

Company Registration No. 01396443 (England and Wales)

CAPITA INSURANCE SERVICES LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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CAPITA INSURANCE SERVICES LIMITED

COMPANY INFORMATION

Directors	C C Clements	(Appointed 14 March 2022)
	A Ajit	(Appointed 15 July 2022)
Secretary	Capita Group Secretary Limited	
Company number	01396443	
Registered office	65 Gresham Street London England EC2V 7NQ	

CAPITA INSURANCE SERVICES LIMITED

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CAPITA INSURANCE SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their Directors' report and financial statements for the year ended 31 December 2022.

Principal activities and review of the business

Capita Insurance Services Limited ('the Company') is a wholly owned subsidiary indirectly held by Capita plc. Capita plc along with its subsidiaries is hereafter referred as "the Group". The Company operates within the Experience division of group.

The principal activity of the Company continued to be that of the provision of support services to companies operating in the insurance market including legal expenses, motor, household, employer's liability, public liability and property. Other services include telephone helplines, claims handling services and associated products.

The business continues to look for opportunities to win outsourced insurance business, including claims management work, to replace the contracts that have ended in recent years. There are opportunities currently under discussion with prospective clients. In the meantime, the business will continue to review and reduce the cost base to keep it in line with the revenue generated and will reallocate resource to other parts of the Group where appropriate.

As shown in the Company's income statement on page 3, revenue decreased from £1,577k in 2021 to £1,192k in 2022 and operating loss increased from £258k to £294k over the same period. The primary reason is due to loss of contracts during 2021 offset by related marginal cost savings for those contracts.

The balance sheet on pages 5 and 6 of the financial statements shows the Company's financial position at the year end. Net assets have decreased from £98,600k as at 31 December 2021 to £98,302k as at 31 December 2022 primarily on account of decrease in employee benefits assets. Details of amounts owed by/to its parent company and fellow subsidiary undertakings are shown in notes 7 and 9 to the financial statements.

Results and dividends

The results for the year are set out on page 3.

No interim or final dividend was paid or proposed during the year (2021: £nil).

Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

K A Francis	(Resigned 15 July 2022)
C C Clements	(Appointed 14 March 2022)
T F Vanoverschelde	(Resigned 14 March 2022)
A Ajit	(Appointed 15 July 2022)

Political donations

The Company made no political donations and incurred no political expenditure during the year (2021: £nil).

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Company continues and that the appropriate training is arranged. It is Company policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

CAPITA INSURANCE SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Employee involvement

The Company participates in the Group's policies and practices to keep employees informed on matters relevant to them as employees through regular meetings, newsletters, email notices and intranet communications. These communication initiatives enable employees to share information within and between business units and employees are encouraged, through an open door policy, to discuss with management matters of interest to the employee and subjects affecting day to day operations of the Company. The Group's share incentive plan is designed to promote employee share ownership and to give employees the opportunity to participate in the future success of the group.

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Directors are 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 Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Qualifying third party indemnity provisions

The Company has granted an indemnity to the Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. This qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

On behalf of the board

DocuSigned by:



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A Ajit

Director

22 September 2023

CAPITA INSURANCE SERVICES LIMITED**INCOME STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2022**

		Unaudited	
	Notes	2022	2021
		£000s	£000s
Revenue	3	1,190	1,577
Cost of sales		(1,250)	(1,474)
Gross (loss)/profit		(60)	103
Administrative expenses		(234)	(361)
Operating loss		(294)	(258)
Investment income	4	-	9
Impairment		-	(9)
Finance income	5	1,439	65
Profit on business transfer		-	1,066
Profit before tax		1,145	873
Income tax (charge)/credit	6	(168)	65
Profit for the year		977	938

The income statement has been prepared on the basis that all operations are continuing operations.

The notes on pages 8 to 26 form an integral part of these financial statements.

CAPITA INSURANCE SERVICES LIMITED**STATEMENT OF COMPREHENSIVE INCOME*****FOR THE YEAR ENDED 31 DECEMBER 2022***

	Notes	Unaudited 2022 £000s	2021 £000s
Profit for the year		977	938
		<u> </u>	<u> </u>
Other comprehensive expense:			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial (loss)/gain on defined benefit pension schemes	13	(1,700)	2,750
Income tax credit/(expense)	6	425	(522)
		<u> </u>	<u> </u>
Total other comprehensive (expense)/income for the year, net of tax		(1,275)	2,228
		<u> </u>	<u> </u>
Total comprehensive (expense)/income for the year, net of tax		(298)	3,166
		<u> </u>	<u> </u>

The notes on pages 8 to 26 form an integral part of these financial statements.

