


COMPANY REGISTRATION NUMBER 05636081

LV INSURANCE MANAGEMENT LIMITED

REPORT AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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LV INSURANCE MANAGEMENT LIMITED

DIRECTORS, OFFICERS AND REGISTERED OFFICE

Directors

P M Bunker Resigned 01 January 2016
S V Castle
J B O'Roarke
M J Rogers
P W Moore
S R Haynes
P Horton Resigned 14 September 2015
R A Rowney Appointed 30 March 2015

Company secretary

R S Small

Registered office

County Gates
Bournemouth
BH1 2NF

Tel 01202 292333
Fax 01202 751825

STRATEGIC REPORT

1 Results and dividends

The loss for the year after taxation was £33,000 (2014 £31,000) as set out on page 6. The Directors propose no dividends for the current year (2014 Nil).

2. Principal activities

The principal activity of LV Insurance Management Limited ('Company') is the provision of management services to other companies within Liverpool Victoria General Insurance Group ('Entity').

3. Business review and developments

(a) Results and performance

During 2015 the Company has continued to support LVGIG in its long term strategic objectives.

(b) Strategy

The long term objective of the Entity and its subsidiaries ('Group') is as follows:

"To maintain its position as a top five general insurer in its target markets and to be active in all major channels: direct, broker, affinity and white-label. It will be focused on three core products, namely Motor, Home and Commercial supported by more minor lines such as Road Rescue, Travel and Pet and will utilise a range of strong brands including LV=, Highway, ABC and Britannia Rescue. The Group will operate best-practice processes and technology in order to provide superior customer service through a people-focused and empowered culture. The Group aims to deliver attractive and consistent returns to members of Liverpool Victoria Friendly Society Limited."

The Company is one of the service companies within this group and supports the main operating entities in achieving the overall objective. The Directors do not anticipate any change in this status in the near future.

(c) 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.

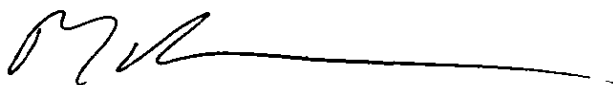
(d) Significant post statement of financial position events

There have been no events of significance affecting the Company since the statement of financial position date.

(e) Key performance indicators ('KPIs')

Given the nature of the Company's operations the Directors do not consider the use of KPIs to be appropriate.

On behalf of the Board of Directors



M J Rogers
Director

10 March 2016

DIRECTORS' REPORT

As permitted by section 414C(11) of the Companies Act 2006, certain information is not included in the Directors' Report because it has instead been shown in the Strategic Report. This information is

- Results and dividends,
- Principal activities of the Company,
- Business review and future prospects,
- Principal risks and uncertainties

1 Directors and their interests

The present members of the Board and the members who were in office during the year and up to the date of signing the financial statements are listed on page 2

2 Parent company

The ultimate parent company is Liverpool Victoria Friendly Society Limited ('LVFS'), a friendly society incorporated under the Friendly Societies Act 1992. The immediate parent company is LVGI

3 Employees

The Company did not directly employ any staff during 2015. Instead it utilised the staff and premises of LVFS in carrying out its activities and incurred the cost of staff through management charges.

4 Directors' indemnity statement

The Directors have the benefit of an indemnity which constitutes a "qualifying third party indemnity provision" as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. LVFS, the ultimate parent company, also purchased and maintained throughout the financial year on behalf of its subsidiaries Directors' and Officers' liability insurance in respect of the Company and its Directors. It is available for inspection at the registered office of the Company, details of which are provided on page 2.

5 Directors' responsibilities statement

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

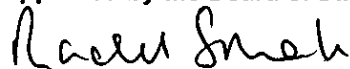
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union. Under company law the Directors must 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

DIRECTORS' REPORT

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 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.

