather than at a subsidiary board level.

In line with the duty to promote the success of the Company for the benefit of its shareholder, the Company’s Board must have regard to the overall strategy and direction of Allianz UK, including the impact on broader stakeholders of Allianz UK when making decisions. Stakeholders, their interests and the manner in which the Company engages with them, are integral to how the Company conducts business.

The Company’s key stakeholders are its shareholder, LVGIG, other entities within Allianz UK and employees working in its business (who are employed by another entity within Allianz UK). The Board also consider wider stakeholders, where relevant, such as the local communities in which it operates.

During 2024, the Company’s Board met to approve the Annual Report and Financial Statements for the year ended 31 December 2023. In approving the Annual Report and Financial Statements, the Board considered whether the statements provided a true and fair view of the status of affairs of the Company. During the year, the Board also approved changes to its composition with a view that the appointments would promote the success of the Company for the benefit of its stakeholders.

On behalf of the Board

H Topham
Director
23 July 2025

The Directors present their Annual Report and Financial Statements for the year ended 31 December 2024.

As permitted by section 414C(11) of the Act, certain information is not included in the Directors' Report because it has instead been shown in the Strategic Report. This information is:

- Principal risks and uncertainties;
- Results for the year;
- Principal activities of the Company; and
- Business review and future prospects.

Directors

The Directors who held office during the year, and up to the date of signing the Financial Statements, were as follows:

S Diffey (appointed 16 May 2025)
C J Johnson (appointed 13 December 2024 and resigned 30 April 2025)
M P Milliner (resigned 26 April 2024)
K Misson (appointed 18 July 2024 and resigned 14 November 2024)
S Raffard
H Topham

Directors' Liabilities

A qualifying third-party indemnity was in force during the financial year and at the date of approval of the Financial Statements.

Dividends

No interim dividend was paid for the year ended 31 December 2024 (2023: £nil). The Directors do not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: £nil).

Going concern

The Directors, having undertaken an assessment are confident in the Company's ability to continue as a going concern. In previous years, the Company has been provided with a letter of support from AzH to enable the Financial Statements to be presented on a going concern basis. A letter of support was in place which covers the net liability position reported as at 31 December 2023. Given that the Company is reporting a net asset position as at 31 December 2024, the letter of support is no longer obtained.

Independent Auditors

Pursuant to section 487(2) of the Act, PricewaterhouseCoopers LLP will be deemed to have been re-appointed as auditors at the end of 28 days beginning with the day on which copies of the Annual Report and Financial Statements are sent to Members.

By order of the Board

C M Twemlow
Company Secretary
23 July 2025

Statement of Directors' responsibilities in respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Financial Statements in accordance with UK-adopted international accounting standards.

Under company law, Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Act.

The Directors are responsible for the maintenance and integrity of the Company's Financial Statements published on the Allianz UK website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board

H. Topham

H Topham
Director
23 July 2025

Independent auditors' report to the members of LV Insurance Management Limited

Report on the audit of the financial statements

Opinion

In our opinion, LV Insurance Management Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of Financial Position as at 31 December 2024; the Statement of Profit and Loss and Other Comprehensive Income and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journals and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with the Board and management, including consideration of known or suspected instances of non compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Board of Directors;
- Testing and challenging, where appropriate, the assumptions and judgements made by management in their accounting estimates;
- Identifying and testing journal entries, in particular any journal entries that are determined to demonstrate fraud characteristics; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Alex Marjoribanks (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 July 2025

Statement of Profit and Loss and Other Comprehensive Income for the Year Ended 31 December 2024

	Note	2024 £'000	2023 £'000
Revenue	3	19,190	11,226
Administrative expenses	4	(17,825)	(11,056)
Operating profit		**1,365**	**170**
Finance costs	5	(480)	(1,030)
Other income	6	-	1,309
Profit before tax		**885**	**449**
Income tax expense	7(a)	(135)	(106)
Profit for the year wholly attributable to the equity holder		**750**	**343**

There has been no other comprehensive income for the year ended 31 December 2024 (2023: £nil).

The accounting policies and notes on pages 13 to 24 are an integral part of these Financial Statements.

Statement of Changes in Equity
For the Year Ended 31 December 2024

	Share capital	Accumulated losses	Total
	£'000	£'000	£'000
Balance as at 1 January 2023	1,045	(1,417)	(372)
Profit for the year	-	343	343
Total comprehensive income for the year	-	343	343
Balance as at 31 December 2023	**1,045**	**(1,074)**	**(29)**
Profit for the year	-	750	750
Total comprehensive income for the year	-	750	750
Balance as at 31 December 2024	**1,045**	**(324)**	**721**

The accounting policies and notes on pages 13 to 24 are an integral part of these Financial Statements.