CAPITA INSURANCE SERVICES LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2022**

		Unaudited 2022 £000s	2021 £000s
	Notes		
Non-current assets			
Deferred tax	6	749	120
Employee benefits	13	2,105	3,785
		2,854	3,905
Current assets			
Trade and other receivables	7	96,971	95,702
Total assets		99,825	99,607
Current liabilities			
Deferred income	8	103	272
Trade and other payables	9	122	71
Financial liabilities	10	1,041	579
Income tax payable		187	85
		1,453	1,007
Non-current liabilities			
Deferred income	8	70	-
		70	-
Total liabilities		1,523	1,007
Net assets		98,302	98,600

CAPITA INSURANCE SERVICES LIMITED**BALANCE SHEET (CONTINUED)****AS AT 31 DECEMBER 2022**

	Notes	Unaudited 2022 £000s	2021 £000s
Capital and reserves			
Issued share capital	12	17,010	17,010
Share premium		30,000	30,000
Retained earnings		51,292	51,590
Total equity		98,302	98,600

For the year ended 31 December 2022, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 8 to 26 form an integral part of these financial statements.

Approved by Board and authorised for issue on 22 September 2023

DocuSigned by:

Aparajita Ajit
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A Ajit

Director

Company Registration No. 01396443

CAPITA INSURANCE SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium	Retained earnings	Total equity
	£000s	£000s	£000s	£000s
At 1 January 2021	17,010	30,000	48,424	95,434
Profit for the year	-	-	938	938
Other comprehensive income for the year	-	-	2,228	2,228
Total comprehensive income for the year	-	-	3,166	3,166
At 31 December 2021	17,010	30,000	51,590	98,600
Profit for the year	-	-	977	977
Other comprehensive expense for the year	-	-	(1,275)	(1,275)
Total comprehensive expense for the year	-	-	(298)	(298)
At 31 December 2022 - unaudited	17,010	30,000	51,292	98,302

Share capital – The balance classified as share capital is the nominal proceeds on issue of the Company's equity share capital, comprising 17,010,001 ordinary shares.

Share premium – The amount paid to the company by shareholders, in cash or other consideration, over and above the nominal value of shares issued to them.

Retained earnings – Net profits kept to accumulate in the Company after dividends are paid and retained in the business as working capital.

The notes and information on pages 8 to 26 form an integral part of these financial statements.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

1.1 Basis of preparation

Capita Insurance Services Limited is a company incorporated and domiciled in the United Kingdom.

The financial statements are prepared under the historical cost basis except where stated otherwise and in accordance with applicable accounting standards.

In determining the appropriate basis of preparation for the annual report and financial statements for the year ended 31 December 2022, the Company's Directors ("the Directors") are required to consider whether the Company can continue in operational existence for the foreseeable future, being a period of at least 12 months following the approval of these financial statements. The Directors have concluded that it is appropriate to adopt the going concern basis, having undertaken a rigorous assessment of the financial forecasts, key uncertainties, sensitivities, and mitigations as set out below.

Accounting standards require that 'the foreseeable future' for going concern assessment covers a period of at least twelve months from the date of approval of these financial statements, although those standards do not specify how far beyond twelve months the Directors should consider. In its going concern assessment, the Directors have considered the period from the date of approval of these financial statements to 31 December 2024 ('the going concern period') and which aligns to the period considered by the Directors of the ultimate parent company, Capita plc.

Board assessment

The financial forecasts used for the going concern assessment are derived from financial projections for 2023-2024 for the Company which have been subject to review and challenge by management and the Directors. The Directors have approved the projections.

Inter-dependency with Capita plc ('the Group')

The Director's assessment of going concern has considered the extent to which the Company's ability to remain a going concern is inter-dependent with that of the Group. The Company has dependency with the Group in respect of the following:

- provision of certain services, such as administrative support services and should the Group be unable to deliver these services, the Company would have difficulty in continuing to trade;
- participation in the Group's notional cash pooling arrangements, of which £43k was advanced at 31 August 2023. In the event of a default by the Group, the Company may not be able to access its cash balance within the pooling arrangement; and
- recovery of receivables of £98,252k from fellow Group undertakings as at 31 August 2023. If these receivables are not able to be recovered when forecast by the Company, then the Company may have difficulty in continuing to trade.

Given the inter-dependency the Company has with the Group, the Directors have considered the financial position of the ultimate parent undertaking as disclosed in its most recent condensed consolidated financial statements, being for the six month period ended 30 June 2023.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.1 Basis of preparation (continued)

Ultimate parent undertaking – Capita plc

The Capita plc Board ('the Board') concluded that it was appropriate to adopt the going concern basis, having undertaken a rigorous assessment of the financial forecasts, key uncertainties, sensitivities, and mitigations when preparing the Group's condensed consolidated financial statements at 30 June 2023. These condensed consolidated financial statements were approved by the Board on 3 August 2023 and are available on the Group's website (www.capita.com/investors). Below is a summary of the position at 3 August 2023:

Accounting standards require that 'the foreseeable future' for going concern assessment covers a period of at least twelve months from the date of approval of these condensed consolidated financial statements, although those standards do not specify how far beyond twelve months a Board should consider. In its going concern assessment, the Board has considered the period from the date of approval of these condensed consolidated financial statements to 31 December 2024, which is just less than seventeen months from the date of approval of these condensed consolidated financial statements ('the going concern period') and aligns to a year end for the Group.