Approved by the Board of Directors and signed by order of the Board



R S Small
Company Secretary

10 March 2016

LV INSURANCE MANAGEMENT LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £000	2014 £000
Fair value gains on investments			
Realised gains			
Other income	3	277,836	269,433
Total income		277,836	269,433
Net benefits and claims			
Write downs of investment in subsidiaries			
Other operating and administrative expenses	4	(277,836)	(269,433)
Total expenses		(277,836)	(269,433)
Profit before tax		-	-
Income tax expense	6	(33)	(31)
Loss for the financial year		(33)	(31)
Total comprehensive loss for the year		(33)	(31)

All balances relate to continuing business

The notes on pages 10 to 24 are an integral part of the financial statements

LV INSURANCE MANAGEMENT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

Attributable to equity holders of the Company				
		Share capital	Accumulated profits/ (losses)	Total equity
	Note	£000	£000	£000
Balance at 1 January 2015		1,045	(16)	1,029
Loss for the year	18	-	(33)	(66)
Balance at 31 December 2015		1,045	(49)	963

Attributable to equity holders of the Company				
		Share capital	Accumulated profits	Total equity
	Note	£000	£000	£000
Balance at 1 January 2014		1,045	15	1,060
Loss for the year	18	-	(31)	(31)
Balance at 31 December 2014		1,045	(16)	1,029

The notes on pages 10 to 24 are an integral part of the financial statements

LV INSURANCE MANAGEMENT LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	Note	2015 £000	2014 £000
Assets			
Intangible assets	7	17,464	10502
Investment in subsidiaries			
Deferred acquisition costs			
Property, plant and equipment	8	6,475	8049
Deferred tax assets	9	1,274	1352
Current tax asset	10	46	
Trade and other receivables	11	2,095	8374
Cash and cash equivalents	12	-	2
Total assets		27,354	28,279
Liabilities			
Current tax liability	10		114
Financial liabilities			
Trade and other payables	13	26,190	26806
Provisions	16	168	330
Total liabilities		26,358	27,250
Equity			
Share capital	17	1,045	1,045
Accumulated losses	18	(49)	(16)
Total equity		996	1,029
Total liabilities and equity		27,354	28,279

The notes on pages 10 to 24 are an integral part of the financial statements

Audit exemption statement

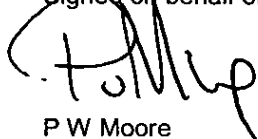
For the year ended 31 December 2015 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These financial statements were approved by the Board of Directors on 10 March 2016

Signed on behalf of the Board of Directors



P W Moore
Director

LV INSURANCE MANAGEMENT LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

		2015	2014
	Note	£000	£000
Cash and cash equivalents at 1 January	12	2	1
Cash flows arising from			
Operating activities			
Cash generated from operating activities	20	9,060	8,050
Group tax relief	10	(114)	28
Net cash flows generated from operating activities		8,946	8,078
Investing activities			
Proceeds from sale/transfer of property and equipment	8	7	19
Purchase of property and equipment	8	(302)	(1,673)
Purchase of intangibles	7	(8,652)	(6,423)
Net cash flows used in investing activities		(8,947)	(8,077)
Financing activities			
Net increase in cash and cash equivalents		(2)	1
Cash and cash equivalents at 31 December	12	-	2

The notes on pages 10 to 24 are an integral part of the financial statements

LV INSURANCE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1 General information

The Company is a company limited by shares, domiciled and incorporated in the United Kingdom

Basis of Presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and interpretations issued by the IFRS Interpretations Committee (IFRIC) as published by the International Accounting Standards Board and adopted by the European Union (EU). In addition the financial statements comply with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

IFRS 1, First-time Adoption of International Financial Reporting Standards, with the provisions of statutory instrument 2008/410, Schedule 3 and Schedule 6 part 3 to the Companies Act 2006 has been applied in preparing these financial statements. These financial statements are the first financial statements to be prepared in accordance with IFRS.

Reconciliations and descriptions of the effects of the transition from UK Generally Accepted Accounting Principles (GAAP) to IFRS on the Company's statement of comprehensive income and statement of financial position are given in note IFRS. These financial statements have been prepared under the historic cost convention, as modified by the revaluation of financial assets and liabilities at fair value through income.

The preparation of the financial statements in conformity with IFRS requires the use of estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The Company has not used any significant estimates or judgements in preparing the financial statements in conformity with IFRS.