Statement of Financial Position
As at 31 December 2024

		2024	2023
Assets	Note	**£'000**	**£'000**
Intangible assets	8	1,369	18,389
Property, plant and equipment	9	17	56
Right of use assets	10	44	490
Deferred tax assets	7(c)	1,067	1,227
Current tax assets	7(b)	57	-
Prepayments	11	36	208
Cash and cash equivalents	12	10	58
Total assets		**2,600**	**20,428**
Equity and liabilities			
Equity			
Share capital	13	(1,045)	(1,045)
Accumulated losses		324	1,074
Total equity		**(721)**	**29**
Liabilities			
Provisions for other liabilities and charges	15	(164)	(153)
Lease liabilities	10	-	(390)
Loan from related party	16	-	(15,750)
Trade and other payables	14	(1,715)	(4,034)
Current tax liabilities	7(b)	-	(130)
Total liabilities		**(1,879)**	**(20,457)**
Total equity and liabilities		**(2,600)**	**(20,428)**

The accounting policies and notes on pages 13 to 24 are an integral part of these Financial Statements.

These Financial Statements on pages 10 to 24 were approved by the Board of Directors on 23 July 2025 and signed on its behalf by:

H Topham
Director
23 July 2025
LV Insurance Management Limited
Registered Number: 05636081

1. ACCOUNTING POLICIES

1.1 Company and its operations
LV Insurance Management Limited is a private limited company incorporated in England and Wales and domiciled in the United Kingdom. The Company provides management services to other Allianz UK companies.

1.2 Statement of compliance
The Financial Statements of the Company have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Act as applicable to companies reporting under those standards.

1.3 Basis of preparation
These Financial Statements have been prepared in accordance with Financial Reporting Standards 101 "Reduced Disclosure Framework" ("FRS101") and in accordance with the Act as applicable to companies using FRS101. In preparing these Financial Statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted International accounting standards), but makes amendments where necessary in order to comply with the Act and to take advantage of FRS101 disclosure exemptions.

The Company has taken advantage of the IAS 7 Statement of Cash Flows exemption under FRS101 and has not presented a Statement of Cash Flows.

The Financial Statements have been prepared on the historical cost basis. The functional and presentational currency is British Pounds.

Going concern
These Financial Statements have been prepared on a going concern basis. For more information on the going concern assessment please refer to the Director's Report on page 4.

New standards and interpretations adopted by the Company
There are no new standards and interpretations affecting the Company that are mandatorily effective from 1 January 2024. The accounting policies have been consistently applied unless a new policy has been implemented.

New standards and interpretations not yet adopted by the Company
New standards and interpretations which are not mandatorily effective have not been applied in preparing these Financial Statements. The Company does not plan to adopt these standards early; instead it will apply the standards from the effective date as determined by the date of UK Endorsement Board.

New amendments to existing standards adopted by the Company

Amendments to IAS 1 'Presentation of Financial Statements'
Amendments to the classification of liabilities as either current or non-current, and non-current liabilities with covenants, clarify that the classification of liabilities as either current or non-current is based solely on the Company's right to defer settlement for at least 12 months at the reporting date. The right needs to exist at the reporting date and must have substance. The amendments also aim to improve the quality of information the Company provides related to liabilities subject to these conditions. These amendments have not had any impact on the Company.

1.4 Summary of material accounting policies
The Company has identified the accounting policies that are most significant to its business operations and the understanding of its results. Judgements made by management in the application of International Financial Reporting Standards that have a significant effect on the Financial Statements and estimates with a significant risk of significant adjustments in the next year are discussed in note 2.

The material accounting policy information adopted in the preparation of the Financial Statements are set out in the following paragraphs:

(a) Revenue recognition
Revenue recognised primarily relates to recharged expenses the Company handles on behalf of Allianz UK. Revenue is measured at the fair value of the consideration received (including the mark-up on the expenses reallocated to other Allianz UK entities). Revenue is recognised when the performance obligation has been satisfied. This revenue is recognised in parallel with the recognition of the underlying expenses to be charged.

The Company has one performance obligation within its revenue stream:
• Rendering of services to related parties - The performance obligation is the re-allocation of expenses incurred on behalf of Allianz UK. This obligation is satisfied when the expenses are recharged and as such the revenue is recognised immediately.