The base case financial forecasts used in the going concern assessment are derived from financial projections for 2023-2024 as approved by the Board in July 2023.

The base case projections used for going concern assessment purposes reflect business disposals completed up to the date of approval of these condensed consolidated financial statements but do not reflect the benefit of any further disposals that are in the pipeline. The liquidity headroom assessment in the base case projections reflects the Group's existing committed financing facilities and debt redemptions. The base case financial forecasts demonstrate liquidity headroom and compliance with all debt covenant measures throughout the going concern period to 31 December 2024.

In considering severe but plausible downside scenarios, the Board has taken account of the potential adverse financial impacts resulting from the following risks:

- revenue growth falling materially short of plan;
- operating profit margin expansion not being achieved;
- additional inflationary cost impacts which cannot be passed on to customers;
- unforeseen operational issues leading to contract losses and cash outflows;
- increased interest rates;
- reduction in deferred cash consideration in respect of completed disposals;
- non-availability of the Group's non-recourse receivables financing facility; and
- unexpected financial costs linked to incidents such as data breaches and/or cyber-attacks.

The likelihood of simultaneous crystallisation of the above risks is considered by the directors to be relatively low. Nevertheless, in the event that simultaneous crystallisation were to occur, the Group would need to take action to mitigate the risk of insufficient liquidity and covenant headroom. In its assessment of going concern, the Board has considered the mitigations, under the direct control of the Group, that could be implemented including reductions in capital investment, substantially reducing (or removing in full) bonus and incentive payments and significantly reducing discretionary spend. Taking these mitigations into account, the Group's financial forecasts, in a severe but plausible downside scenario, demonstrate sufficient liquidity headroom and compliance with all debt covenant measures throughout the going concern period to 31 December 2024.

Adoption of going concern basis by the Group:

Reflecting the continued benefits from the transformation programme completed in 2021 coupled with the Board's ability to implement appropriate mitigations should the severe but plausible downside materialise, the Group continues to adopt the going concern basis in preparing these condensed consolidated financial statements. The Board has concluded that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to 31 December 2024.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.1 Basis of preparation (continued)

Conclusion

Although the Company has inter-dependencies with the Group as detailed above, even in a severe but plausible downside for both the Company and the Group, the Directors are confident the Company will continue to have adequate financial resources to continue in operation and discharge its liabilities as they fall due over the period to 31 December 2024 (the "going concern period"). Consequently, the annual report and financial statements have been prepared on the going concern basis.

1.2 Compliance with accounting standards

The Company has applied FRS101 – *Reduced Disclosure Framework* in the preparation of its financial statements. The Company has prepared and presented these financial statements by applying the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006.

The Company's ultimate parent undertaking, Capita plc, includes the Company in its consolidated statements. The consolidated financial statements are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and with UK-adopted International Financial Reporting Standards (IFRSs) and the Disclosure and Transparency Rules of the UK's Financial Conduct Authority. These are available to the public and may be obtained from Capita plc's website on <https://www.capita.com/investors>.

In these financial statements, the Company has applied the disclosure exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Comparative period reconciliations for share capital, plant, property and equipment and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Certain disclosures as required by IFRS 15; and
- Disclosures in respect of the compensation of key management personnel.

Since the consolidated financial statements of Capita plc include equivalent disclosures, the Company has also taken the disclosure exemptions under FRS 101 available in respect of the following disclosure:

- Certain disclosures required by IAS 36 Impairments of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company, in the current and prior periods including the comparative period reconciliation for goodwill; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.3 Changes in accounting policies

The Company has adopted the new amendments to standards detailed below but they do not have a material effect on the Company's financial statements:

New amendments	Effective date
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022
Annual Improvements to IFRS Standards 2018–2020	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022

1.4 Revenue

Revenue is earned within the United Kingdom.

The Company operates a number of businesses and revenue recognition is based on the principles set out in IFRS 15.

The revenue and profits recognised in any period are based on the delivery of performance obligations. Most revenue is recognised when the performance obligation in the contract has been performed. Some revenue is accrued and depends upon future events such as the agreement of contractual KPIs achieved. This revenue is inherently subjective until performance and the associated revenue is agreed at which point any adjustment to the amount accrued is reflected.

Where payments made are greater than the revenue recognised at the period end date, a deferred income liability is recognised for the difference. Where revenue is greater than payments received, an accrued income asset is recognised for the difference.

The Company may enter into contracts which contain extension periods, where either the customer or both parties can choose to extend the contract or there is an automatic annual renewal, and/or termination clauses that could impact the actual duration of the contract. In those circumstances, judgement is applied to assess the impact that these clauses have when determining the appropriate contract term. The term of the contract impacts both the period over which revenue from performance obligations may be recognised and the period over which contract fulfilment assets and capitalised costs to obtain a contract are expensed.

