



Cigna Willow Holdings Ltd

**Annual Report and Financial Statements for the
Year ended 31 December 2017**

Registered Number: 4617115

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Contents

	Page
Directors' report.....	1
Independent Auditors' report.....	3
Statement of Comprehensive Income.....	5
Statement of Financial Position.....	6
Statement of Changes in Equity.....	7
Notes to the financial statements.....	8

Directors' report for the year ended 31 December 2017

The Directors present their report and the audited financial statements of Cigna Willow Holdings Ltd ("the Company") for the year ended 31 December 2017.

Principal activities and review of business

Cigna Willow Holdings Ltd ("the Company") is a wholly-owned subsidiary of Cigna Oak Holdings Ltd, an indirect subsidiary of Cigna Corporation.

Cigna Willow Holdings Ltd acts as the immediate holding company for a group including a regulated insurance intermediary providing a full range of insurance products and services. The Company also facilitates the deployment of capital and funding across its group.

The subsidiaries of the Company structure and distribute, predominantly in partnership with "white label" financial services companies, a range of personal and commercial insurance products. This is done via two principal trading companies each specialising in segments of insurance and with capability to offer end to end core processes including sales and marketing, underwriting and pricing, and claims and policy servicing. The Company itself does not trade or have any plans to change its role as a holding Company.

The Company's immediate parent has received confirmation from its parent that it intends to provide continuing financial support for at least 12 months from the date of approval of the financial statements.

Accordingly, the Directors consider that the Company have access to sufficient resources to continue in business for the foreseeable future with no reason to believe that the Company should be considered anything other than a going concern.

Results and dividends

The Company produced a loss for the financial year of £4.965m (2016: £nil) and the balance on accumulated losses carried forward is £100.113m (2016: £95.148m).

The Directors recommend no payment of dividends (2016: £nil).

Risk Management

The Company's risks are included within the formal group risk management procedures. The risk management process is led by the Group Chief Financial Officer but involves all key functions and business areas in the assessment process. This includes the assessment of the key risks on an annual basis with updates provided on these risks and the actions to mitigate these risks performed on a quarterly basis.

Directors and their interests

The Directors of the Company in the year, and to the date of signing, are shown below:

Directors:	P A Austin
	M Stephens (appointed 14 September 2017)
	J R Da Costa Souteiro Sousa (resigned 13 July 2017)

Company Secretary:	I Lefevre
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None of the Directors had any interests in the shares of the Company as at 31 December 2017 (2016: nil).

Directors' report for the year ended 31 December 2017 (continued)

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Strategic Report

The Company is considered as "small" under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and is therefore exempt from preparing a strategic report.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards, comprising FRS102, 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

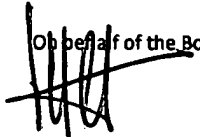
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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


P A Austin
Director
4th June, 2018

13th Floor
5 Aldermanbury Square
London EC2V 7HR
Registered Number: 4617115

Independent auditors' report to the members of Cigna Willow Holdings Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Cigna Willow Holdings Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2017; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

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 Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 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 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 set out on page 2, 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.

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

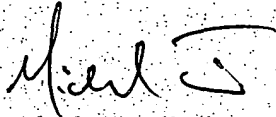
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received 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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Michael Timar (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow

5 June 2018

Statement of Comprehensive Income

	For the year ended 31 December 2017	For the year ended 31 December 2016
Note	£ '000	£ '000
Amounts written off on investments	4,965	-
Operating loss	4,965	-
Loss before taxation	4,965	-
Tax on loss	-	-
Total comprehensive expense for the year	4,965	-

Statement of Financial Position

	Note	As at 31 December 2017 £ '000	As at 31 December 2016 £ '000
Fixed assets			
Investments	6	8,840	13,805
Total fixed assets		8,840	13,805
Current assets			
Debtors	7	10,000	10,000
Cash and cash equivalents		5	5
Total current assets		10,005	10,005
Creditors - amounts falling due within one year	8	(24,128)	(24,128)
Net current liabilities		(14,123)	(14,123)
Total assets less current liabilities		(5,283)	(318)
Net liabilities		(5,283)	(318)
Capital and reserves			
Called up share capital	9	94,830	94,830
Accumulated losses		(100,113)	(95,148)
Total shareholders' deficit		(5,283)	(318)

The notes on pages 8 to 13 are an integral part of these financial statements.

No profit and loss account is included in these accounts as the Company has not traded during the year.

The Company's audit fees of £5,000 (2016: £5,000) are borne by CIGNA Insurance Services (Europe) Limited.

The Annual Report and Financial Statements on pages 1 to 13 were authorised for issue by the board of Directors on 4th June 2018 and were signed on its behalf.


P A Austin
Director

Registered Number: 4617115

Statement of Changes in Equity for the year ended 31 December 2017

	Called up share capital £ '000	Accumulated losses £ '000	Total shareholders' deficit £ '000
As at 1 January 2017	94,830	(95,148)	(318)
Loss for the financial year		(4,965)	(4,965)
As at 31 December 2017	94,830	(100,113)	(5,283)

The notes on pages 8 to 13 are an integral part of these financial statements.

Notes to the financial statements

1. General Information

Cigna Willow Holdings Ltd ("the Company") is a wholly-owned subsidiary of Cigna Oak Holdings Ltd, an indirect subsidiary of Cigna Corporation.

Cigna Willow Holdings Ltd acts as the holding company for a group including a regulated insurance intermediary providing a full range of insurance products and services. The Company also facilitates the deployment of capital and funding across its group.