(b) Administrative expenses
Administrative expenses incurred during the financial year are recognised as they are incurred.

(c) Income taxes
Income tax on profit and loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Profit and Loss and Other Comprehensive Income. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the Statement of Financial Position (“SOFP”) date, together with adjustments to tax payable in respect of prior years.

Deferred tax is provided in full using the liability method on all temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the SOFP date. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantially enacted at the SOFP date.

Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. The carrying amount of deferred income tax assets are reviewed at each SOFP date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Group tax losses are utilised when available. Consideration paid for group relief is accounted for in the Financial Statements as though the payment has been made to the relevant tax authorities.

(d) Intangible assets
Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired separately from a business are carried initially at cost.

Intangible assets with a finite life are amortised on a straight line basis over their expected useful lives, as follows:

Asset class	**Useful Life**
Computer Software	3 – 8 years

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable. Costs associated with the development of software for internal use are capitalised only if the software is technically feasible for sale or use on completion and the Company has both the intent and sufficient resources to complete the development. Subsequent expenditure is capitalised only if the asset can be reliably measured, will generate future economic benefits and there is an ability to use or sell the asset.

(e) Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation
Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the SOFP date, of each asset evenly over its expected useful life as follows:

Asset class	**Useful Life**
Leasehold property enhancements*	10 years or lease term if shorter
Fixtures and fittings	3 to 10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

*These are in relation to properties used for operational purposes and are not investment properties.

(f) Company as a Lessee
At inception of a contract, the Company assesses whether the contract is or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made or incentives received at or before the commencement date, plus initial direct costs incurred and an estimate of costs to dismantle, remove and restore the underlying asset and the site on which it is located.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the asset's useful life or end of the lease term, in line with the Company's policy for Property and Equipment. The Company applies IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired.

The lease liability is initially measured at the present value of the lease payments outstanding at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is subsequently measured by reducing the carrying amount to reflect lease payments and increasing the carrying amount to reflect interest on the lease liability. The carrying amount will also be adjusted to reflect any reassessment or lease modifications specified in the standard.

(g) Prepayments
Prepayments are recognised to the extent that a payment has been made in relation to an asset where the benefit will be recognised in a future period.

(h) Cash and cash equivalents
Cash and cash equivalents are initially recognised and subsequently re-measured at amortised cost. Cash and cash equivalents have an original maturity of three months or less at the date of placement.

An expected credit loss (“ECL”) provision is assessed as at the SOFP date and the carrying amount of the cash and cash equivalents balance is reported after deduction of any ECL.

The Company has adopted the “simplified approach” in determining the ECL. Under this approach, the ECL is calculated as the book cost of the cash and cash equivalents multiplied by a 1 year probability of default, an appropriate loss given default and the number of days to maturity as a fraction of a year.

(i) Share capital
Share capital is recognised when shares are issued and recognised at the par amount.

(j) Provisions for other liabilities and charges
A provision is recognised by the Company when a past event gives rise to a present legal or constructive obligation, in which the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made. If the effect is significant, the provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects a current market assessment for the time value of money and, where appropriate, the risk is specific to the liability.

(k) Trade and other payables
Trade and other payables are initially recognised and subsequently measured at cost because they are expected to be settled within twelve months and their carrying value is a reasonable approximation of fair value.

(l) Interest-bearing loans
Interest-bearing loans are stated at cost.

2. USE OF CRITICAL ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the Financial Statements in conformity with IFRS requires the use of estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The Company has not used any significant estimates or judgements in preparing the Financial Statements in conformity with FRS 101, except in the estimation of internally generated staff costs and the useful life of software.

3. REVENUE

	2024	2023
	£'000	£'000
Rendering of services to related parties	19,190	11,226
Total revenue	**19,190**	**11,226**

4. ADMINISTRATIVE EXPENSES

	2024	2023
	£'000	£'000
Depreciation of property, plant and equipment	39	257
Depreciation on right of use assets	446	499
Amortisation of intangible assets	17,020	10,032
Loss on disposal of leases	46	-
Administrative expenses	274	268
Total administrative expenses	**17,825**	**11,056**

5. FINANCE COSTS

	2024	2023
	£'000	£'000
Interest expense on lease liabilities	7	85
Interest expense on loan	473	945
Total finance costs	**480**	**1,030**

6. OTHER INCOME

	2024	2023
	£'000	£'000
Profit on disposal of leases	-	1,309
Total other income	**-**	**1,309**

During 2023, the Company disposed of the majority of leases resulting in a profit on disposal. For further information, please see note 10.