For each performance obligation, the Company determines if revenue will be recognised over time or at a point in time. Where the Company recognises revenue over time for long term contracts, this is in general due to the Company performing and the customer simultaneously receiving and consuming the benefits provided over the life of the contract.

For each performance obligation to be recognised over time, the Company applies a revenue recognition method that faithfully depicts the Company's performance in transferring control of the goods or services to the customer. This decision requires assessment of the real nature of the goods or services that the Company has promised to transfer to the customer. The Company applies the relevant output or input method consistently to similar performance obligations in other contracts.

When using the output method, the Company recognises revenue on the basis of direct measurements of the value to the customer of the goods and services transferred to date relative to the remaining goods and services under the contract. Where the output method is used, for long term service contracts where the series guidance is applied (see below for further details), the Company often uses a method of time elapsed which requires minimal estimation.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.4 Revenue recognition (continued)

If performance obligations in a contract do not meet the over time criteria, the Company recognises revenue at a point in time (see below for further details).

The Company disaggregates revenue from contracts with customers by contract type, because management believe this best depicts how the nature, amount, timing and uncertainty of the Company's revenue and cash flows are affected by economic factors.

Long term contractual - greater than 2 years

The nature of contracts or performance obligations categorised within this revenue type comprises long term outsourced service arrangements in private sectors.

The Company considers that the services provided meet the definition of a series of distinct goods and services because they are (i) substantially the same and (ii) have the same pattern of transfer (as the series constitutes services provided in distinct time increments (e.g., daily, monthly, quarterly or annual services)) and therefore treats the series as one performance obligation. Even if the underlying activities performed by the Company to satisfy a promise vary significantly throughout the day and from day to day, that fact, by itself, does not mean the distinct goods or services are not substantially the same.

For long service contracts with customers in this category, the Company recognises revenue using the output method because it best reflects the nature in which the Company is transferring control of the goods or services to the customer.

Transactional (Point in time) contracts

The Company delivers both services that are transactional services and services that are short term services for which charges are agreed annually and for which revenue is recognised at the point in time. The nature of contracts or performance obligations categorised within this revenue type includes fees received in relation to delivery of professional services.

Contract modifications

The Company's contracts are amended when there are new or changes to the existing enforceable rights and obligations. This is very limited in relation to this business. The facts and circumstances of any contract modification are considered individually since the types of modifications will vary contract by contract and may result in different accounting outcomes.

Deferred and accrued income

The Company's customer contracts include a diverse range of payment schedules dependent upon the nature and type of goods and services being provided. The Company often agrees payment schedules at the inception of long term contracts under which it receives payments throughout the term of the contracts. These payment schedules may include performance-based payments or progress payments as well as regular monthly or quarterly payments for ongoing service delivery. Payments for transactional goods and services may be at delivery date, in arrears or part payment in advance.

Where payments made are greater than the revenue recognised at the period end date, the Company recognises a deferred income contract liability for this difference. Where payments made are less than the revenue recognised at the period end date, the Company recognises an accrued income contract asset for this difference.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.4 Revenue recognition (continued)

At each reporting date, the Company assesses whether there is any indication that accrued income assets may be impaired by considering whether the revenue remains highly probable and that no revenue reversal will occur. Where an indicator of impairment exists, the Company makes a formal estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.5 Leasing

The Company makes use of the exemption permitted in IFRS 16 and does not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.6 Pensions

The Company participates in a defined contribution pension scheme where contributions are charged to the income statement in the year in which they are due. This scheme is funded and contributions are paid to separately administered funds. The assets of the scheme are held separately from the Company. The Company remits monthly pension contributions to Capita Business Services Ltd, a fellow subsidiary undertaking, which pays the Group liability centrally. Any unpaid contributions at the year-end have been accrued in the accounts of Capita Business Services Ltd.

The Company also has employees who were members of a defined benefit pension scheme operated by the Group – the Capita Pension & Life Assurance Scheme (the “Capita DB Scheme”).

As the Company no longer has any active members in the Capita DB Scheme, this triggered a cessation event which means a Section 75 debt (which is a statutory debt due from a participating employer to the trustees of a multi-employer defined benefit pension scheme which is in deficit) would have become due. However, the Trustee of the Capita DB Scheme agreed that the pension liabilities attributable to the Company would be transferred to Capita Business Services Ltd (the Principal Employer of the Capita DB Scheme), which removed the Section 75 debt due from the Company. This Flexible Apportionment Arrangement was agreed in early 2018. As a result of the arrangement, the Company is no longer a formal participating employer in the Capita DB Scheme. In return for the Trustee granting this Flexible Apportionment Arrangement, the Company has provided a guarantee to the Capita DB Scheme that puts the Company into the same position as if it had remained a participating employer. However, the probability of any liability crystallising on the guarantee has been assessed as remote.

