

UNUM SELECT LIMITED

Annual Report for the year ended 31 December 2021



Unum Select Limited is a member of the Unum Group of companies

UNUM SELECT LIMITED

Contents

	Page
Directors, Officers and Advisers	3
Strategic Report	4
Report of the Directors	6
Statement of Directors' Responsibilities	8
Independent Auditor's Report	9
Statement of Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Equity	15
Notes to the Financial Statements	16

UNUM SELECT LIMITED

Directors, Officers and Advisers

Directors

Jonathan Fletcher
Mark Till

Bankers

Lloyds Bank plc, City Office
PO Box 72
Bailey Drive
Gillingham Business Park
Gillingham
Kent
ME8 0LS

Secretary and Registered Office

David Whitehead
Unum Select Limited
Milton Court
Dorking
Surrey
RH4 3LZ

Registered Auditor

Ernst & Young LLP
25 Churchill Place
Canary Wharf
London
E14 5EY

Registered Number

07203708

UNUM SELECT LIMITED
STRATEGIC REPORT
for the year ended 31 December 2021

Company strategy

The Company's strategy is to support the wider objectives of the Unum UK Group, with particular regard to supporting the insurance activities of the UK group operated through Unum Limited (UL).

Review of the business

Unum Select Ltd ('USL', 'the Company') is regulated to carry out insurance distribution business. The Company maintains the "Benni" platform, which was launched in September 2018, and provides education and enrolment services for Unum Limited products as well as products offered by third parties. The Company receives commission revenue on sales generated through this platform, as well as fees from third party companies for use of the platform.

Turnover for the year reduced to £521,558 (2020: £1,866,745) and predominately comprised service recharges made to Unum Limited in respect of "Benni" (see Note 2).

The overall reduction in turnover was due to lower operational costs of £453,662 (2020: £1,772,199) as the initial trading years since the launch of "Benni" included higher marketing and resource costs, which are not required at the same level going forwards.

Commission and fee income increased to £63,064 (2020: £39,341), which is attributable to the increase in sales generated through the "Benni" platform. Other income of £16,333 (2020: £nil) was received from customers who subscribed to use the "Benni" platform.

Profit on ordinary activities before tax for 2021 reduced to £67,891 (2020: £95,517) reflecting the reduced turnover and operating costs noted above. However, gross profit margin in 2021 increased to 13.0% (2020: 5.1%), reflecting higher commission and fee income from increased customer sales generated through the "Benni" platform.

At 31 December 2021 the Company had net assets of £533,764 (2020: £478,772).

Future business outlook

The Directors consider that the Company will continue to generate turnover and maintain margins arising from the provision of education and enrolment services to its fellow UK group Company, Unum Ltd, in addition to receiving commission and subscription fees from Unum Ltd and third parties.

The Company has adequate financial resources, in the form of cash, to meet its current liabilities and is expected to generate positive cash flows through its operations, sufficient to settle all future liabilities as they fall due.

UNUM SELECT LIMITED
STRATEGIC REPORT
for the year ended 31 December 2021 (continued)

Future business outlook (continued)

The Company continues to monitor factors that may affect the business to ensure that we can continue to provide services to our customers and partners and protects the Company's financial position in the current challenging economic environment.

Principal risks and uncertainties

The Company's activities predominantly relate to transactions within the Unum UK group. Counterparties outside the group accounted for 12.6% (2020: 2.1%) of turnover in 2021. At 31 December 2021, amounts due to other group companies amounted to £99,534 whilst £97,934 was owed from other group undertakings (Note 13).

Counterparties outside the group accounted for 12.6% of turnover in 2021. This was an increase on the 2020 figure of 2.1%, although still not a significant proportion of the Company's revenue.

COVID-19

We continue to monitor the COVID-19 situation closely to ensure that the business is in a position to continue to provide services to its customers. COVID-19 has caused minimal short-term disruption to the business. The Directors do not expect COVID-19 to have a significant impact on the operations of the business in the future.

Brexit

The Company has not made any significant changes to its business model as a result of Brexit and will continue to provide support to the other Unum UK group companies as well as its UK based external business partners.

Climate Change

Unum UK's strategy design and execution processes include consideration of climate change risk that is proportionate to the nature, scale and complexity of our business. The Directors believe the risk of any climate change impact on the Company is low.

