

Aon Benfield Limited

Company Registration Number 06652620

Annual Report - 31 December 2018



Aon Benfield Limited
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31 December 2018

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Aon Benfield Limited
Corporate directory
31 December 2018

Directors	E M Hamnett N J Hardman P Katsaouni-Dodd PA Hogwood (appointed on 24 January 2019, resigned on 28 June 2019) D G Ledger (resigned on 28 March 2018) C L Asher (resigned on 21 September 2018)
Company secretary	CoSec 2000 Limited
Registered office	The Aon Centre The Leadenhall Building 122 Leadenhall Street London, EC3V 4AN United Kingdom
Auditor	Ernst & Young LLP 25 Churchill Place London, E14 5EY United Kingdom

Aon Benfield Limited
Strategic report
31 December 2018

The directors present their Strategic report of Aon Benfield Limited ("the Company") for the year ended 31 December 2018.

The Company is a company limited by shares, incorporated in the United Kingdom ("UK") under the UK Companies Act 2006 ("the Companies Act") and registered in England and Wales. The address of the registered office is given on the Corporate directory on page 2.

These financial statements are presented in Pounds Sterling ("Pounds") as that is the currency of the primary economic environment in which the Company operates.

The Company reports under Financial Reporting Standard ("FRS") 101, and has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Financial Reporting Council ("FRC") that are mandatory for the current reporting period.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements under Section 400 of the Companies Act, because it is included in the consolidated financial statements of Aon plc ("the Group"). The Group financial statements are available to the public and can be obtained as set out in note 32.

Principal activities

The principal activity of the Company during the year was that of an intermediate holding company.

Review of operations

The profit after taxation for the Company amounted to £151.1m (2017: loss of £2.9m). This profit was mainly driven from the below items:

	2018 £'000	2017 £'000	Change £'000	Change %
Revenue	152,991	6,189	146,802	2372%
Administrative expenses	(2,989)	(9,716)	6,727	(69%)
Interest receivable and similar income	862	890	(28)	(3%)

Revenue

The revenue relates to dividends received from subsidiary undertakings during the year.

Administrative expenses

Administration expenses decreased mainly due to lower impairment charges of £1.2m (2017: £9.3m). Please refer to note 14.

Interest receivable and similar income

The interest receivable and similar income relates to bank interest earned and has decreased marginally when compared to prior year.

The Company's key financial and other performance indicators during the year were as follows:

	2018 £'000	2017 £'000
Shareholder's funds	2,585,772	2,429,315
Net current assets	231,436	75,699

Shareholder's funds increased by £156.5m due to profit for the year of £151.1m and a gain on the revaluation of equity instruments at fair value through other comprehensive income of £5.3m.

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The Company's net current assets increased by £155.7m mainly due to an increase in cash balances of £161.7m (mostly dividend received), increase in income tax receivable of £0.4m and decrease in tax payable of £1.0m offset by a decrease in trade and other receivables of £4.6m, increase in trade and other payables by £2.4m and increase in provisions of £0.4m.

Principal risks and uncertainties

The risk factors set forth below reflect material risks associated with the business and contain forward-looking statements as discussed in the "Likely future developments" section below. Readers should consider them in addition to the other information contained in this report as the Company's business, financial condition or results of operations could be adversely affected if any of these risks were to actually occur.

The following are material risks related to the Company's business specifically and the industries in which the Company operates generally that could adversely affect its business, financial condition and results of operations and cause its actual results to differ materially from those included in the forward-looking statements in this document and elsewhere.

Accounting estimates and assumptions

The Company is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of our financial statements. The Company periodically evaluates its estimates and assumptions including, but not limited to, those relating to recoverability of assets including investments in subsidiaries, available-for-sale financial assets, tangible fixed assets, intercompany receivables, income and deferred taxes. The Company bases its estimates on historical experience and various assumptions that it believes to be reasonable based on specific circumstances. These assumptions and estimates involve the exercise of judgement and discretion, which may evolve over time in light of operational experience, regulatory direction, developments in accounting principles, and other factors. Actual results could differ from these estimates and changes in assumptions, estimates, policies, or developments in the business may change the Company's initial estimates, which could materially affect the Statements of profit and loss and other comprehensive income, Statement of financial position, and Statement of changes in equity.

Ability to receive dividends from subsidiaries

The Company is an intermediate holding company and, therefore, a legal entity separate and distinct from its subsidiaries. As a holding company without significant operations of its own, its principal assets are the shares of capital stock of its subsidiaries. The Company's subsidiaries are subject to the regulatory requirements of the jurisdictions in which they operate or other restrictions that may limit the amounts that they can pay in dividends or other payments to us. No assurance can be given that there will not be further changes in law, regulatory actions, or other circumstances that could restrict the ability of subsidiaries to pay dividends or other payments.

External environment risk

The economic and political conditions of the countries and regions in which the Group operate, including the UK's expected withdrawal from the European Union ("EU"), could have an adverse impact on its business, financial condition, operating results, liquidity, and prospects for growth.

The Group's operations in countries undergoing political change or experiencing economic instability are subject to uncertainty and risks that could materially adversely affect its business. These risks include, particularly in emerging markets, the possibility the Group would be subject to undeveloped or evolving legal systems, unstable governments and economies, and potential governmental actions affecting the flow of goods, services, and currency.

The UK's expected withdrawal from the EU, ("Brexit"), has created uncertainty about the future relationship between the UK and the EU. As the UK and EU continue to negotiate the terms of the UK's withdrawal, there remains inevitable uncertainty on topics such as financial laws and regulations, tax and free trade agreements, immigration laws, and employment laws. The Group's publicly traded parent is incorporated in the UK and has significant operations and a substantial workforce therein and therefore enjoys certain benefits based on the UK's membership of the EU. The lack of clarity about Brexit and, whether, in the future UK laws and regulations are recognised in the EU, creates uncertainty for the Group as the eventual outcome of negotiations may affect its business and operations. The Group may be required to incur additional expense as it adapt to the political and regulatory environment post-Brexit.