As there is no contractual agreement or stated Group policy for charging the net defined benefit cost of the Capita DB Scheme to any participating entities, the net defined benefit cost of the Capita DB Scheme is recognised fully by the Principal Employer.

A full actuarial valuation of the Capita DB Scheme is carried out every three years by an independent qualified actuary for the Trustee of the Capita DB Scheme, with the last full valuation carried out as at 31 March 2020. The next full actuarial valuation is being carried out with an effective date of 31 March 2023.

In addition, the Company has a ring-fenced section in an industry-wide pension scheme which requires contributions to be made to a separate trustee-administered fund. The costs of providing benefits under this scheme is determined using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of the defined benefit obligation) and is based on actuarial advice.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.6 Pensions (continued)

Past service costs are recognised immediately in the income statement.

When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs the obligation and related plan assets are re-measured using current actuarial assumptions and the resultant gain or loss recognised in the income statement during the period in which the settlement or curtailment occurs.

Re-measurements of the net defined benefit asset/liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income and reflected immediately in retained earnings and will not be reclassified to the income statement. The Company generally determines the net interest expense/income on the net defined benefit asset/liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the then net defined benefit asset/liability, taking into account any changes in the net defined benefit asset/liability during the period as a result of contributions and benefit payments. However, due consideration is given to events which require the net interest expense/income on the net defined benefit asset/liability to be re-measured over the course of the period.

Current and past service costs are charged to operating profit while the net interest cost is included within net finance costs.

The asset/liability on the balance sheet in respect of this defined benefit pension scheme comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less any past service cost not yet recognised and less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The Company will consider the impact of IFRIC 14 (in relation to either recognising a surplus or allowing for the impact of any funding commitments made) and will make an assessment, having regard to the rules of the pension schemes, on whether IFRIC 14 limits the surplus or increases the deficit shown at the balance sheet date.

1.7 Taxation

Tax on the profit or loss for year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.8 Group accounts

The financial statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group accounts because it is fully exempt from the requirement to do so by section 400 of the Companies Act 2006 since it is a subsidiary undertaking of Capita plc, a company incorporated in England and Wales, and is included in the consolidated financial statements of that Company.

1.9 Financial instruments

Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on the trade date (i.e. the date on which the group commits to purchase or sell the asset). Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed to the income statement.

(iv) Impairment

The Company assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade and other receivables

The Company assesses on a forward-looking basis the expected credit losses associated with its receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach permitted by IFRS 9, resulting in trade receivables recognised and carried at original invoice amount less an allowance for any uncollectible amounts based on expected credit losses.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. Bank overdrafts are shown within current financial liabilities.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires the Directors to make judgements and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported income and expense during the reported periods. Although these judgements and assumptions are based on the Directors' best knowledge of the amount, events or actions, actual results may differ.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- The measurement of defined pension benefit obligations – the accounting cost of these benefits and the present value of pension liabilities involve judgements about uncertain events including such factors as the life expectancy of members, the salary progression of our current employees, price inflation and the discount rate used to calculate the net present value of the future pension payments. The Company uses estimates for all of these factors in determining the pension costs and liabilities incorporated in our financial statements. The assumptions reflect historical experience and management's judgement regarding future expectations (refer note 13).

3 Revenue

The total revenue of the Company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

4 Investment income

	Unaudited 2022 £000s	2021 £000s
Income from investments in subsidiary company	-	9
	<u>-</u>	<u>9</u>
	<u>-</u>	<u>9</u>

5 Finance income

	Unaudited 2022 £000s	2021 £000s
Interest on bank overdraft	(7)	-
Interest income from Group company	1,376	50
Net interest income on the net defined pension schemes	70	15
	<u>1,439</u>	<u>65</u>
	<u>1,439</u>	<u>65</u>

CAPITA INSURANCE SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****6 Income tax**

The major components of income tax charge for the years ended 31 December 2022 and 2021 are:

	Unaudited	
	2022	2021
	£000s	£000s
Current tax		
UK corporation tax	218	(186)
Adjustments in respect of prior periods	155	(4)
	<u>373</u>	<u>(190)</u>
Deferred tax		
Origination and reversal of temporary differences	-	121
Adjustment in respect of prior periods	(205)	4
	<u>(205)</u>	<u>125</u>
Total tax charge/(credit) reported in the income statement	<u><u>168</u></u>	<u><u>(65)</u></u>
Statement of comprehensive income		
Deferred income tax movement in relation to actuarial loss/gain on defined benefit plans	<u>(425)</u>	<u>522</u>

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Income tax

(Continued)

The reconciliation between tax charge and the accounting profit multiplied by the UK corporation tax rate for the years ended 31 December 2022 and 2021 is as follows:

	2022 £000s	2021 £000s
Profit before tax	1,145	873
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	218	166
Expenses not deductible for tax purposes	-	2
Non taxable income	-	(204)
Impact of changes in statutory tax rates	-	(29)
Adjustments in respect of current income tax of prior years	155	(4)
Adjustments in respect of deferred income tax of prior years	(205)	4
Total adjustments	(50)	(231)
Total tax expense/(credit) reported in the income statement	168	(65)

Deferred tax assets	Balance sheet		Income statement	
	2022 £000s	2021 £000s	2022 £000s	2021 £000s
Decelerated capital allowances	(1,275)	(1,066)	(210)	(107)
Pension scheme	526	946	5	228
Other timing differences	-	-	-	4
Net deferred tax (asset)	(749)	(120)		
Income statement			(205)	125
Other comprehensive (expense)/income			(425)	522
Total deferred tax (credit)/charge			(630)	647

A change to the main UK corporation tax rate was substantively enacted on 24 May 2021. The rate applicable from 1 April 2023 increases from 19% to 25%. The deferred tax asset at 31 December 2022 has been calculated based on this rate.

CAPITA INSURANCE SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****7 Trade and other receivables**

	Unaudited	
	2022	2021
	£000s	£000s
Current		
Accrued income	59	44
Prepayments	-	26
Other taxes and social security	9	19
Amount due from parent and fellow subsidiary companies*	96,903	95,613
	<u>96,971</u>	<u>95,702</u>

*Amounts due from parent and fellow subsidiary undertakings are repayable on demand. These are not chargeable to interest except for amount due from Capita plc, on which interest is charged as per the prevailing Bank of England rates.

8 Deferred income

	Unaudited	
	2022	2021
	£000s	£000s
Current		
Deferred income	103	272
	<u>103</u>	<u>272</u>
Non-current		
Deferred income	70	-
	<u>70</u>	<u>-</u>

The deferred income relates to revenue from contracts with customers. Movements in deferred income were driven by transactions entered into by the Company within the normal course of business during the year.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Trade and other payables

	Unaudited 2022 £000s	2021 £000s
Current		
Trade payables	21	13
Accruals	44	36
Amounts due to fellow subsidiary undertaking	57	22
	<u>122</u>	<u>71</u>

*Amounts due to parent and fellow subsidiary undertakings are repayable on demand and are not chargeable to interest.

10 Financial liabilities

	Unaudited 2022 £000s	2021 £000s
Current		
Overdrafts	<u>1,041</u>	<u>579</u>

11 Employees

The average monthly number of employees were:

	Unaudited 2022 Number	2021 Number
Operations	<u>18</u>	<u>20</u>

Their aggregate remuneration comprised:

	2022 £000s	Re-presented* 2021 £000s
Employee costs		
Wages and salaries	607	771
Social security costs	80	88
Pension costs	137	95
	<u>824</u>	<u>954</u>

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11 Employees

(Continued)

*The 2021 comparative figures have been re-presented to reflect the reclassification of employee contributions from pensions costs to wages and salaries. This has resulted in increase in wages and salaries by £16k and decrease in pension costs by the same amount. There is no impact on net assets, total profit or retained earnings as a result of this reclassification.

All directors are paid by other companies within the Capita Group. The Company has not paid any fees or other remuneration to the Group based Directors related to the directorship role they provided to the Company as a part of their Group-wide executive management role. The Company has estimated that allocation of the qualifying services that these Group based Directors provided to the Company is inconsequential.

In addition to the above, the Directors of the Company were reimbursed for the expenses incurred by them whilst performing business responsibilities.

12 Issued share capital

	Unaudited 2022 Number	2021 Number	Unaudited 2022 £000s	2021 £000s
Allotted, called up and fully paid				
Ordinary shares of £1 each				
At 1 January	17,010,001	17,010,001	17,010	17,010
At 31 December	17,010,001	17,010,001	17,010	17,010

13 Employee benefits

The Company participates in both defined benefit and defined contribution pension schemes. The pension charge for the defined benefit and defined contribution pension schemes for the year is £137k (2021: £95k).

The pension charge excludes pension contributions paid by the Company on behalf of employees via a salary sacrifice arrangement. The 2021 comparative figure has also been re-presented to reflect this.

The Company sponsors one (fully segregated) section of an industry-wide defined benefit pension scheme - the IWCSSS (CIS section) which required contributions to be made to separate trustee-administered funds. Also the Company has current and former employees who were members of the Capita Pension and Life Assurance Scheme (the "Capita DB Scheme"), also a defined benefit pension scheme.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

(Continued)

13 Employee benefits

The Capita DB Scheme is a non-segregated scheme with around 200 different sections in the scheme where each section provides benefits on a particular basis (some based on final salary, some based on career average earnings) to particular groups of employees.