By order of the board



Jon Fletcher
Director

23 June 2022

UNUM SELECT LIMITED

Company Number: 07203708

REPORT OF THE DIRECTORS for the year ended 31 December 2021

The Directors submit their report and the financial statements for the year ended 31 December 2021.

Performance for the year

Profit before tax for 2021 totalled £67,891 compared to profit of £95,517 in the prior year.

Further details of the Company's performance for the year are given in the 'Review of the business' section in the Strategic Report.

Directors

The Directors who were members of the board at the time of approving the Directors' Report are listed on page 3.

Peadar O'Donnell resigned as a Director on 31 March 2021 and Mark Till was appointed on 13 April 2021.

None of the Directors have any beneficial interest in the shares of the Company.

Steven Leverett resigned as Company Secretary on 23 April 2021 and David Whitehead was appointed on the same date.

Going concern assessment

The Company's business activities, together with the factors to be considered which may affect its future performance, are set out in the Strategic Report on page 4.

The business activities of the Company are closely associated with Unum Ltd, a fellow Unum UK group undertaking. The financial position of Unum Ltd was assessed in the signed accounts of the Company in April 2022, with the conclusion that Unum Ltd will be able to meet its liquidity and capital requirements over the 12 months from the date of the signing of those accounts.

Given the close business relationship between Unum Select Ltd and Unum Ltd, and the financial position of Unum Ltd, and having considered the possible impacts of the current economic outlook on the Company as set out in Note 1 'Basis of preparation, the Directors have a reasonable expectation that Unum Select Ltd has adequate resources to continue in operational existence over the 12 months from the date of the signing of these financial statements to 22 June 2023 and therefore that the going concern basis of accounting is appropriate for use in the preparation of these financial statements.

UNUM SELECT LIMITED

**REPORT OF THE DIRECTORS
for the year ended 31 December 2021 (continued)**

Statement as to disclosure of information to auditors

Having made enquiries of fellow Directors and of the Company's auditors, each of these Directors confirms that:

- to the best of each Director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware; and
 - each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.
-

In accordance with Section 487(2) of the Companies Act 2006, the Auditors, Ernst and Young LLP, are deemed reappointed.

Insurance of Directors and officers

The Directors and officers of the Group are covered under a global professional indemnity insurance policy held by Unum Group, the ultimate parent company. The insurance was in force at 31 December 2021 and on the day the Report of the Directors was approved.

By order of the board



**Jon Fletcher
Director**

23 June 2022

UNUM SELECT LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). 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 in accordance with Section 10 of FRS 102 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the financial position and financial performance;
- state whether applicable UK accounting standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company will not continue in business.

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

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report and Directors' Report, that comply with that law and those regulations. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

UNUM SELECT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNUM SELECT LIMITED

Opinion

We have audited the financial statements of Unum Select Limited for the year ended 31 December 2021 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes of Equity and the related notes 1 to 13, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 2021 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. 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

UNUM SELECT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNUM SELECT LIMITED

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 contained within the annual report.

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.

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 course of 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 themselves. 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.

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 to be audited 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.

UNUM SELECT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNUM SELECT LIMITED

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 8, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

Our approach was as follows:

- We obtained a general understanding of the legal and regulatory frameworks that are applicable to the company and determined that the direct laws and regulations related to elements of company law and tax legislation, and the financial reporting framework.
- We obtained a general understanding of how Unum Select Limited is complying with those frameworks by making enquiries of management, internal audit, and those responsible for legal and compliance matters. We also gained an understanding of the company's approach to governance and risk management.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by considering the controls that the Company has established to address risks identified by the entity, or that otherwise seek to prevent, deter or detect fraud. Additionally, we tested year-end adjustments including manual journals, to provide reasonable assurance that the financial statements were free from fraud or error.

UNUM SELECT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNUM SELECT LIMITED

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved making enquiries of those charged with governance and management for their awareness of any non-compliance with laws or regulations; inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees and inquiring about the company's methods of enforcing and monitoring compliance with such policies.

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.

