

Registered number: 09366434

Annual Report and Financial Statements 2024
LV Repair Services Limited

LV Repair Services Limited

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LV Repair Services Limited

Company Information

Directors:

M J Cox
S Raffard
H Topham

Company Secretary:

C M Twemlow

Registered office:

57 Ladymead
Guildford
Surrey
GU1 1DB

Registered number:

09366434

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 Repair Services Limited ("LVRS", "the Company") is a wholly owned subsidiary of Liverpool Victoria Insurance Company Limited ("LVIC"), which via intermediate holding companies, is owned by Allianz (UK) Ltd ("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 repair engineering services to the policyholders of LVIC and Highway Insurance Company Limited ("HICO").

Business review

The results for the year are set out in the Statement of Profit and Loss and Other Comprehensive Income on page 11. The profit for the year wholly attributable to the equity holder amounted to £54,160k (2023: £57,187k).

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 £71,478k (2023: £74,714k), and total equity was £16,185k (2023: £27,025k).

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 16.

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, LVIC, other entities within Allianz UK, suppliers, service providers 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 consider various matters in which stakeholder interests were factored into its decision making process. This included approval of the Annual Report and Financial Statements for the year ended 31 December 2023, adoption and approval of the Modern Slavery Statement and the approval of interim dividend payments to its parent company, LVIC.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'H. Topham', with a long horizontal flourish extending to the right.

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:

- Customers, suppliers and others statement;
- 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:

M J Cox (appointed 16 May 2025)
 C J Johnson (appointed 18 July 2024 and resigned 30 April 2025)
 M P Milliner (resigned 26 April 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

Two interim dividends were paid for the year ended 31 December 2024 totalling £65,000k (2023: £70,000k). The Directors do not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: £nil).

Going concern

These Financial Statements have been prepared on a going concern basis. The Directors are confident in the Company's ability to continue to provide repair engineering services to fellow AZ(UK) undertakings. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the reporting date of the Financial Statements.

Streamlined Energy and Carbon Reporting ("SECR")

Under the Act and SECR Regulations, 'Large' companies are required to report their annual emissions in their Directors' Report. It should be noted that the information disclosed relates to several entities within Allianz UK as this is the lowest level of granularity for which the data is collected.

The SECR statement has been prepared in line with the requirements of the SECR regulations and the relevant areas of the Greenhouse Gas ("GHG") Protocol Corporate Accounting and Reporting Standard.

A "Dual Reporting" methodology has been used to indicate emissions using UK electricity grid average emission factors (known as the "Location based" method), and also emissions using supplier specific generation emission factors (the "Market Based" method). Under SECR guidelines, a similar dual reporting methodology has also been used to account for the purchase of biogas, using the natural gas emission factor for the location-based method and the biogas emission factor for the relevant consumption under the market-based method.

"Location based" Method

The total energy consumption for 2024 was 5,367,990 kWh (2023: 4,432,537 kWh) equating to 1,124 tCO₂e (2023: 1,094 tCO₂e).

	2024	2023
Emissions from combustion of gas (Scope 1)	403 tCO ₂ e	254 tCO ₂ e
Emissions from combustion of fuel for transport purposes (Scope 1)	91 tCO ₂ e	154 tCO ₂ e
Emissions from purchased electricity (Scope 2)	487 tCO ₂ e	548 tCO ₂ e
Emissions from vehicle electricity (Scope 2)	6 tCO ₂ e	-
Emissions from Transmission and Distribution (Scope 3)	43 tCO ₂ e	20 tCO ₂ e
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	92 tCO ₂ e	116 tCO ₂ e

Carbon intensity: Emissions of tCO₂e/full-time equivalent during 2024 was 0.342 tCO₂e (2023: 0.319 tCO₂e).

LV Repair Services Limited

Directors' Report for the Year Ended 31 December 2024

Allianz UK's strategy has been to purchase renewable energy backed by Renewable Electricity Guarantees of Origin ("REGO") certificates and Renewable Gas Guarantees of Origin ("RGGOs"). Through this strategy, within the above 2024 total energy consumption, Liverpool Victoria General Insurance Group ("LVGIG") has sourced a total of 2,993,536 kWh (2023: 2,649,457 kWh) of REGO backed (zero emission) electricity equating to 100.0% of total electricity use and 637,227.00 kWh of RGGO backed biogas equating to 28.9% of total gas use.