The principal accounting policies adopted are listed below. These policies have been consistently applied to all years presented, unless otherwise stated.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

LV INSURANCE MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. Accounting policies

Other operating income

Management charges for the provision of services are recognised as income when due for payment

Operating lease payments

Operating lease payments are accounted for on a straight line basis over the term of the lease

IT Software

IAS 38 Intangible Assets requires the capitalisation of certain expenditure relating to software costs. Software costs are capitalised if it is probable that the asset created will generate future economic benefits. Costs incurred to establish technological feasibility or to maintain existing levels of performance are recognised as an expense.

Software costs, including computer application software licences, are recognised as intangible fixed assets and amortised using the straight line method over their useful lives (three to six years). The amortisation periods used are reviewed annually.

Software values are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount is not recoverable the asset is written down immediately to the estimated recoverable amount, based on value in use calculations.

LV INSURANCE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2. Accounting policies (continued)

Property and equipment

Operational property and equipment is held at accumulated cost less depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Both property and equipment are depreciated on a straight line basis over their estimated useful lives. The periods used are as follows:

Freehold buildings and finance lease property*	10 to 50 years
Leasehold property enhancements*	10 years or lease term if shorter
Fixtures and fittings	3 to 10 years
IT equipment	3 to 6 years

Provision is made for any impairment in property and equipment.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

*These are properties used by the Company for operational purposes and are not investment properties.

Assets under construction represent the cost of assets under development. These assets are not depreciated. The total cost is transferred to the appropriate asset class on completion and then depreciated over their estimated useful lives.

Realised gains or losses

Realised gains and losses on investments are calculated as the difference between net sales proceeds and purchase price.

Unrealised gains and losses

Unrealised gains and losses on investments represent the difference between the valuation of fair value assets at the Statement of Financial Position date and their valuation at the last Statement of Financial Position date or, where purchased during the year, the purchase price. An adjustment is made to unrealised gains and losses for the prior year's unrealised element included in the current year's realised gains and losses.

LV INSURANCE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2 Accounting policies (continued)

Income taxes

The income tax expense reflects the movement in current and deferred income tax in respect of income, gains, losses and expenses

- Current income tax

Current income tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date

- Deferred tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets at fair value through income

All investments of the Company classified as fair value are designated as fair value through income at inception. Such assets are valued at market prices, or prices consistent with market ratings should no price be available. Day one gains or losses are recognised only where valuations use data from observable markets. Any unrealised or realised gains or losses are taken to the Statement of Comprehensive Income, as fair value gains or losses, or realised gains or losses respectively, as they occur.

Trade and other payables

Trade and other payables are recognised as they fall due. They are initially recognised at fair value and subsequently held at amortised cost.

Trade and other payables include accruals for levies which are recognised when the obligating event of sales of insurance premiums occurs. Accrual is made in accordance with the requirements of the relevant levy legislation.

LV INSURANCE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2 Accounting policies (continued)

Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets

Share premium

Share premium account includes any premium received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium account, net of any related income tax benefits.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and short term deposits with an original maturity of three months or less.

For the purpose of the Statement of Cash Flows, Cash and cash equivalents are as defined above but are shown net of outstanding bank overdrafts.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Where the Company expects some or all of a provision to be reimbursed it is recognised as a separate asset when the reimbursement is certain.

Provisions are measured at the present value of the expenditure required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

CHANGES IN ACCOUNTING POLICIES

(i) New and amended standards adopted by the Company

No new standards have been adopted by the Company for the first time for the financial year beginning on or after 1 January 2015 and have a material impact on the Company.

LV INSURANCE MANAGEMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015****3. Other income**

	2015	2014
	£000	£000
Management charges	277,836	269,433
	277,836	269,433

4. Other operating and administrative expenses

	2015	2014
	£000	£000
Depreciation on property, plant and equipment – owned	1,869	1,974
Operating lease rental charge on land and buildings	1,144	1,161
Auditor's remuneration		
Administrative expenses	194,887	209,190
Management charges	78,245	56,970
Amortisation of intangible assets	1,691	139
	277,836	269,433

5. Directors emoluments

The emoluments of the Directors are paid by the ultimate parent company. The Directors are also Directors of LVGIG (and a number of fellow subsidiaries) and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments. Total emoluments for the relevant Directors are included in the aggregate of Directors' emoluments disclosed in the financial statements of LVGIG.