This may include legal entity structure changes, adjusting the way it engages with some of its EU and UK clients, or choosing to re-locate some of its staff. The Group is currently examining the various impacts to its business and operating models in an effort to develop solutions to address any of the potential outcomes of the negotiations, so its organisation can continue to provide its clients with the services and expertise they require. It also cannot be certain that regulators in other EU countries will grant it the permissions or licenses it seeks to operate its business. The Group has and will continue to invest significant time and resources as it navigates the effects of Brexit, and the uncertainty related thereto, on its business and operations. A less orderly Brexit has the potential to adversely affect global economic conditions and the stability of global financial markets, which in turn could have a material adverse effect on its business, financial condition, and results of operations.

Additionally, any development that has the effect of devaluing the Euro or British pound could meaningfully reduce the value of its assets and reduce the usefulness of liquidity alternatives denominated in that currency such as the Group's multi-currency U.S. credit facility. The Group also deposit some of its cash, including cash held in a fiduciary capacity, with certain European financial institutions. While the Group continuously monitor and manage exposures associated with those deposits, to the extent the uncertainty surrounding economic stability in Europe and the future viability of the Euro suddenly and adversely impacts those financial institutions, some or all of those cash deposits could be at risk.

Non-current assets impairment charges

The Company may be required to record other non-current assets impairment charges, which could result in a significant charge to earnings.

Non-current assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Factors that may be considered in assessing whether other non-current assets may not be recoverable include a decline in the Company's ultimate parent's share price or market capitalisation, reduced estimates of future cash flows and slower growth rates in its industry. Unforeseen circumstances may be experienced that adversely affect the value of other non-current assets. Future other non-current assets impairment charges could materially impact the financial statements.

The measurement of impairment losses under IFRS 9 across relevant financial assets requires judgement, in particular, for the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by the outcome of modelled ECL scenarios and the relevant inputs used.

Financial risk management

Objectives and policies

The Company's activities expose it to a variety of financial risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk for the Company are currency risk, credit risk and liquidity/cash flow risk. The directors review operations and transactions on an ongoing basis to ensure that any such exposure is managed to minimise any potential risk arising.

Exposure to foreign currency risk

The Company is exposed to foreign currency risk in respect of revenue as well as assets and liabilities denominated in currencies other than Pounds Sterling. This risk is managed internally by Aon Treasury by actively monitoring the risk of foreign currency exposure.

Aon Benfield Limited
Strategic report
31 December 2018

Exposure to credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Company. The maximum exposure to credit risk at the reporting date of recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of financial position and notes to the financial statements.

The Company's and Aon Group's policies are aimed at minimising such losses. For debt instruments, the expected credit loss ("ECL") is based on the portion of lifetime ECLs (LTECL) that would result from default events on a financial instrument that are possible within 12 months after the reporting period. However, when there has been a significant increase in credit risk since the origination or purchase of the assets, the allowance is based on the full LTECL.

The Company's principal financial assets are amounts owed by fellow Group undertakings. Details of the Company's receivables are disclosed in notes 10 and 11.

Exposure to liquidity and cash flow risk

Liquidity and cash flow risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company meets its day to day working capital requirements through existing cash resources and ultimately if required by access to the Group cash pooling arrangements. Liquidity is managed centrally by Aon Corporate Treasury on a global basis to ensure there is sufficient available unutilised capacity on its committed borrowing facilities.

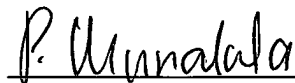
The Aon group

The Company is an indirect subsidiary of Aon plc, a company listed on the New York Stock Exchange which had net assets of circa. US \$4.2 billion (2017: US \$4.6 billion) as disclosed in its audited financial statements for the year ended 31 December 2018 and had an S&P rating of A-/Stable. The Company benefits from Aon plc and certain fellow Group undertakings for services provided in a wide range of areas including Group credit facilities detailed in note 30 of the financial statements, Group capital injections, and other head office services. The Company continues to benefit from the Group's support and the directors expect this support to continue for the foreseeable future. Availability of this support provides additional mitigation to many of the Company's principal risks.

Likely future developments

It is not anticipated that there will be any change in the activity of the Company in the foreseeable future.

For and on behalf of the Board of Directors



P Munalula, For and on behalf of CoSec 2000 Limited
Company Secretary

26th September 2019

Aon Benfield Limited
Directors' report
31 December 2018

The directors present their report, together with the financial statements of the Company for the year ended 31 December 2018.

Results

The results for the year and the Company's financial position at the end of the year are shown in the attached financial statements.

Political donations

No political donations were made during the year.

Dividends

Dividends paid during the financial year were as follows:

	2018 £'000	2017 £'000
An interim dividend of £Nil (£Nil per share) was paid during the year ended 31 December 2018 (2017: £87.0m (£0.7 per share)), to Aon Delta UK Limited, the Company's parent.	-	87,000

Principal risks and uncertainties

Information on principal risks and uncertainties of the Company are disclosed in the Strategic report.

Financial risk management

Information on the Company's financial risk management are disclosed in the Strategic report.

Likely future developments

Information on likely future developments of the Company are disclosed in the Strategic report.

Going concern

The directors have prepared a going concern assessment for Aon Benfield Limited for the financial period to September 2020 (reflecting a one-year projection from the date of the signing of the 2018 statutory accounts in September 2019).

The Company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposures to price, credit, liquidity and cash flow risk are described in the Strategic report. The Company has considerable financial resources. As a consequence, the directors believe that the Group is well placed to manage the Company's business risks successfully despite the current uncertain economic outlook.

The Company is expected to continue to generate positive cash flows for the foreseeable future. The Company participates in the Group's centralised Treasury arrangements and so shares banking arrangements with its parent and fellow Group undertakings.

The directors of the Company are not aware of or have any reason to believe in regard to the Company's ultimate parent entity Aon plc that a material uncertainty exists that may cast significant doubt about the ability of the Group to continue as a going concern or its ability to continue with the current banking arrangements.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Aon Benfield Limited
Directors' report
31 December 2018

Events after the reporting period date

On 27 February 2019, the Company paid a dividend of \$221.3m to its parent company, Aon Delta UK Limited.

No other matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information required in connection with the auditor's report, of which the auditor is unaware. Each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Ernst & Young LLP are deemed to be reappointed as the Company's auditor in accordance with section 487 of the Companies Act.

Indemnity of directors

The group has qualifying third party indemnity provisions in place for the benefit of its directors which were in place during the year and remain in force at the date of this report.