7. INCOME TAX

(a) Income tax recognised in profit and loss

	2024	2023
	£'000	£'000
Current tax:		
In respect of the current year	(25)	(33)
In respect of prior year	-	1
Total current tax	**(25)**	**(32)**
Deferred tax:		
In respect of current year	160	130
Arising from changes in tax rates and laws	-	8
Total deferred tax	**160**	**138**
Total income tax expense recognised in the current year	**135**	**106**

The income tax expense for the year can be reconciled to the accounting profit as follows:

	2024	2023
	£'000	£'000
Profit before tax	**885**	**449**
Income tax expense calculated at 25.0% (2023: 23.5%)	**221**	**105**
Effect of prior year adjustment	-	1
Effect of imputed transfer pricing adjustments	(86)	(8)
Effect of changes in statutory tax rate	-	8
Income tax charge recognised in profit and loss	**135**	**106**

The UK Government announced its intention in the budget of 3 March 2021 to legislate to increase the rate of corporation tax from 19% to 25% with effect from 1 April 2023. This legislation was substantively enacted on 24 May 2021.

The Organisation for Economic Cooperation and Development ("OECD") Pillar Two model rules
As a fully consolidated affiliated entity of the Allianz SE Group, the Company is within the scope of the OECD Pillar Two Model rules. Under these rules, a top-up-tax must be paid per jurisdiction for the difference between the Global Anti-Base Erosion ("GloBE") effective tax rate and the 15.0% minimum rate. Local Pillar Two legislation came into effect from 1 January 2024 in the UK, the jurisdiction in which the Company is incorporated. However, as the GloBE effective tax rate of all Allianz UK entities being situated for tax purposes in jurisdiction the UK is expected to be greater than the minimum rate of 15.0%, no additional income tax is expected for the Company. Any transitional reliefs provided by the Pillar Two regulations will be taken as far as possible in order to reduce compliance and reporting efforts. The Company has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income tax legislation.

(b) Tax paid for cash flow purposes

	2024	2023
	£'000	£'000
Current tax liabilities at 1 January	130	189
Amounts credited to the Statement of Profit and Loss and Other Comprehensive Income	(25)	(32)
Tax paid during the year	(162)	(27)
Current tax (assets)/liabilities at 31 December	**(57)**	**130**

(c) Deferred tax assets

The balance comprises temporary differences attributable to:

	2024	2023
	£'000	£'000
Capital allowances	1,067	1,227
Total deferred tax assets	1,067	1,227
Net deferred tax assets	**1,067**	**1,227**

	Capital allowances	Total
Movements in relation to deferred tax assets	£'000	£'000
At 1 January 2023	1,365	1,365
Charged to		
- profit and loss	(138)	(138)
At 31 December 2023	**1,227**	**1,227**
Charged to		
- profit and loss	(160)	(160)
At 31 December 2024	**1,067**	**1,067**

	2024	2023
	£'000	£'000
Deferred tax asset	1,067	1,227
Current deferred tax asset	169	191
Non-current deferred tax asset	898	1,036

8. INTANGIBLE ASSETS

	Internally generated software development costs	Total
	£'000	£'000
Cost		
At 1 January 2023	109,972	109,972
At 31 December 2023	**109,972**	**109,972**
At 31 December 2024	**109,972**	**109,972**
Accumulated amortisation and impairment		
At 1 January 2023	**81,551**	**81,551**
Amortisation charge for the year	10,032	10,032
At 31 December 2023	**91,583**	**91,583**
Amortisation charge for the year	17,020	17,020
At 31 December 2024	**108,603**	**108,603**
Carrying amount		
At 31 December 2023	**18,389**	**18,389**
At 31 December 2024	**1,369**	**1,369**

The Company has considered whether there are any indications of impairment of the intangible assets at the SOFP date. For the year ending 31 December 2024, the amortisation charge includes an additional £6,990k, which is due to accelerated amortisation following a reassessment of the asset's useful life.