As the Company no longer has any active members in the Capita DB Scheme, this triggered a cessation event which means a Section 75 debt (which is a statutory debt due from a participating employer to the trustees of a multi-employer defined benefit pension scheme which is in deficit) would have become due. However, the Trustee of the Capita DB Scheme agreed that the pension liabilities attributable to the Company would be transferred to Capita Business Services Ltd (the Principal Employer of the Capita DB Scheme and a fellow subsidiary undertaking), which removed the Section 75 debt due from the Company. This Flexible Apportionment Arrangement was agreed in early 2018. As a result of the arrangement, the Company is no longer a formal participating employer in the Capita DB Scheme. In return for the Trustee of the Capita DB Scheme granting this Flexible Apportionment Arrangement, the Company has provided a guarantee to the Capita DB Scheme that puts the Company into the same position as if it had remained a participating employer. However, the probability of any liability crystallising on the guarantee has been assessed as remote.

A full actuarial valuation of the Capita DB Scheme is carried out every three years by an independent qualified actuary for the Trustee of the Capita DB Scheme, with the last full valuation carried out at 31 March 2020. Amongst the main purposes of the valuation is to agree a contribution plan such that the pension scheme has sufficient assets available to meet future benefit payments, based on assumptions agreed between the Trustee of the Capita DB Scheme and the Principal Employer. The 31 March 2020 valuation showed a funding deficit of £182.2m (31 March 2017: £185.0m). This equates to a funding level of 89.0% (31 March 2017: 86.1%).

As a result of the full actuarial valuation, the Principal Employer and the Trustee of the Capita DB Scheme agreed a funding plan to eliminate the deficit – the Principal Employer has agreed to pay additional contributions totalling £124m between July 2021 and December 2023.

In addition, the Principal Employer has agreed to make additional, non-statutory, contributions of £15m each year in 2024, 2025 and 2026 to meet a secondary funding target. The aim of which is to target, by 2026, the position of having sufficient assets to invest in a portfolio of low risk assets that will generate income to pay members' benefits as they fall due.

Finally, the Principal Employer also agreed an average employer contribution rate of 36.0% (excluding employee contributions made as part of a salary sacrifice arrangement) towards the expected cost of benefits accruing.

The next full actuarial valuation is being carried out with an effective date of 31 March 2023.

For the purpose of the consolidated financial statements of Capita plc, an independent qualified actuary projected the results of the 31 March 2020 full actuarial valuation to 31 December 2022 taking into consideration the relevant accounting requirements.

The principal assumptions for the accounting valuation as at 31 December 2022 were as follows:

- rate of increase in RPI/CPI price inflation – 3.15% pa/2.50% pa (2021: 3.30% pa/2.65% pa);
- rate of salary increase – 3.15% pa (2021: 3.30% pa);
- rate of increase for pensions in payment (where RPI inflation capped at 5% pa applies) – 3.05% pa (2021: 3.20% pa); and
- discount rate – 4.75% pa (2021: 1.90% pa).

The Capita DB Scheme assets at fair value as at 31 December 2022 totalled £1,126.3m (2021: 1,732.5m). The actuarially assessed value of Capita DB Scheme liabilities as at 31 December 2021 was £1,087m (2021: £1,725.3m) indicating that the Capita DB Scheme had a net asset of £39.3m (2021: net asset of £7.2m). These figures are quoted gross of deferred tax. Full disclosure is available in the consolidated financial statements of Capita plc.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

(Continued)

13 Employee benefits

IWCSSS (CIS section)

Responsibility for the governance of the IWCSSS (CIS section) lies with the Industry-Wide Coal Staff Superannuation Scheme Trustees Limited ("IWCSSSTL") which is independent of the Company. The IWCSSSTL is required by law to act in the interest of the IWCSSS (CIS section)'s beneficiaries in accordance with the rules of the Industry-Wide Coal Staff Superannuation Scheme ("Scheme") and relevant legislation (which includes the Pension Schemes Act 1993, the Pensions Act 1995 and the Pensions Act 2004). The nature of the relationship between the Company and the IWCSSSTL is also governed by the rules of the Scheme and relevant legislation.

The assets of the IWCSSS (CIS section) are held in a separate fund (administered by the IWCSSSTL) to meet long-term pension liabilities to beneficiaries. The IWCSSSTL invests the assets in accordance with their Statement of Investment Principles, which is regularly reviewed.

The most recent full actuarial valuation of the IWCSSS (CIS section) which was carried out as at 31 December 2021 showed a funding deficit of £3.45m. This equates to a funding level of 88.1%. As a result of the full actuarial valuation, the Company and the IWCSSSTL agreed a funding plan to eliminate the deficit – the Company has agreed to pay additional contributions of £835k per annum between 1 April 2023 and 31 December 2026. In addition, the Company has agreed to make contributions for the expenses (£54k per annum with effect from 1 April 2023) and other regulatory levies (as and when they fall due) in the running of the IWCSSS (CIS section). The Company is expected to make contributions totalling £610k to the IWCSSS (CIS section) during 2023. The last active member left the IWCSSS (CIS section) in December 2021 and therefore there are no further benefits being accrued. The next actuarial valuation is due as at 31 December 2024.