Directors

The current directors and all directors who served during the year and to the date of this report are shown on page 2.

This report is made in accordance with a resolution of directors.

For and on behalf of the Board of Directors.



P Munalula, For and on behalf of CoSec 2000 Limited
Company Secretary

26 September 2019

Aon Benfield Limited
Directors' responsibilities statement
31 December 2018

The directors are responsible for preparing the Strategic report, Directors' report and the financial statements in accordance with applicable UK 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 with UK GAAP (United Kingdom Accounting Standards 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 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 accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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.

Aon Benfield Limited
Independent auditor's report to the members of Aon Benfield Limited
31 December 2018

Opinion

We have audited the financial statements of Aon Benfield Limited for the year ended 31 December 2018 which comprise the Statement of profit or loss and other comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 32, including a summary of significant accounting policies and the Appendix. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Aon Benfield Limited
Independent auditor's report to the members of Aon Benfield Limited
31 December 2018

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Aon Benfield Limited

Independent auditor's report to the members of Aon Benfield Limited

31 December 2018

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Jonathan Bell (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

London

Date: 18 September 2019

Aon Benfield Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2018

	Note	2018 £'000	2017 £'000
Revenue	3	152,991	6,189
Total revenue		<u>152,991</u>	<u>6,189</u>
Expenses			
Administrative expenses	4	<u>(2,989)</u>	<u>(9,716)</u>
		<u>(2,989)</u>	<u>(9,716)</u>
Operating profit/(loss)		150,002	(3,527)
Interest receivable and similar income	7	862	890
Interest payable and similar charges	8	<u>(59)</u>	<u>(55)</u>
Profit/(loss) before income tax (charge)/credit		150,805	(2,692)
Income tax (charge)/credit	9	<u>322</u>	<u>(250)</u>
Profit/(loss) after income tax (charge)/credit for the year attributable to the owners of Aon Benfield Limited	27	151,127	(2,942)
Other comprehensive income/(loss)			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		5,330	-
<i>Items that may be reclassified subsequently to profit or loss</i>			
Gain/(Loss) on the re-measurement of available-for-sale assets		<u>-</u>	<u>(210)</u>
Other comprehensive income/(loss) for the year, net of tax		<u>5,330</u>	<u>(210)</u>
Total comprehensive income/(loss) for the year attributable to the owners of Aon Benfield Limited		<u>156,457</u>	<u>(3,152)</u>


All the activities of the Company are classed as continuing.

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Aon Benfield Limited
Statement of financial position
As at 31 December 2018

	Note	2018 £'000	2017 £'000
Assets			
Current assets			
Trade and other receivables	10	6,341	10,900
Income tax receivable	11	415	-
Cash and cash equivalents	12	254,616	92,925
Total current assets		<u>261,372</u>	<u>103,825</u>
Non-current assets			
Tangible fixed assets	13	26,700	29,609
Investments in subsidiaries	14	2,337,114	2,338,330
Other receivables	15	-	1,426
Financial assets at fair value through other comprehensive income	16	15,501	10,171
Deferred tax asset	17	1,820	1,918
Total non-current assets		<u>2,381,135</u>	<u>2,381,454</u>
Total assets		<u>2,642,507</u>	<u>2,485,279</u>
Liabilities			
Current liabilities			
Trade and other payables	18	28,825	26,418
Income tax payable	19	-	987
Provisions	20	1,111	721
Total current liabilities		<u>29,936</u>	<u>28,126</u>
Non-current liabilities			
Other payables	21	21,814	23,209
Provisions	22	4,985	4,629
Total non-current liabilities		<u>26,799</u>	<u>27,838</u>
Total liabilities		<u>56,735</u>	<u>55,964</u>
Net assets		<u>2,585,772</u>	<u>2,429,315</u>
Equity			
Share capital	23	120,306	120,306
Share premium account	24	2,116,643	2,116,643
Capital contribution reserve	25	55,665	55,665
Financial assets at fair value through other comprehensive income reserve	26	15,501	10,171
Retained earnings	27	277,657	126,530
Total equity		<u>2,585,772</u>	<u>2,429,315</u>

The Company's registered number is 06652620


P Katsaouni-Dodd
Director

26th September 2019

The above statement of financial position should be read in conjunction with the accompanying notes

Aon Benfield Limited
Statement of changes in equity
For the year ended 31 December 2018

	Share capital £'000	Share premium account £'000	Available for sale reserve £'000	Capital contribution reserve £'000	Retained profit/(losses) £'000	Total equity £'000
Balance at 1 January 2017	120,306	2,116,643	10,381	55,665	216,472	2,519,467
Loss after income tax charge for the year	-	-	-	-	(2,942)	(2,942)
Other comprehensive loss for the year, net of tax (note 26)	-	-	(210)	-	-	(210)
Total comprehensive loss for the year	-	-	(210)	-	(2,942)	(3,152)
<i>Transactions with owners in their capacity as owners:</i>						
Dividends paid (note 28)	-	-	-	-	(87,000)	(87,000)
Balance at 31 December 2017	<u>120,306</u>	<u>2,116,643</u>	<u>10,171</u>	<u>55,665</u>	<u>126,530</u>	<u>2,429,315</u>

	Share capital £'000	Share premium account £'000	Financial assets at fair value through other comprehensive income reserve £'000	Capital contribution reserve £'000	Retained profit/(losses) £'000	Total equity £'000
Balance at 1 January 2018	120,306	2,116,643	10,171	55,665	126,530	2,429,315
Profit after income tax credit for the year	-	-	-	-	151,127	151,127
Other comprehensive income for the year, net of tax (note 26)	-	-	5,330	-	-	5,330
Total comprehensive income for the year	-	-	5,330	-	151,127	156,457
Balance at 31 December 2018	<u>120,306</u>	<u>2,116,643</u>	<u>15,501</u>	<u>55,665</u>	<u>277,657</u>	<u>2,585,772</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Aon Benfield Limited
Notes to the financial statements
31 December 2018

1. Significant accounting policies

The significant accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 issued by the FRC. The financial statements have therefore been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the FRC.

Amounts in the financial statements have been rounded off to the nearest thousand Pounds, or in certain cases, the nearest Pound.