9. PROPERTY, PLANT AND EQUIPMENT

	Leasehold property enhancement	Fixtures and fittings	Total
	£'000	£'000	£'000
Cost			
At 1 January 2023	**7,111**	**11,428**	**18,539**
At 31 December 2023	**7,111**	**11,428**	**18,539**
At 31 December 2024	**7,111**	**11,428**	**18,539**
Accumulated depreciation			
At 1 January 2023	**6,888**	**11,338**	**18,226**
Charge for year	182	75	257
At 31 December 2023	**7,070**	**11,413**	**18,483**
Charge for the year	26	13	39
At 31 December 2024	**7,096**	**11,426**	**18,522**
Carrying amount			
At 31 December 2023	**41**	**15**	**56**
At 31 December 2024	**15**	**2**	**17**

10. LEASES

Lease agreements where the Company is lessee

Right of use assets

	Property	Total
	£'000	£'000
Cost		
At 1 January 2023	**9,273**	**9,273**
Additions	890	890
Disposals	(9,363)	(9,363)
Utilised in the year*	90	90
At 31 December 2023	**890**	**890**
At 31 December 2024	**890**	**890**
Accumulated depreciation		
At 1 January 2023	**4,114**	**4,114**
Charge for year	499	499
Disposals	(4,213)	(4,213)
At 31 December 2023	**400**	**400**
Charge for the year	446	446
At 31 December 2024	**846**	**846**
Carrying amount		
At 31 December 2023	**490**	**490**
At 31 December 2024	**44**	**44**

*Utilised in the year reflects the utilisation of a provision for an onerous lease contract previously recognised in 2021 as an impairment of the right-of-use asset. As at 31 December 2023, this provision was fully utilised.

Amounts recognised in Statement of Profit and Loss and Other Comprehensive Income:

	Property		Total	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Depreciation expense on right of use assets	446	499	446	499
Interest expense on lease liabilities	7	85	7	85
Loss/(profit) on disposal of leases	46	(1,309)	46	(1,309)

The total cash outflow for leases amounted to £396k for the year ended 31 December 2024 (2023: £5,195k inflow).

Lease liabilities:

	Property		Total	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Current	-	390	-	390
Total lease liabilities	**-**	**390**	**-**	**390**

Maturity analysis – contractual undiscounted cash flows:

	Property		Total	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Year 1	-	396	-	396
Total	**-**	**396**	**-**	**396**

11. PREPAYMENTS

	2024	2023
	£'000	£'000
Prepayments	36	208
Total prepayments	**36**	**208**

The carrying amounts disclosed above reasonably approximate fair values at year end. Prepayments are all current.

12. CASH AND CASH EQUIVALENTS

	2024	2023
	£'000	£'000
Cash and cash equivalents	10	58
Total cash and cash equivalents	**10**	**58**

13. EQUITY

Share capital - allotted, called up and fully paid

	2024		2023	
	No.	£	No.	£
Ordinary shares of £1 each	1,045,001	1,045,001	1,045,001	1,045,001

14. TRADE AND OTHER PAYABLES

	2024	2023
	£'000	£'000
Accruals	94	-
Amounts due to related parties	1,621	4,034
Total trade and other payables	**1,715**	**4,034**

Trade and other payables approximate to fair value. All of the trade and other payables are payable within 12 months of the SOFP date.

15. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Dilapidations	Total
	£'000	£'000
At 1 January 2023	**1,255**	**1,255**
Provided during the year	11	11
Utilised in the year	(460)	(460)
Released in the year	(653)	(653)
At 31 December 2023	**153**	**153**
Provided during the year	11	11
At 31 December 2024	**164**	**164**

The dilapidations provision primarily relates to the property lease held by the Company.

16. LOAN FROM RELATED PARTY

	2024	2023
	£'000	£'000
Loan from related party	-	15,750
Total loans from related parties	-	**15,750**

	2024	2023
Analysed as	£'000	£'000
Current	-	15,750
	-	**15,750**

In December 2020 Liverpool Victoria Insurance Company Limited ("LVIC"), another Allianz UK company, provided a loan of £63,000k to LVIM. This loan was repaid over 4 years, up to and including 31 December 2024 and carried interest at the Bank of England base rate +3.0%. A guarantee from Allianz SE was put into place to support LVIC’s regulatory solvency position. The principle terms of the guarantee were as follows:

- Guarantee fee: LVIC will pay Allianz SE an amount of 0.96% of the amount of the outstanding loan facility per annum and in return, Allianz SE will guarantee that it will pay the outstanding loan balance in the event that LVIM cannot meet obligations as they fall due.
- Automatic extension: The guarantee will extend automatically every year for another year (subject to payment of the guarantee fee by LVIC) until 31 December 2024, unless it is cancelled by Allianz SE after giving 3 months prior notice.

This loan was fully repaid via an intercompany transaction as at 31 December 2024.