"Market Based" Method

The total energy consumption for 2024 was 5,367,990 kWh (2023: 4,432,537kWh) equating to 477 tCO₂e (2023: 524 tCO₂e).

	2024	2023
Emissions from combustion of gas (Scope 1)	286 tCO ₂ e	254 tCO ₂ e
Emissions from combustion of fuel for transport purposes (Scope 1)	91 tCO ₂ e	154 tCO ₂ e
Emissions from vehicle electricity (Scope 2)	6 tCO ₂ e	-
Emissions from Transmission and Distribution (Scope 3)	-	-
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	92 tCO ₂ e	116 tCO ₂ e

Carbon intensity: Emissions of tCO₂e/full-time equivalent during 2024 was 0.145 tCO₂e (2023: 0.153 tCO₂e).

As Allianz UK consolidates the office portfolio, the Allianz Buildings Minimum Performance Criteria has been utilised to select the most energy efficient office space available. Part of this strategy also entails the installation of electric vehicle charging points and donating any excess office furniture to local charities and schools.

Allianz UK is committed to an intermediate target to reduce GHG emissions per employee by 70.0% as of year-end 2030, against a 2019 baseline across Scope 1, Scope 2, and selected Scope 3 emissions. Key levers for GHG emission reduction will be the areas of Renewable Electricity, Buildings, as well as Fleet, Business Travel, and Procurement. In the area of Renewable Electricity, Allianz UK has sourced 100.0% renewable electricity since 2023 and continues to implement energy efficiency measures.

Within Allianz UK's supply chain, the Company is actively engaging with vendors to identify opportunities to reduce emissions.

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
Director
23 July 2025

Independent auditors' report to the members of LV Repair Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, LV Repair Services 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 and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; 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 and Financial Statements (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, the Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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 Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. 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 which may impact the financial performance and position of the company. Audit procedures performed by the engagement team included:

- Discussions with management and the Board, 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;
- 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

LV Repair Services Limited

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

		2024	2023
	Note	£'000	£'000
Revenue	3	282,581	321,875
Cost of sales	4	(209,555)	(245,280)
Administrative expenses	5	<u>(4,993)</u>	<u>(4,726)</u>
Operating profit		68,033	71,869
Finance income	6	<u>3,445</u>	<u>2,845</u>
Profit before tax		<u>71,478</u>	<u>74,714</u>
Income tax expense	7(a)	<u>(17,318)</u>	<u>(17,527)</u>
Profit for the year wholly attributable to the equity holder		<u>54,160</u>	<u>57,187</u>

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

The accounting policies and notes on pages 15 to 21 are an integral part of these Financial Statements.

LV Repair Services Limited

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

	Note	Share capital £'000	Retained earnings £'000	Total £'000
Balance as at 1 January 2023		100	39,738	39,838
Profit for the year		-	57,187	57,187
Total comprehensive income for the year		-	57,187	57,187
Dividends paid	19	-	(70,000)	(70,000)
Balance as at 31 December 2023		100	26,925	27,025
Profit for the year		-	54,160	54,160
Total comprehensive income for the year		-	54,160	54,160
Dividends paid	19	-	(65,000)	(65,000)
Balance as at 31 December 2024		100	16,085	16,185

The accounting policies and notes on pages 15 to 21 are an integral part of these Financial Statements.

LV Repair Services Limited

Statement of Financial Position As at 31 December 2024

		2024	2023
Assets	Note	£'000	£'000
Accrued income	8	7,317	7,933
Trade and other receivables	9	51,818	56,096
Total assets		59,135	64,029
Equity and liabilities			
Equity attributable to equity holder of the parent			
Share capital	10	(100)	(100)
Retained earnings		(16,085)	(26,925)
Total equity		(16,185)	(27,025)
Liabilities			
Trade and other payables	11	(25,288)	(16,575)
Current tax liabilities	7(b)	(17,304)	(17,594)
Borrowings	12	(358)	(2,835)
Total liabilities		(42,950)	(37,004)
Total equity and liabilities		(59,135)	(64,029)

The accounting policies and notes on pages 15 to 21 are an integral part of these Financial Statements.