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

The preparation of the financial statements 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 2.

The financial statements have been prepared on a going concern basis. The directors have considered the appropriateness of the going concern basis in the Directors' report.

As permitted by FRS 101, the Company has taken advantage of all of the disclosure exemptions available under this standard where applicable to the Company except for those mentioned below. Where relevant, equivalent disclosures have been given in the Group financial statements of Aon plc. The Group financial statements of Aon plc are available to the public and can be obtained as set out in note 32.

The following exemptions were not taken:

- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 73(e) of IAS 16 Property, Plant and Equipment.

The Company adopted the relevant presentation requirements of IAS 1 (Presentation of Financial Statements) formats for the Statement of financial position and the Statement of profit or loss and other comprehensive income in accordance with Schedule 1 to the Regulations, as amended by Statutory Instrument 2015/980, which permits a company a choice of adapted or statutory formats. The Company chose IAS 1 presentation format to be aligned with the Group financial statements.

Basis of consolidation

The Company has taken advantage of the exemption from preparation of consolidated financial statements under Section 400 of the Companies Act as its results are included in the Group financial statements.

Revenue

Revenue represents dividends received from subsidiary undertakings. Revenue is recognised when the right to receive payment is legally established.

Aon Benfield Limited
Notes to the financial statements
31 December 2018

1. Significant accounting policies (continued)

Foreign currencies

The financial statements presentational currency is Pounds Sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the Company's functional currency are recognised at the rates of exchange at the date of the transactions. At each reporting period date, monetary assets and liabilities that are denominated in non-functional currencies are retranslated at the rate ruling at the reporting period date. Non-monetary items remain at the rates of exchange at the date of the transaction.

Exchange gains or losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the statement of profit or loss.

Interest receivable and similar income

Interest receivable is recognised as interest accrues using the effective interest method.

Interest payable and similar charges

Interest payable is recognised as interest accrues using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and allocating the interest expense over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial liability to the net carrying amount of the financial liability.

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Taxation

Current tax

The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting period date.

Deferred tax

Deferred tax is provided on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the liability method. A deferred tax asset or liability arising from the initial recognition of an asset or liability in a transaction that is not a business combination and that at the time of the transaction, affects neither the accounting nor taxable profits, is not recognised. In addition, a deferred tax liability is not recognised on the initial recognition of goodwill.

Deferred tax is provided on temporary differences on investments in subsidiaries, associates or joint ventures, except where the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting period date.

Deferred tax is charged or credited to the Statement of other comprehensive income, for items that are charged or credited directly in the Statement of other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

Aon Benfield Limited
Notes to the financial statements
31 December 2018

1. Significant accounting policies (continued)

Current and non-current classification

Assets and liabilities are presented in the Statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Cash and cash equivalents

Cash and cash equivalents include cash balances and deposits held on call with financial institutions. Their estimated fair value approximates their carrying values.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Other financial assets

Other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification.

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.

Loans and receivables

Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are equity securities, that are designated to that category. After initial recognition, fair value movements are recognised in other comprehensive income through the financial assets at fair value through other comprehensive income reserve in equity. Cumulative gain or loss previously reported in the financial assets at fair value through other comprehensive income is not recycled in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

Aon Benfield Limited
Notes to the financial statements
31 December 2018

1. Significant accounting policies (continued)

The amount of the impairment allowance for loans and receivables carried at amortised cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. If there is a reversal of impairment, the reversal cannot exceed the amortised cost that would have been recognised had the impairment not been made and is reversed to profit or loss.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For financial assets at fair value through profit or loss, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs existing at the dates of the statement of financial position.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment. The carrying value of investments in group undertakings is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Associates are entities over which the Company has significant influence but not control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for at cost less, where appropriate, provisions for impairment.

Tangible fixed assets

Fixtures and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis so as to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	Over the lower of the unexpired period of the lease or the useful economic life of the asset
Fixtures, fittings	Between three and ten years
Computer equipment	Between four and seven years, beginning from the date of implementation of fully developed systems

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Aon Benfield Limited
Notes to the financial statements
31 December 2018

1. Significant accounting policies (continued)

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Impairment of tangible assets

At each reporting period date, the Company reviews the carrying amounts of its tangible assets with a finite life to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

For the tangible asset impairment review, the recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or CGU to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a CGU.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Company at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see below).

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which remain unpaid at the reporting date. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 60 days of recognition.

Aon Benfield Limited
Notes to the financial statements
31 December 2018

1. Significant accounting policies (continued)

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Issued capital

Ordinary shares are classified as equity.

Dividends

Dividends are recognised when declared and paid during the financial year and no longer at the discretion of the Company.

New or amended Accounting Standards and Interpretations adopted

The following Accounting Standard and Interpretation is most relevant to the Company:

IFRS 9 Financial Instruments

The Company has adopted IFRS 9 from 1 January 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

The adoption of the above standard did not result in any material impact as at the adoption date.

2. Critical accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, which are described in note 1, management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revisions affect only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The judgements, estimates and assumptions that pose significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the foreseeable future are discussed below.

Impairment of non-financial assets

The Company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Fair value measurement of financial assets at fair value through other comprehensive income

The Company is required for all investments deemed to be categorised as available-for-sale ("AFS") assets to measure these assets at their fair value. Considerable judgement is required to determine the fair value of these assets using a revenue multiple model to determine a value in use to the investments.

Provisions

As a normal consequence of the Company's operations, a number of provisions are made which are based on estimates. This includes a provision for the present value of anticipated costs for future restoration of leased premises. The provision includes future costs associated with closure of the premises. The calculation of this provision requires assumptions such as expected future closure dates and cost estimates. The provision recognised for each location is reviewed periodically and updated based on the facts and circumstances available at that time. Changes to the estimated future costs are recognised in the Statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying value of the asset are recognised in profit or loss.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

3. Revenue

	2018	2017
	£'000	£'000
Dividends received from subsidiary undertakings	<u>152,991</u>	<u>6,189</u>

Aon Benfield Limited
Notes to the financial statements
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4. Administrative expenses

Operating profit is stated after charging items disclosed in administrative expenses as noted below:

	2018 £'000	2017 £'000
Net foreign exchange losses/ (gains)	(218)	132
Depreciation of tangible fixed assets	4,699	4,468
Losses on disposal of tangible fixed assets	276	88
Impairment charge	1,216	9,284
Other administrative expenses	(18,079)	(18,773)
Rental costs under operating leases	15,095	14,517
	<u>2,989</u>	<u>9,716</u>

Please refer to note 13 and 14 for details on the impairment charge.