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

Andy Blackmore (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol

23 June 2022

UNUM SELECT LIMITED

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2021

	Note	2021	2020
		£	£
Turnover	2	521,558	1,866,745
Administrative expenses	3	(453,662)	(1,772,199)
Operating Profit		67,896	94,546
Other interest receivable and similar income	4	-	978
Interest payable and similar charges		(5)	(7)
Profit on ordinary activities before taxation		67,891	95,517
Tax charge	5	(12,899)	(18,149)
Profit for the financial year		54,992	77,368

The notes on pages 16 to 20 form an integral part of these financial statements.

UNUM SELECT LIMITED
STATEMENT OF FINANCIAL POSITION
for the year ended 31 December 2021

	Note	2021	2020
		£	£
Current Assets			
Debtors	8	120,074	297,008
Cash at bank and in hand		543,281	481,849
		<u>663,355</u>	<u>778,857</u>
Current liabilities			
Creditors	9	129,591	300,085
		<u>129,591</u>	<u>300,085</u>
NET CURRENT ASSETS		<u>533,764</u>	<u>478,772</u>
NET ASSETS		<u>533,764</u>	<u>478,772</u>
Capital and Reserves			
Called up share capital	10	250,000	250,000
Profit and loss account		283,764	228,772
SHAREHOLDERS' FUNDS		<u>533,764</u>	<u>478,772</u>

The financial statements on pages 13 to 20 were approved by the board of directors and were signed on its behalf by:



Jonathan Fletcher
Director
23 June 2022

UNUM SELECT LIMITED

STATEMENT OF CHANGES IN EQUITY

at 31 December 2021

	Called up Share Capital £	Profit & Loss Account £	Total £
Balance as at 1 January 2020	250,000	151,404	401,404
Profit for the year	-	77,368	77,368
Balance as at 31 December 2020	250,000	228,772	478,772
Balance as at 1 January 2021	250,000	228,772	478,772
Profit for the year	-	54,992	54,992
Balance as at 31 December 2021	250,000	283,764	533,764

UNUM SELECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

1. Principal accounting policies

General Information

Unum Select Limited is incorporated and domiciled in England, registration number 07203708. The registered office is Milton Court, Dorking, Surrey RH4 3LZ.

Statement of compliance

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

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention. They are presented in pounds sterling, the functional and presentational currency of the Company.

As part of their going concern assessment, the Directors have considered the Company's future capital and liquidity requirements, and also considered the impacts of the current economic outlook on the business for the period to 22 June 2023, being 12 months from the date of approval of the financial statements. This analysis indicates that the Company will meet its liquidity and capital requirements over the next twelve months from the date of the approval of the Financial Statements. Therefore, the Financial Statements continue to be prepared on a going concern basis.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company is a qualifying entity for the purposes of the preparation of individual financial statements. Details regarding the parent entity of the group in whose consolidated financial statements the Company's financial statements are consolidated, and from where those financial statements may be obtained are provided in note 11.

The Company has chosen to take exemption from the requirement to provide disclosures in relation to:

1. The requirement to prepare a statement of cash flows; and
2. The disclosure of key management personnel compensation in total.

Turnover

Turnover represents the amounts receivable, excluding VAT, in respect of services provided to customers during the year.

UNUM SELECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (continued)

Taxation

The taxation charge in the Statement of Comprehensive Income is provided at the corporation tax rate applicable for the period and based on the profit on ordinary activities for the year after making adjustments for any items which are not taxable or tax deductible.

Deferred taxation (if applicable) is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred at that date. Deferred tax assets are recognised only to the extent that it is probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax balances are not discounted.

See Note 5 for details of the tax charge for the year.

2. Turnover

	2021	2020
	£	£
Education and enrolment services - Unum Ltd	442,161	1,827,404
"Benni" platform subscription fees	16,333	-
Commissions and fees	63,064	39,341
Total Turnover	521,558	1,866,745

Education and enrolment services received from Unum Ltd, represents the recharge of the Company's operational costs to another group company, Unum Ltd, in support of that company's insurance business. Commissions and fees are earned from the introduction of customers to insurance products offered by Unum Limited as well as products offered by two third-party business partners.

"Benni" platform subscription fees invoiced in 2021 but relating to a period of time later than 31 December 2021, are excluded from the 2021 turnover figure and are included as deferred income in the total creditors in the Statement of Financial Position (see Note 9).