These Financial Statements on pages 11 to 21 were approved by the Board of Directors on 23 July 2025 and signed on its behalf by:



H Topham
Director
23 July 2025
LV Repair Services Limited
Registered Number: 09366434

LV Repair Services Limited

Statement of Cash Flows
For the Year Ended 31 December 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Profit before tax		71,478	74,714
<i>Adjusted for non-cash items</i>			
Finance income	6	<u>(3,445)</u>	<u>(2,845)</u>
		68,033	71,869
<i>Changes in working capital</i>			
Decrease in accrued income	8	616	194
Decrease/(increase) in trade and other receivables	9	4,278	(11,694)
Increase in trade and other payables	11	<u>8,713</u>	<u>8,216</u>
Cash flows generated from operating activities		81,640	68,585
Finance income	6	3,445	2,845
Income tax paid	7(b)	<u>(17,608)</u>	<u>(1,627)</u>
Net cash flows generated from operating activities		<u>67,477</u>	<u>69,803</u>
Cash flows used in financing activities			
Dividends paid	19	<u>(65,000)</u>	<u>(70,000)</u>
Net cash flows used in financing activities		<u>(65,000)</u>	<u>(70,000)</u>
Net increase/(decrease) in cash and cash equivalents		2,477	(197)
Cash and cash equivalents at the beginning of the year	12	<u>(2,835)</u>	<u>(2,638)</u>
Cash and cash equivalents at end of year	12	<u>(358)</u>	<u>(2,835)</u>

The accounting policies and notes on pages 15 to 21 are an integral part of these Financial Statements.

1. ACCOUNTING POLICIES

1.1 Company and its operations

LV Repair Services Limited is a private limited company incorporated in England and Wales and domiciled in the United Kingdom. The principal activity of the Company is the provision of repair engineering services to the policyholders of LVIC and HICO.

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

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 are not expected to have any impact on the Company.

1.4 Summary of material accounting policies

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

(a) Revenue recognition

Revenue relates to the administration of repair engineering services, which are invoiced at the point of completion of the services. Both revenue and the cost of sales are recognised at the point of completion of the services, which is when the performance obligation has been satisfied as per IFRS 15. The Company also accrues for negotiated allowances receivable from suppliers and partners.

(b) Cost of sales

Cost of sales relates to the cost of repair engineering services, which are invoiced at the point of completion of the services. Cost of sales are recognised at the point of completion of the services.

(c) Administrative expenses

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

(d) Income taxes

Income tax on profit and loss for the year comprises current tax. Income tax is recognised in the Statement of Profit and Loss and Other Comprehensive Income. Current tax shall be recognised outside profit or loss if the tax relates to items that are recognised, in the same or a different period, outside profit and loss.

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.

LV Repair Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

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.

(e) Accrued income

Accrued income is recognised when revenue has been earned but not yet received.

(f) Trade and other receivables

Trade and other receivables are initially recognised and subsequently re-measured at amortised cost after taking into account any impairment losses. Trade and other receivables shall be derecognised when the contractual right to receive cash flows expire or when the asset is transferred.

An expected credit loss (“ECL”) provision is assessed as at the SOFP date and the carrying amount of the receivables 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 receivables multiplied by a 1 year probability of default (“PD”), an appropriate loss given default (“LGD”) and the number of days to maturity as a fraction of a year (“tenor”).

(g) Dividends

Interim dividends on ordinary shares are recognised in equity in the period in which they are paid. Final dividends on these shares are recognised when they have been approved by shareholders.

(h) Share capital

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

(i) 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 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 PD, an appropriate LGD and tenor.

(j) 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.

(k) Borrowings

At initial recognition, the Company classifies borrowings at fair value and subsequently at AC using the effective interest rate method.

2. USE OF CRITICAL ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Company makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities. Estimates, assumptions and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company does not consider any particular accounting policy or estimate to be susceptible to significant changes in estimates and assumptions.

3. REVENUE

	2024	2023
	£'000	£'000
Rendering of services to related parties	282,581	321,875
Total revenue	282,581	321,875

4. COST OF SALES

	2024	2023
	£'000	£'000
Cost of sales	209,555	245,280
Total cost of sales	209,555	245,280

5. ADMINISTRATIVE EXPENSES

	2024	2023
	£'000	£'000
Management charge	4,930	4,505
Other expenses	63	221
Total administrative expenses	4,993	4,726

6. FINANCE INCOME

	2024	2023
	£'000	£'000
Interest income ⁽¹⁾	3,445	2,845
Total finance income	3,445	2,845

⁽¹⁾ There has been a presentational change to the 2023 disclosure. £2,845k has been reclassified from investment income to finance income. This presentational change has been reflected on the Statement of Profit and Loss and the Statement of Cash Flows, with no impact on the SOFP.