The Company incurs expenses on behalf of other Aon Group companies. The credit on other administrative expenses relates to recharges of these expenses.

5. Directors' emoluments

	2018 £'000	2017 £'000
Directors' remuneration		
Aggregate remuneration in respect of qualifying services	1,038	1,294
Amounts received or receivable by directors under long term incentive schemes (other than shares and share options) in respect of qualifying services	648	1,032
Aggregate of company contributions paid in respect of money purchase schemes	53	71
Total	<u>1,739</u>	<u>2,397</u>

The aggregate emoluments in respect of qualifying services paid to directors or past directors as compensation for loss of office during the year was £Nil (2017: £Nil).

	2018	2017
The number of directors who:		
Received shares in respect of qualifying services under a long term incentive scheme	2	3
Are accruing benefits under money purchase schemes	5	5
	2018 £'000	2017 £'000
Remuneration of the highest paid director:		
Emoluments	1,033	1,108
Pension contributions	18	40
Total	<u>1,051</u>	<u>1,148</u>

The highest paid director received 2,035 shares at an average price \$141.09 under long-term incentive schemes in 2018.

Aon Benfield Limited
Notes to the financial statements
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5. Directors' emoluments (continued)

The directors have chosen to present the total emoluments received for services as directors of the Company and services to other companies in the Group. Emoluments are paid by the director's employing company within the Group. The directors do not believe that it is practicable to apportion this amount between their services as directors of the Company and their services as directors or employees of other group companies, and where appropriate the disclosed amounts have been pro-rated depending on when one is appointed or resigned. Where appropriate remuneration costs are subsequently recharged under Group reallocations to the Company. The comparative amounts have been presented on the same basis as the current year.

6. Auditor' remuneration

During the financial year the following fees were paid or payable for services provided by Ernst & Young LLP, the auditor of the Company, and its associates:

	2018 £'000	2017 £'000
Audit of the financial statements	<u>9</u>	<u>9</u>

The cost of the auditor's remuneration is borne by another Group company.

7. Interest receivable and similar income

	2018 £'000	2017 £'000
Bank interest receivable	<u>862</u>	<u>890</u>

8. Interest payable and similar charges

	2018 £'000	2017 £'000
Notional interest charge	<u>59</u>	<u>55</u>

Aon Benfield Limited
Notes to the financial statements
31 December 2018

9. Income tax charge/(credit)

	2018 £'000	2017 £'000
<i>Income tax charge/(credit)</i>		
Current tax	(415)	987
Deferred tax - origination and reversal of temporary differences	309	(724)
Adjustment recognised for prior periods	(184)	(98)
Impact of change in tax rates	(32)	85
	<u>(322)</u>	<u>250</u>
Aggregate income tax charge/(credit)	<u>(322)</u>	<u>250</u>

Numerical reconciliation of income tax charge/(credit) and tax at the statutory rate

The tax charge in the Statement of Profit or Loss for the year is lower (2017: higher) than that calculated at the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are reconciled below:

Profit/(loss) before income tax (charge)/credit	150,805	(2,692)
Tax at the statutory tax rate of 19% (2017: 19.25%)	28,653	(518)
Adjustment recognised for prior periods	(184)	(98)
Expenses not deductible for tax	559	1,956
Income not subject to tax	(29,318)	(1,191)
Impact of rate changes	(32)	85
Loss on disposal	-	16
	<u>(322)</u>	<u>250</u>
Income tax charge/(credit)	<u>(322)</u>	<u>250</u>

The headline rate of UK corporation tax is currently 19%. As at 31 December 2018, the UK government had enacted further reductions to the headline corporation tax rate to 17%. This rate is applicable from 1 April 2020.

Any temporary differences expected to reverse have been re-measured using the above rates.

	2018 £'000	2017 £'000
<i>Deferred tax in the income statement:</i>		
Decelerated capital allowances	309	(724)
Total deferred tax asset movement	<u>309</u>	<u>(724)</u>

10. Current assets - Trade and other receivables

	2018 £'000	2017 £'000
Prepayments and accrued income	4,795	5,057
Amounts owed by fellow Group undertakings	142	1,219
Amounts owed by subsidiary undertakings	1,404	2,823
Amounts owed by parent undertaking	-	1,801
	<u>6,341</u>	<u>10,900</u>

Aon Benfield Limited
Notes to the financial statements
31 December 2018

11. Current assets - Income tax receivable

	2018 £'000	2017 £'000
Group relief receivable	415	-

12. Current assets - Cash and cash equivalents

	2018 £'000	2017 £'000
Cash and cash equivalents	254,616	92,925

13. Non-current assets - Tangible fixed assets

	2018 £'000	2017 £'000
Leasehold improvements - at cost	35,500	34,903
Less: Accumulated depreciation	(16,140)	(13,439)
	19,360	21,464
Fixtures and fittings - at cost	13,723	13,258
Less: Accumulated depreciation	(6,552)	(5,129)
	7,171	8,129
Computer equipment - at cost	38	21
Less: Accumulated depreciation	(6)	(5)
	32	16
Capital work in progress	137	-
	26,700	29,609

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below, net of the disposal of fully depreciated assets:

	Leasehold improvements £'000	Fixtures & fittings £'000	Computer equipment £'000	Capital in progress £'000	Total £'000
Balance at 1 January 2017	20,588	7,563	1	173	28,325
Additions	2,484	422	-	2,235	5,141
Disposals	(741)	(91)	(1)	-	(833)
Recategorisation of assets	2,235	157	16	(2,408)	-
Transfers in/(out) within Group	-	1,444	-	-	1,444
Depreciation expense	(3,102)	(1,366)	-	-	(4,468)
Balance at 31 December 2017	21,464	8,129	16	-	29,609
Additions	1,634	547	17	137	2,335
Disposals	(274)	(2)	-	-	(276)
Impairment of assets	(269)	-	-	-	(269)
Depreciation expense	(3,195)	(1,503)	(1)	-	(4,699)
Balance at 31 December 2018	19,360	7,171	32	137	26,700