LV INSURANCE MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

6 Income tax expense

a) Current year tax expense

	2015	2014
	£000	£000
Current year tax expense		
Current tax		
Group relief	-	(27)
Adjustment to tax charge in respect of prior years	46	(87)
Total current tax	46	(114)
Deferred tax		
Adjustment to deferred tax in respect of prior years	55	262
Deferred tax charge	(134)	(179)
Total deferred tax	(79)	83
Total income tax expense	(33)	(31)

b) Reconciliation of tax expense

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (20 25%)
The differences are explained below

	2015	2014
	£000	£000
Effects of		
Expenses not deductible for tax purposes	(39)	(206)
Impact of change in UK tax rate on deferred tax	(95)	-
Adjustment to current tax in respect of prior years	46	(87)
Adjustment to deferred tax in respect of prior years	55	262
Total income tax expense for the year	(33)	(31)

The standard rate of corporation tax in the UK changed from 21% to 20% with effect from 1 April 2015
Accordingly, the profits for this accounting period are taxed at an effective rate of 20 25%

LV INSURANCE MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

7 Intangible assets

	Software and licence costs	Total
	£000	£000
Cost		
At 1 January 2015	10,641	10,641
Additions	8,652	8,652
At 31 December 2015	19,293	19,293
Accumulated amortisation		
At 1 January 2015	139	139
Amortisation charge for the year	1,691	1,691
At 31 December 2015	1,829	1,829
Net book value at 31 December 2015	17,464	17,464
Net book value at 31 December 2014	10,502	10,502

LV INSURANCE MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

8 Property, plant and equipment

	Leasehold property enhancements	Fixtures, fittings and IT equipment	Total
	£000	£000	£000
Cost			
At 1 January 2015	8,287	6,676	14,962
Intragroup transfers	-	(1)	(1)
Additions	66	236	302
Disposals	(6)	-	(6)
At 31 December 2015	8,347	6,911	15,257
Accumulated depreciation			
At 1 January 2015	3,054	3,860	6,913
Provided in the year	904	965	1,869
At 31 December 2015	3,958	4,825	8,782
Net book value at 31 December 2015	4,389	2,086	6,475

	Leasehold property enhancements	Fixtures, fittings and IT equipment	Total
	£000	£000	£000
Cost			
At 1 January 2014	7,022	6,295	13,317
Intragroup transfers	-	(28)	(28)
Additions	1,265	408	1,673
At 31 December 2014	8,287	6,675	14,962
Accumulated depreciation			
At 1 January 2014	2,260	2,688	4,948
Intragroup transfers	-	(9)	(9)
Provided in the year	794	1,180	1,974
At 31 December 2014	3,054	3,859	6,913
Net book value at 31 December 2014	5,233	2,816	8,049

LV INSURANCE MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

9 Deferred tax asset

	2015	2014
	£000	£000
At 1 January	1,352	1,269
Current year charge	(78)	83
At 31 December	1,274	1,352

Analysis of deferred taxation temporary differences

Accelerated capital allowances	1,274	1,352
	1,274	1,352

The analysis of the deferred tax balance is as follows

Deferred tax asset expected to be recovered after more than 12 months	1087	1180
Deferred tax asset expected to be recovered within 12 months	187	172
Net deferred tax asset	1,274	1,352

The valuation and recoverability of deferred tax assets relating to capital allowances in excess of depreciation is dependant on the availability of future taxable profits within the company. Management forecasts currently support the future recoverability of the deferred tax asset recognised in the balance sheet as at 31st December 2015.

The calculation of deferred tax balances at the year end also takes into account the reduction in the UK main corporation tax rate to 20%, effective from 1 April 2015, and further reductions to 19% and 18%, both substantively enacted on 26 October 2015, that will be effective from 1 April 2017 and 1 April 2020 respectively.