17. EMPLOYEE RELATED COSTS

The Company has no employees and, as such, incurs no employee-related costs. LVGIG and Allianz Management Services Limited (“AMS”) provide services and staff resources to the Company as well as to other Allianz UK companies.

18. AUDITORS' REMUNERATION

The total remuneration payable by the Company excluding VAT, to its auditors in respect of the audit of these Financial Statements, is shown below. Other services supplied pursuant to legislation were £nil (2023: £nil).

	2024	2023
	£'000	£'000
Fees payable to the Company's auditors and associates	36	36

19. DIRECTORS' EMOLUMENTS

There were five (2023: five) Director of LVIM. One Director was remunerated by AMS and four Directors were remunerated by LVGIG. For the Director paid by AMS, it was not possible to make an accurate apportionment of their remuneration in respect of their roles as a Director of the Company. In the case of four Directors paid by LVGIG no remuneration was paid specifically for their directorship in the Company. All these Directors provided services to Allianz UK and a number of its subsidiaries including the Company and AMS is a Group Services Company and does not recharge to the Company for such costs. Consequently, no remuneration is disclosed for these Directors.

20. RISK MANAGEMENT POLICIES

Capital management
The Company's capital risk is determined with reference to the requirements of Allianz UK. In managing capital, the Company seeks to maintain sufficient, but not excessive, financial strength to support the payment of dividends and the requirements of all stakeholders. The sources of capital used by the Company are equity shareholders’ funds. At 31 December 2024, the Company had £721k (2023: £29k net liabilities) of total capital employed.

The Company’s operations are based in the United Kingdom hence any risk exposure is entirely confined within the United Kingdom

Financial risk
The key financial risk is that proceeds from the realisation of assets are insufficient to meet obligations as they fall due. The most important aspects of financial risk comprise market risk, credit risk and liquidity risk.

Market risk
Market risk is the risk that changes in market prices such as interest rate risks, foreign currency exchange rates and equity prices will affect the value of the Company's assets and income. The Company is not exposed to market risk as all invested assets are cash related and are not held for the purpose of generating investment income

Credit risk
Credit risk is the risk that a counterparty will be unable to pay amounts due to the Company in full when they fall due. The Company is exposed to credit risk through its trade and other receivables and cash and cash equivalents.

The Company deems the risk associated with its trade and other receivables to be low as a large proportion of receivables are due from fellow Allianz UK companies and as such are A- rated. Despite the other receivables being unrated, the Company deems the associated risk to be insignificant because these amounts are due from many separate counterparties and all receivables are due within 1 year. The Company deems the risk associated with its cash and cash equivalents to be low as the cash balances are held with a financial institution with an A credit rating.

Liquidity risk
Liquidity risk is the risk that cash may not be available to pay obligations when they fall due. The Company is exposed to liquidity risk through its trade and other payables, provisions for other liabilities and charges and lease liability.

The Company has sufficient liquid assets to meet the lease liabilities as they fall due.

21. PARENT AND ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is LVGIG, a company registered in England and Wales. The ultimate parent undertaking and controlling party, Allianz SE, is incorporated in Germany and is the parent of the largest and smallest group of undertakings for which consolidated group Financial Statements are drawn up and of which the Company is a member. Copies of the consolidated Allianz SE Group Financial Statements are available on request from the ultimate parent's registered address, Allianz SE, Königinstrasse 28, 80802 München, Germany.

22. RELATED PARTY TRANSACTIONS

Transactions with and balances from or to related parties
The Company enters into transactions with fellow group undertakings and key management personnel in the normal course of business. Details of transactions carried out during the year with related parties are as follows:

	2024	2023
	£'000	£'000
Management charge income	19,190	11,226
Loan repayment and interest to other related party	16,223	16,695

	2024	2023
	£'000	£'000
Loans from related party at 31 December		
Other related parties	-	15,750
Total	**-**	**15,750**

Year-end balances arising from transactions carried out with related parties are as follows:

	2024	2023
	£'000	£'000
Due to related parties at 31 December		
Parent	(1,621)	(4,034)
Total	**(1,621)**	**(4,034)**

The Company acts as a management services provider for Allianz UK. The Company incurs costs on behalf of Allianz UK entities which are subsequently re-charged across other Allianz UK companies. Management services are provided on a cost-plus basis, allowing a margin of 5.0% (2023: 5.0%).

Key management personnel
The Company considers its key management personnel to be the Directors only. Further information is disclosed in note 19.

23. SUBSEQUENT EVENTS

There have been no material subsequent events after the SOFP date.