Aon Benfield Limited
Notes to the financial statements
31 December 2018

14. Non-current assets - Investments in subsidiaries

	2018 £'000	2017 £'000
Investments in subsidiaries	<u>2,337,114</u>	<u>2,338,330</u>

The Company's direct subsidiaries as at 31 December 2018 are as follows:

Name	Address of registered office	Holding	Proportion held %
Aon Benfield Group Limited	Aon House, 30 Woodbourne Avenue, Pembroke, Bermuda	Ordinary shares	100.00%
Aon Benfield Israel Limited	4 Berkovitch Street, Museum Building, 18th floor 64238 Tel Aviv, Israel	Ordinary shares	100.00%
Aon Benfield Malaysia Limited	Level 10, Tower 3, Avenue 7, The Horizon, Bangsar South, No 8 Jalan Kerinchi, Kuala Lumpur 59200 Labuan F.T (R), Malaysia	Ordinary shares	100.00%
Aon Benfield Puerto Rico Inc.	304 Ponce De Leon, Suite 1017, San Juan, PR 00918, Puerto Rico	Ordinary shares	100.00%
Aon Consulting Limited	Briarcliff House, Kingsmead, Farnborough, Hampshire, GU14 7TE Hampshire, UK	Ordinary shares	100.00%
Aon DC Trustee Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN, UK	Ordinary shares	100.00%
Aon Delta Bermuda Ltd	Aon House, 30 Woodbourne Avenue, Pembroke, Bermuda	Ordinary shares	100.00%
Aon Hewitt Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN, UK	Ordinary shares	100.00%
Aon Holdings Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN, UK	Ordinary shares	100.00%
Aon PMI International Limited	Lorica House, 16a Cornet Street St. Peter Port, Guernsey	Ordinary shares	100.00%
Aon Risk Services (NI) Limited	8th Floor Victoria House, 15-17 Gloucester Street, Belfast, Ireland (Northern)	Ordinary shares and preference shares	100.00%
Aon Securities Limited	Devonshire House, 60 Goswell Road, London, EC1M 7AD, UK	Ordinary shares	100.00%
Aon Treasury Ireland Limited	Metropolitan Building, James Joyce Street, Dublin 1, Ireland	Ordinary shares	100.00%
Aon UK Limited	The Aon Centre, The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN, UK	Ordinary shares	100.00%
Benfield do Brasil Participacoes Ltda	Rua Sao Bento, 18, sala 1302, Centro, CEP 20090-010, Rio de Janeiro, Brasil	Ordinary shares	99.99%

Aon Benfield Limited
Notes to the financial statements
31 December 2018

14. Non-current assets - Investments in subsidiaries (continued)

Name	Address of registered office	Holding	Proportion held %
E. W. Blanch Holdings Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN, UK	Ordinary shares	100.00%
Hewitt Associates Outsourcing Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN, UK	Ordinary shares	100.00%
Minet Inc.	700 de la Gauchetierre West, Suite 800, Montreal, QC H3B 0A5 Quebec, Canada	Ordinary shares and preference shares	100.00%
Rasini Vigano Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN, UK	Ordinary shares	100.00%

Please refer to the appendix for all indirect subsidiary and associate undertakings of the Company as at 31 December 2018.

	2018 £'000	2017 £'000
Opening balance	2,338,330	2,347,551
Impairment charge for the year	(1,216)	(9,284)
Transfer from fellow Group undertaking	-	63
Closing balance	<u>2,337,114</u>	<u>2,338,330</u>

In 2018, the Company impaired some of its subsidiary undertakings, including Aon PMI International Limited by £1.1m and Benfield do Brasil Participacoes Ltda by £0.1m resulting in a total impairment charge of £1.2m (2017: £9.3m).

15. Non-current assets - Other receivables

	2018 £'000	2017 £'000
Other receivables	<u>-</u>	<u>1,426</u>

Aon Benfield Limited
Notes to the financial statements
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16. Non-current assets - Financial assets at fair value through other comprehensive income

	2018 £'000	2017 £'000
Investment holdings below 20%	<u>15,501</u>	<u>10,171</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	10,171	10,381
(Loss)/ gain on the re-measurement of financial assets at fair value through OCI	<u>5,330</u>	<u>(210)</u>
Closing fair value	<u>15,501</u>	<u>10,171</u>

The above balance relates to a 10.6% holding in the ordinary shares of Aon Holdings Japan Limited. The investment is held at its fair value, and fair value movements are recognised in the Statement of other comprehensive income.

17. Non-current assets - Deferred tax asset

	2018 £'000	2017 £'000
<i>Deferred tax asset comprises of:</i>		
Decelerated capital allowances	<u>1,820</u>	<u>1,918</u>
Deferred tax asset	<u>1,820</u>	<u>1,918</u>

Movements:

Opening balance	1,918	1,183
Credited/(charged) to profit or loss (note 9)	(309)	724
Adjustment recognised in prior periods	179	95
Impact of change in tax rates to the statement of profit and loss	<u>32</u>	<u>(84)</u>
Closing balance	<u>1,820</u>	<u>1,918</u>

18. Current liabilities - Trade and other payables

	2018 £'000	2017 £'000
Trade payables	1,137	1,470
Accruals	4,467	3,956
Amounts owed to fellow Group undertakings	176	1,148
Amounts owed to subsidiary undertakings	22,906	19,825
Other taxes and social security payables	<u>139</u>	<u>19</u>
	<u>28,825</u>	<u>26,418</u>

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19. Current liabilities - Income tax payable

	2018 £'000	2017 £'000
Group relief payable	-	987

20. Current liabilities - Provisions

	2018 £'000	2017 £'000
Onerous lease	75	-
Restructuring provision	730	402
Dilapidation provision	306	319
	<u>1,111</u>	<u>721</u>

Please refer to the note 22 below for the overall movement of each provision class.

21. Non-current liabilities - Other payables

	2018 £'000	2017 £'000
Accruals	<u>21,814</u>	<u>23,209</u>

The accruals relate to the long-term rent free leases commitments.