LV INSURANCE MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

10. Current tax liability/(asset)

	2015	2014
	£000	£000
At 1 January	114	(28)
Amounts recorded in the statement of comprehensive income	(46)	114
Payments made in respect of group relief	(114)	28
At 31 December	(46)	114

11 Trade and other receivables

	2015	2014
	£000	£000
Amounts owed from group undertakings	-	3,045
Other receivables	2,095	5,329
	2,095	8,374

12 Cash and cash equivalents

	2015	2014
	£000	£000
Bank balances	-	2
	-	2

13. Trade and other payables

	2015	2014
	£000	£000
Amounts owed to group undertakings	2,943	
Accruals and deferred income	23,038	26,744
Other payables	209	62
	26,190	26,806

14 Maturity profile of financial assets

	Note	Within 1 year	Total
		£000	£000
Maturity profile of financial assets 2015			
Trade and other receivables	11	2,095	2,095
		2,095	2,095
	Note	Within 1 year	Total
		£000	£000
Maturity profile of financial assets 2014			
Trade and other receivables	11	8,374	8,374
Cash and cash equivalents	12	2	2
		8,376	8,376

LV INSURANCE MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

15 Maturity profile of financial liabilities

	Note	Within 1 year £000	Total £000
Maturity profile of financial liabilities 2015			
Trade and other payables	13	(26,190)	(26,190)
Provisions	16	(168)	(168)
		(26,358)	(26,358)

	Note	Within 1 year £000	Total £000
Maturity profile of financial liabilities 2014			
Trade and other payables	13	(26,806)	(26,806)
Provisions	16	(330)	(330)
		(27,136)	(27,136)

16. Provisions

	2015 £000	2014 £000
Balance at 1 January	330	163
Utilised during the year	53	(86)
Created during the year	(215)	253
Balance at 31 December	168	330

The provision relates to the closure of discontinued branches and restructuring costs

17. Share capital

	2015 £000	2014 £000
Authorised		
Ordinary shares of £1 each	1,045	1,045
	1,045	1,045
Issued and fully paid		
Ordinary shares of £1 each	1,045	1,045
	1,045	1,045

LV INSURANCE MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

18. Accumulated (losses)/profits

	2015	2014
	£000	£000
Balance at 1 January	(16)	15
Loss for the year	(33)	(31)
Balance at 31 December	(49)	(16)

This reserve, when positive, is distributable in future periods, subject to the provisions of the Companies Act 2006

19 Annual lease commitments

As at 31 December 2015, the Company had aggregate commitments under non-cancellable operating leases in respect of buildings as follows

	2015	2014
	£000	£000
Operating leases which expire		
Within 1 year	1,144	1,161
In 2 to 5 years	2,399	3,546
	3,543	4,707

20 Cash generated from operating activities

	2015	2014
	£000	£000
Non-cash items		
Amortisation of intangibles	1,691	139
Depreciation on property, plant and equipment	1,869	1,974
Changes in working capital		
Decrease in trade and other receivables	6,279	1,997
(Decrease) / Increase in provisions	(162)	167
(Decrease) / Increase in trade and other payables	(617)	3,773
Cash generated from operating activities	9,060	8,050

LV INSURANCE MANAGEMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015****21. Related party transactions**

The Company enters into transactions with key management personnel in the normal course of business. All transactions are carried out on an arm's length basis. Details of significant transactions carried out during the year with related parties are as follows:

The following transactions have taken place between the Company and other Group companies:

	2015 £000	2014 £000
Management charge income (with LVIC* and HW*)	277,836	269,433
Management charge expense (with LVFS)	(78,245)	(56,970)
	199,591	212,463

*Liverpool Victoria Insurance Company Limited (LVIC)

*Highway Insurance Company Limited (HW)

Balances outstanding between the Company and LVFS

	2015 £000	2014 £000
Receivable from/(payable to) the Company	2,943	(3,045)
	2,943	(3,045)

LV INSURANCE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

22. Ultimate parent company

The ultimate parent company and ultimate controlling party is Liverpool Victoria Friendly Society Limited, a UK incorporated Friendly Society registered under the Friendly Societies Act 1992

The immediate parent company is Liverpool Victoria General Insurance Group Limited, a limited liability company, incorporated in the UK

Both the ultimate and immediate parent companies are registered at the below address

The largest company whose accounts this company is consolidated into is Liverpool Victoria Friendly Society Limited

The smallest company whose accounts this company is consolidated into is Liverpool Victoria General Insurance Group Limited

The consolidated financial statements of Liverpool Victoria Friendly Society Limited are available to the public and may be obtained from

The Company Secretary
County Gates
Bournemouth
BH1 2NF

or at www.lv.com/about-us/company-information/returns/reports-accounts