For the purpose of the consolidated financial statements of Capita plc (and shown here), a qualified actuary projected the results of the 31 December 2021 actuarial valuation to 31 December 2022.

For the purposes of IFRIC14, a net pension asset is deemed to be recoverable because the Company has a right to a future refund in the event the scheme is wound-up and there remains a surplus.

The major assumptions and other information for IWCSSS (CIS) scheme are as below:

Defined benefit scheme

Key assumptions:

	Unaudited	
	2022	2021
	%pa	%pa
Discount rate	4.75	1.90
Rate of salary increase	3.15	3.30
Rate of price inflation (RPI)	3.15	3.30

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	Unaudited	
	2022	2021
	Years	Years
Retiring today		
-Males	22.4	22.5
-Females	24.3	24.4
Retiring in 20 years		
-Males	22.3	22.4
-Females	25.2	25.3

CAPITA INSURANCE SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****(Continued)****13 Employee benefits**

Amounts recognised in income statement in respect of defined benefit plans are as follows:

	Unaudited	
	2022	2021
	£000s	£000s
Current service cost	-	40
Administration costs	95	55
Past service cost including curtailments	-	-
Net Interest on defined benefit asset	(70)	(15)
	<u>25</u>	<u>80</u>

Amount recognised in statement of comprehensive income in respect of defined benefit plans are as follows:

	Unaudited	
	2022	2021
	£000s	£000s
Actuarial changes arising from changes in financial assumptions	(9,130)	(905)
Actuarial changes arising from changes in demographic assumptions	(95)	(5)
Experience	985	(150)
Actuarial changes related to plan assets	9,940	(1,690)
	<u>1,700</u>	<u>(2,750)</u>

The amounts included in the statement of financial position arising from the Company's obligations in respect of defined benefit plan are as follows:

	Unaudited	
	2022	2021
	£000s	£000s
Present value of defined benefit obligation	(13,480)	(21,655)
Fair value of plan assets	15,585	25,440
Surplus in scheme	<u>2,105</u>	<u>3,785</u>

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

(Continued)

13 Employee benefits

Movements in the present value of defined benefit obligations are as follows:

	Unaudited 2022 £000s	2021 £000s
At 1 January	(21,655)	(22,720)
Current service cost	-	(40)
Administration costs	(95)	(55)
Past service cost including curtailments	-	-
Benefits paid	440	395
Contribution from scheme members	-	(5)
Actuarial gain	8,240	1,060
Interest cost	(410)	(290)
At 31 December	(13,480)	(21,655)

The defined benefit obligations arise from plans funded as follows:

	Unaudited 2022 £000s	2021 £000s
Wholly or partly funded obligations	(13,480)	(21,655)
	(13,480)	(21,655)

Movements in the fair value of plan assets are as follows:

	Unaudited 2022 £000s	2021 £000s
At 1 January	25,440	23,750
Interest income	480	305
Return on plan assets (excluding amounts included in net interest)	(9,940)	1,690
Benefits paid	(440)	(395)
Contribution by the employer	45	85
Contribution by the scheme members	-	5
At 31 December	15,585	25,440

The actual return on plan assets was (£9,460,000) (2021: £1,995,000).

Sensitivity of the gross obligation to changes in assumptions

	Unaudited 2022 £000s	2021 £000s
0.5% pa decrease in discount rate	14,660	23,805
0.5% pa increase in inflation rate	14,570	23,705
0.5% pa increase in salary growth	13,480	21,775
1 year increase in life expectancy	13,880	22,525

Due to higher interest rate environment and recent market volatility, please note the change in method used to prepare the sensitivity analysis (analysis from 0.1% pa to 0.5% pa). The comparative figures have been adjusted accordingly.

CAPITA INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

(Continued)

13 Employee benefits

The fair value of plan assets at the reporting period was as follows:

	Unaudited Quoted 2022 £000s	Unaudited Unquoted 2022 £000s	Quoted 2021 £000s	Unquoted 2021 £000s
Equities/Diversified Growth Fund	2,005	-	5,060	-
Debt instruments	9,405	-	13,370	-
Property	1,700	-	1,865	-
Cash and Net Current Assets	785	-	2,745	45
Multi-Asset Credit Fund	1,370	-	1,890	-
Infrastructure	235	-	465	-
Other	85	-	-	-
	15,585	-	25,395	45

14 Controlling party

The Company's immediate parent undertaking is Capita Insurance Services Holdings Limited, a company incorporated in England and Wales.

The Company's ultimate parent undertaking is Capita plc, a company incorporated in England and Wales. The consolidated financial statements of Capita plc are available from its registered office at 65 Gresham Street, London, England, EC2V 7NQ.

15 Events after the reporting date

There were no significant events that occurred after the balance sheet date.