22. Non-current liabilities - Provisions

	2018 £'000	2017 £'000
Onerous lease	1,720	1,475
Restructuring provision	88	5
Dilapidation provision	<u>3,177</u>	<u>3,149</u>
	<u>4,985</u>	<u>4,629</u>

Onerous lease

The provision represents the present value of the estimated costs, net of any sub-lease revenue, that will be incurred until the end of the lease terms where the obligation is expected to exceed the economic benefit to be received.

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22. Non-current liabilities - Provisions (continued)

Restructuring provision

The provision represents the estimated costs to sell or terminate a line of business, close or relocate a business location, change the management structure or other fundamental reorganisations that have a material effect on the Company. The provision is recognised once the detailed restructuring plan has been drawn up by management and communicated to the public and those affected by the plans.

The restructuring plan of the UK operations has historically been focused on both the reduction of headcount and properties occupied by the Company. The restructuring plan was intended to integrate and streamline operations across Aon entities and has been closed for future accrual since 31 December 2013; however various accruals remain at 31 December 2018 and will continue to run off until all liabilities have been settled.

Vacant property provisions are calculated net of the estimated income expected to be received once the properties are vacated and sublet, and other costs. The major assumptions and uncertainties include the time period over which the buildings will remain vacant, the sublease terms, rental rates and service charges.

Provision has been made for the residual lease commitments, together with other outgoings, after taking into account existing sub-tenant arrangements. It is not assumed that the properties will be able to be sub-let beyond the periods in the present sub-lease agreements. In determining the provision for the Company's properties, the cash flows have been discounted on a pre-tax basis using appropriate government bond rates.

Dilapidation provisions

The dilapidation provision relates to contractual obligations of the Company on surrender of the property lease to reinstate the premises to the same state and condition as before occupancy including making good all damage caused by the removal.

Movements in provisions

Movements in the current and non-current provisions are set out below per each class of provision during the current financial year:

	Restructuring provision £'000	Dilapidation provision £'000	Onerous lease provision £'000
2018			
Carrying amount at the start of the year	407	3,468	1,475
Additional provisions recognised	996	814	357
Released in the year	(317)	(799)	(12)
Utilised in the year	(268)	-	(25)
Carrying amount at the end of the year	<u>818</u>	<u>3,483</u>	<u>1,795</u>

23. Equity - Share capital

	2018 Shares	2017 Shares	2018 £'000	2017 £'000
Ordinary shares - fully paid	<u>120,305,930</u>	<u>120,305,930</u>	<u>120,306</u>	<u>120,306</u>

All shares are allotted, issued and fully paid. The Company has only one class of ordinary shares of £1 each.

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24. Equity - Share premium account

	2018 £'000	2017 £'000
Share premium account	<u>2,116,643</u>	<u>2,116,643</u>

25. Equity - Capital contribution reserve

	2018 £'000	2017 £'000
Capital contribution reserve	<u>55,665</u>	<u>55,665</u>

26. Equity - Financial assets at fair value through other comprehensive income reserve

	2018 £'000	2017 £'000
Financial assets at fair value through other comprehensive income reserve	<u>15,501</u>	<u>10,171</u>

Financial assets at fair value through other comprehensive income reserve

The financial assets at fair value through other comprehensive income reserve ("FVTOCI reserve") is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income. The available-for-sale reserve ("AFS reserve") was reported as a comparative figure because the AFS reserve related to the same assets' valuation in 2017 as in FVTOCI reserve for 2018. Please refer to note 16 for the movement.

27. Equity - Retained earnings

	2018 £'000	2017 £'000
Retained earnings at the beginning of the financial year	126,530	216,472
Profit/(loss) after income tax (charge)/credit for the year	151,127	(2,942)
Dividends paid (note 28)	<u>-</u>	<u>(87,000)</u>
Retained earnings at the end of the financial year	<u>277,657</u>	<u>126,530</u>

28. Equity - Dividends paid

Dividends paid during the financial year were as follows:

	2018 £'000	2017 £'000
An interim dividend of £Nil (£Nil per share) was paid during the year ended 31 December 2018 (2017: £87.0m (£0.7 per share)), to Aon Delta UK Limited, the Company's parent.	<u>-</u>	<u>87,000</u>

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29. Operating lease commitments

At 31 December 2018, the Company was committed to make the following payments under non-cancellable operating lease agreements in respect of land and buildings:

	2018 £'000	2017 £'000
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	17,680	18,028
Between two to five years	63,561	63,098
More than five years	110,398	120,534
	<u>191,639</u>	<u>201,660</u>

30. Guarantees

The Group maintains multi-currency cash pools with third-party banks in which various Aon entities participate. As part of the Group's global banking arrangements, individual Aon entities are permitted to overdraw on their individual accounts provided the overall balance does not fall below zero. Under the terms of the cash pool arrangements, participants, such as the Company whose cash at bank balances at 31 December 2018 include cash pool deposits of £254.6m (2017: £92.9m), can become liable for any insolvent borrower's debt (limited to the level of the depositor's own credit balances with individual third party banks) via the pledge and set-off clauses in the arrangements. In such circumstances, Aon plc is contractually bound to indemnify the depositor for the amount paid by them to third party banks under the pledge and set-off arrangement.

31. Events after the reporting period

On 28 February 2019, the Company paid a dividend of \$221.3m to its parent company, Aon Delta UK Limited.

No other matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

32. Controlling party

At the end of the reporting period date the Company's immediate parent undertaking was Aon Delta UK Limited, a company incorporated in the UK and registered in England and Wales.

The ultimate parent undertaking and controlling party is Aon plc, a company incorporated in the UK and registered in England and Wales.

The parent undertaking of the Group which contains the Company, and for which Group financial statements are prepared, is Aon plc, a company incorporated in the UK and registered in England and Wales.

Copies of the Group financial statements of Aon plc are available from Companies House, Crown Way, Cardiff, CF14 3UZ and also from the Company Secretary, The Aon Centre, The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN.