3. Administrative expenses

	2021	2020
	£	£
Operating expenses	453,662	1,772,199
Total expenses	453,662	1,772,199

UNUM SELECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (continued)

3. Administrative expenses (continued)

The Company has no employees. It has a resourcing and services agreement with its immediate parent Company, Unum European Holding Company Ltd (UEHCL), under which it is provided with staff that perform enrolment, education, administrative and management services.

Administrative expenses comprise of costs charged from UEHCL, in respect of management services and expense overheads attributed to the Company. Administration costs for 2021 mainly consist of salary and "Benni" platform costs.

4. Other interest receivable and similar income

	2021	2020
	£	£
Bank Interest received	-	899
HMRC interest received	-	79
Total Other Income	<u>-</u>	<u>978</u>

5. Taxation

	2021	2020
(a) Current tax	£	£
UK corporation tax on ordinary profit for the year at 19% (2020: 19%)	12,899	18,149
Total tax charge for year	<u>12,899</u>	<u>18,149</u>

	2021	2020
(b) Factors affecting the tax charge for the year	£	£
Profit on ordinary activities before tax	67,891	95,517
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax of 19% (2020: 19%)	12,899	18,149
Total tax charge	<u>12,899</u>	<u>18,149</u>

There are no factors affecting the tax charge for the year and the Company has no deferred tax balances at 31 December 2021 (2020: £nil).

(c) Factors affecting current and future tax charges

On 3 March 2021, the Chancellor of the Exchequer announced that the main corporation tax rate would increase from 19% to 25% from 1 April 2023. The Company has no deferred tax balances at 31 December 2021 (2021: £nil), so is not presently affected by this change. The hybrid rate for current tax in 2023 will be 23.5%.

UNUM SELECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (continued)

6. Directors' emoluments

The Directors received no remuneration in respect of qualifying services provided to the Company.

The aggregate amount of compensation paid to Directors or past Directors for loss of office amounted to £nil (2020: £nil).

7. Auditors' remuneration

The auditors' remuneration of £10,000 (2020: £10,000) for the statutory audit was borne by a fellow subsidiary undertaking, UEHCL. The auditors received no other remuneration in respect of services provided to the company for the year.

8. Debtors – amounts falling due within one year

	2021	2020
	£	£
Amounts due from group undertakings	97,934	292,686
Commissions and fees due	22,140	4,322
Total Debtors	120,074	297,008

9. Creditors – amounts falling due within one year

	2021	2020
	£	£
Amounts owed to group undertakings	99,534	287,155
Tax	24,183	12,930
Deferred income	5,874	-
Total Turnover	129,591	300,085

10. Called Up Share Capital

	2021	2020
	£	£
Allotted, issued and fully paid		
250,000 Ordinary shares of £1 each:	250,000	250,000
Total Share Capital	250,000	250,000

There are no rights, preferences or restrictions attached to this class of shares, including restrictions on distribution of dividends and repayment of capital.

UNUM SELECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (continued)

11. Parent company

The Company's immediate parent company is UEHCL, incorporated in England.

The Directors regard Unum Group, a company incorporated in the United States of America as the ultimate parent company and ultimate controlling party. The smallest and largest group in which the results of the company are consolidated is that of Unum Group. Copies of the consolidated financial statements of Unum Group can be obtained on its website and Unum Group, 1 Fountain Square, Chattanooga, Tennessee, 37402, USA.

12. Insurance

Unum Limited, a fellow subsidiary, provides the Company with a professional indemnity guarantee in respect of its Insurance Mediation activity, as required by the Insurance Distribution Directive. The aggregate annual amount covered under the guarantee, for all claims, is a maximum of €3.3 million, with the likelihood of a claim being remote.

13. Related Party Transactions

Advantage has been taken of the exemption in FRS 102 under section 33.1A not to disclose transactions with the immediate and ultimate parent companies or any of their wholly owned subsidiaries.

A summary of balances owed by / (to) group undertakings, by company, is shown below.

	2021 £	2020 £
Amounts owed from group undertakings		
Unum Ltd	97,934	292,686
Amounts owed to group undertakings		
Unum European Holding Company Ltd	(99,534)	(287,155)
	<u>(1,600)</u>	<u>5,531</u>

Amounts owed by group undertakings are included in the total debtors figure, see note 8.

Amounts owed to group undertakings are included in the total creditors figure, see note 9.