7. INCOME TAX**(a) Income tax recognised in profit and loss**

	2024	2023
	£'000	£'000
Current tax:		
In respect of the current year	17,688	17,514
In respect of prior year	(370)	13
Total current tax	17,318	17,527

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

	2024	2023
	£'000	£'000
Profit before tax	71,478	74,714
Income tax expense calculated at 25.0% (2023: 23.5%)	17,870	17,558
Effect of prior year adjustment	(370)	13
Effect of imputed transfer pricing adjustments	(182)	(44)
Income tax charge recognised in the current year	17,318	17,527

Notes to the Financial Statements for the Year Ended 31 December 2024

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.

(b) Tax paid for cash flow purposes

	2024	2023
	£'000	£'000
Current tax liability at 1 January	17,594	1,694
Amounts charged to the Statement of Profit and Loss and Other Comprehensive Income	17,318	17,527
Tax paid during the year	<u>(17,608)</u>	<u>(1,627)</u>
Current tax liability at 31 December	<u>17,304</u>	<u>17,594</u>

8. ACCRUED INCOME

	2024	2023
	£'000	£'000
Accrued income	<u>7,317</u>	<u>7,933</u>
Total accrued income	<u>7,317</u>	<u>7,933</u>

Accrued income includes revenue relating to the administration of repair engineering costs that have been earned but not yet received.

All accrued income is receivable within one year of the SOFP date.

9. TRADE AND OTHER RECEIVABLES

	2024	2023
	£'000	£'000
Amounts due from related parties	51,752	55,498
Other receivables	<u>66</u>	<u>598</u>
Total trade and other receivables	<u>51,818</u>	<u>56,096</u>

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

The Company has concluded that the ECL model has made no significant impact on the valuation of receivables reported in the Financial Statements.

10. SHARE CAPITAL**Share capital - allotted, called up and fully paid**

	2024		2023	
	No.	£	No.	£
Ordinary shares of £1,000 each	100	100,000	100	100,000

11. TRADE AND OTHER PAYABLES

	2024	2023
	£'000	£'000
Accruals	5,153	5,293
Amounts due to related parties	17,874	8,000
Social security and other taxes	2,261	3,273
Other payables	-	9
Total trade and other payables	25,288	16,575

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

12. BORROWINGS

	2024	2023
	£'000	£'000
Bank overdraft	358	2,835
Total borrowings	358	2,835

All borrowings are payable within 12 months of the SOFP date.

13. 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.

14. 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	28	28

15. DIRECTORS' EMOLUMENTS

There were four Directors (2023: five) of LVRS. One Director was remunerated by AMS and three 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 three 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.

16. 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 requirements of all stakeholders. The sources of capital used by the Company are equity shareholders' funds. At 31 December 2024, the Company had £16,185k (2023: £27,025k) of total capital employed.

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 accrued income, 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 SE Group subsidiaries 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 one year of the SOFP date. 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 amounts due to related parties and accruals. Liquidity risk for the Company is mitigated as the Company has sufficient liquid assets to meet its liabilities as they fall due.

17. PARENT AND ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is LVIC, a company registered in England and Wales. The intermediate 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.

18. 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
Sales to LVIC	271,796	301,049
Sales to HICO	10,785	20,826
Management charge paid by the Company	(4,930)	(4,504)
Dividends paid	(65,000)	(70,000)

LV Repair Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

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

	2024	2023
	£'000	£'000
Due from related parties at 31 December		
Other related parties	51,752	7,933
Total	51,752	7,933

	2024	2023
	£'000	£'000
Due to related parties at 31 December		
Parent		
Other related parties	(17,874)	(8,000)
Total	(17,874)	(8,000)

Key management personnel

The Company considers its key management personnel to be the Directors only. Further information is disclosed in note 15.

19. DIVIDENDS

Two interim dividends were paid for the year ended 31 December 2024 totalling £65,000k (2023: £70,000k). The Directors do not recommend the payment of a final dividend for the year ended 31 December 2024.

20. SUBSEQUENT EVENTS

On 24 April 2025, the Board approved an interim dividend of £25,000k.