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The indirect subsidiary and associates undertakings of the Company as at 31 December 2018 are as follows:

Name	Address registered office	Holding	Proportion held %
Acumen Credit Insurances Brokers Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Affinity Group Insurance Services Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Agility Credit Insurance Brokers Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Aon Adjudication Services Limited (dormant)	Briarcliff House, Kingsmead, Farnborough, Hampshire, GU14 7TE	Ordinary shares	100.00%
Aon Benfield Brasil Corretora de Resseguros Ltda.	Rua Teófilo Otoni, nº 15, 10º andar, Centro, Rio de Janeiro, RJ, CEP 20090-080	Ordinary shares	100.00%
Aon Benfield Colombia Ltda Corredores de Reaseguros	Avenida Carrera 9 #113-52 Of. 505, Bogotá, Colombia	Ordinary shares	43.50%
Aon Benfield Panama, S.A.	Ave. Samuel Lewis y Callie, 54 Olbarrio Torre Generali, Piso #27, Bella Vista, Panama	Ordinary shares	56.00%
Aon Benfield Peru Corredores de Reaseguros SA	Calle Dionisio Derteano 144, oficina 1001, San Isidro	Ordinary shares	99.99%
Aon Broking Services SA	Swiss Bank Building, 16th Floor, 53rd Street, urbanizacion Obarrio- World Trade Center, Panama	Ordinary shares	100.00%
Aon Consulting Kazakhstan LLP	25, Samal-3, Almaty, Kazakhstan	Ordinary shares	55.00%
Aon DC Trustee Limited	The Aon Centre, The Leadenhall Building, 122 Leadenhall Street, London EC3V 4AN	Ordinary shares	100.00%
Aon Delta Bermuda Limited	Aon House, 30 Woodbourne Avenue, Pembroke, Bermuda	Ordinary shares	100.00%
Aon Group Venezuela, Corretaje de Reaseguro C.A.	Avenida Principal de El Bosque, Edificio Pichincha, piso PH, apartamento PH2, Chacaíto, Caracas, Venezuela	Ordinary shares	100.00%
Aon Hewitt (Cyprus) Limited	8 Kennedy Ave, 1087 Nicosia, Cyprus	Ordinary shares	35.00%
Aon Hewitt Danismanlik A.S.	Bagdat Caddesi, No:155/14, Istanbul, Kadikoy 34724, Turkey	Ordinary shares	35.00%
Aon Hewitt (Ireland) Limited	5th Floor, Block D, Iveagh Court, Harcourt Road, Dublin 2, Ireland	Ordinary shares	100.00%
Aon Hewitt Ltd	4th floor Dias Pier, Le Caudan Waterfront, Port Louis, Mauritius	Ordinary shares	33.00%
Aon Hewitt Management Company Limited	Metropolitan Building, James Joyce Street, Dublin 1, Ireland	Ordinary shares	100.00%
Aon Hewitt SA	2 Mesogion St, 115 27 Athens, Greece	Ordinary shares	35.00%
Aon UK Trustees Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, UK, EC3V 4AN	Ordinary shares	100.00%

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Name	Address registered office	Holding	Proportion held %
Bacon & Woodrow Partnerships (Ireland) Limited	Metropolitan Building, James Joyce Street, Dublin 1, Ireland	Ordinary shares	100.00%
Bacon & Woodrow Partnerships Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, UK, EC3V 4AN	Ordinary shares	100.00%
Bankassure Insurance Services Limited (dormant)	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, UK, EC3V 4AN	Ordinary shares	100.00%
Becketts (Trustees) Limited	Metropolitan Building, James Joyce Street, Dublin 1, Ireland	Ordinary shares	100.00%
Contingency Insurance Brokers Limited	Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong	Ordinary shares	51.00%
Contractsure Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Credit Insurance Brokers (Reynolds) Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Delany Bacon & Woodrow Partnership	Metropolitan Building, James Joyce Street, Dublin 1, Ireland	Ordinary shares	100.00%
Denney, O'Hara (Life & Pensions) Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Doveland Services Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, UK, EC3V 4AN	Ordinary shares	100.00%
E. W. Blanch Investments Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, UK, EC3V 4AN	Ordinary shares	100.00%
Eurotempest Limited	C/o Ucl Business Plc, Network Building, 97 Tottenham Court Road, London, UK, W1T 4TP	Ordinary shares	33.33%
EW Blanch Limited (dormant)	Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong	Ordinary shares	100.00%
Farmsure Limited (in strike off)	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Hall Rhodes Holdings Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Hall Rhodes Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Henderson Corporate Insurance Brokers Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Henderson Insurance Brokers Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Henderson Insurance Partnership Limited (in strike off) –	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Henderson Risk Management Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Hewitt Risk Management Services Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN	Ordinary shares	100.00%
Insuractive Limited (in strike off)	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%

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Name	Address registered office	Holding	Proportion held %
Insurance Broker Aon Kazakhstan LLP	25, Samal-3, Almaty, Kazakhstan	Ordinary shares	100.00%
John Reynolds & Company (Credit Insurance) Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
John Reynolds & Company (Insurances) Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
John Reynolds & Company (Life & Pensions) Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Krumlin Hall Limited	PO Box LS27 0TS, Trueman House Capitol Park, Tingley, Leeds, West Yorkshire, England, LS27 0TS	Ordinary shares	100.00%
McLagan (Aon) Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, UK, EC3V 4AN	Ordinary shares	100.00%
NBS Nominees Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN	Ordinary shares	100.00%
Optimum Risk Solutions Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
P.G. Bradley & Co Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Portus Consulting (Leamington) Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, UK, EC3V 4AN	Ordinary shares	100.00%
Portus Consulting Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, UK, EC3V 4AN	Ordinary shares	100.00%
Portus Online LLP	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, UK, EC3V 4AN	Limited Liability Partnership	100.00%
Rasini Vigano Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, UK, EC3V 4AN	Ordinary shares	100.00%
Richard Kiddle (Insurance Brokers) Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Ronnie Elementary Insurance Agency Ltd	4 Berkovitch Street, Museum Building, 18th floor 64238 Tel Aviv, Israel	Ordinary shares	100.00%
Sports Insure Limited (in strike off)	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
Suresport Limited (in strike off)	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
The Aon Ireland MasterTrustee Limited	5th Floor,Block D, Iveagh Court, Harcourt Road, Dublin 2	Ordinary shares	100.00%
The Aon MasterTrustee Limited	The Aon Centre The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN	Ordinary shares	100.00%
The John Reynolds Company Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%
UK Credit Insurance Specialists Limited	Trueman House, Capitol Park Tingley, Leeds, West Yorkshire, LS27 0TS	Ordinary shares	100.00%