The subsidiaries of the Company structure and distribute, predominantly in partnership with "white label" financial services companies, a range of personal and commercial insurance products. This is done via two principal trading companies each specialising in segments of insurance and with capability to offer end to end core processes including sales and marketing, underwriting and pricing, and claims and policy servicing. The Company itself does not trade or have any plans to change its role as a holding company.

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 13th Floor, 5 Aldermanbury Square, London EC2V 7HR.

2. Statement of compliance

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Company has adopted FRS 102 in these financial statements.

(a) Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The financial statements are prepared in accordance with the provisions of the Companies Act 2006, and in accordance with applicable accounting standards in the United Kingdom and under the historical cost accounting rules.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

(b) Going concern

Based on assurances that the Company's parent has received from its immediate parent, the Directors consider that the Company has adequate resources to continue in business for the foreseeable future and that it is therefore appropriate to adopt the going concern basis in preparing the Financial Statements.

Notes to the financial statements (continued)

3. Summary of significant accounting policies (continued)

(c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The Company is a qualifying entity as its results are consolidated into the financial statements of Cigna, Inc. which are publicly available.

As a qualifying entity, the Company has taken advantage of the following exemptions:

- i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;
- ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;
- iii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv) of FRS 102; and
- iv) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

(d) Consolidated financial statements

The Company is a wholly owned subsidiary of Cigna Oak Holdings Ltd and of its ultimate parent, Cigna Corporation. The Company is included in the consolidated financial statements of Cigna Corporation which are publicly available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

These financial statements are the Company's separate financial statements.

(e) Taxation

Taxation expense for the period comprises of current, deferred and foreign tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current, deferred and foreign taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing differences.

Notes to the financial statements (continued)

3. Summary of significant accounting policies (continued)

(f) Investments

(i) Investment in subsidiary companies

Investment in subsidiary companies are held at cost less accumulated impairment losses.

(g) Contingencies

Contingent liabilities are not recognised in the Statement of Financial Position. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(h) Financial Instruments

The Company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the profit and loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual right to the cash flows from the assets expires or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party.

Notes to the financial statements (continued)

3. Summary of significant accounting policies (continued)

(h) Financial Instruments (continued)

(II) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method:

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(III) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(i) Share capital

Ordinary shares are classified as equity.

(j) Distributions to equity holders

Dividends and other distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognised in the statement of changes in equity.

(k) Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

4. Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Impairment of subsidiaries

The company makes an estimate of the valuation of subsidiaries. When assessing impairment of subsidiaries, management considers factors including recent appraised valuations, current net asset position, current year earnings and distributions and the present value of future cash inflow. See note 6 for the net carrying amount of the subsidiaries and associated impairment provision.

Notes to the financial statements (continued)

5. Directors

All directors of the Company are employees of other related parties within the Cigna Corporation group. No directors emoluments are paid directly by the Company for the services provided by the Directors (2016: nil).

6. Investments	2017 £ '000	2016 £ '000
Cost		
At 1 January	28,338	18,338
Additions	-	10,000
At 31 December	28,338	28,338
Impairments		
At 1 January	(14,533)	(14,533)
Impairment of investment	(4,965)	-
At 31 December	(19,498)	(14,533)
Net Book Value		
At 31 December	8,840	13,805

Analysed as:

	Country of Incorporation	Class of shares held	Principal activity	Held directly or indirectly
CIGNA Insurance Services (Europe) Limited	Great Britain	Ordinary	Personal lines insurance	Indirect
FirstAssist Administration Limited	Great Britain	Ordinary	Business Administration	Indirect
Cigna Legal Protection UK Limited	Great Britain	Ordinary	Legal Insurance	Indirect

7. Debtors	2017 £ '000	2016 £ '000
Amounts owed by group undertakings	10,000	10,000
	10,000	10,000

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

The addresses of the undertakings' registered office is 13th Floor, 5 Aldermanbury Square, London EC2V 7HR. These can be found in the financial statements of those companies.

Notes to the financial statements (continued)

8. Creditors - amounts falling due within one year	2017 £ '000	2016 £ '000
Amounts owed to group undertakings	24,128	24,128
	24,128	24,128

Amounts owed by group undertakings represent trading balances payable. The amounts owed are unsecured, interest free and repayable on demand.

9. Called Up Share Capital

	2017 £	2016 £
Authorised:		
94,829,811 ordinary shares of £1	94,829,811	94,829,811
	94,829,811	94,829,811
Allotted, issued and fully paid		
94,829,811 ordinary shares of £1	94,829,811	94,829,811
	94,829,811	94,829,811

Ordinary shares carry the right to vote and participate in both dividends and any surplus arising on a winding up.

10. Related party transactions

No contract of significance existed at any time during the year in which a Director or key manager was materially interested or which requires disclosure as a related party transactions as defined under FRS102, para 33.2 "Related Party Disclosures".

The Company is exempt from disclosing other related party group transactions as they are with other companies that are wholly owned within the Group.

11. Controlling parties

The immediate parent undertaking is Cigna Oak Holdings Ltd. The company's address is 13th Floor, 5 Aldermanbury Square, London EC2V 7HR.

The ultimate parent undertaking and controlling party at 31 December, 2017 is Cigna Corporation which is incorporated and registered in the United States of America, copies of whose consolidated financial statements can be obtained from 900 Cottage Grove Road, C8NAS Hartford, CT 06152.7314.