ERS Claims Limited

Financial Statements

For the year ended
31 December 2017

Company Number 02996846

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Directors and Officers

Directors

Ian D Parker
Katharine A Wade

Company Secretary

David C Turner

Registered Office

52 – 54 Leadenhall Street
London
EC3A 2BJ

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

Strategic report

For the year ended 31 December 2017

The directors present their strategic report for the year ended 31 December 2017.

Review of business

The principal activity of the Company was that of a claims administrator for insurance businesses. As at 31 December 2013 the Company ceased to provide claims administrative services for Syndicate 218.

Results

The results for the year ended 31 December 2017 are set out on page 9.

Key performance indicators

As the Company ceased to provide claims administration services for Syndicate 218 the directors do not believe it is appropriate to disclose KPI's for the Company.

Principal risks and uncertainties

As the Company ceased to provide claims administration services for Syndicate 218 the directors do not believe that the Company is exposed to any significant risks or uncertainties.

Future developments

The directors are planning to put the Company into a Member's voluntary liquidation arrangement in the second half of 2018.

On behalf of the Board:



Katharine A Wade
Director
14 May 2018

Directors' report

For the year ended 31 December 2017

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2017.

Directors

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

Ian D Parker	
Peter N Smith	(Resigned 17 October 2017)
Katharine A Wade	

Principal activities and review of business

The principal activity of the Company was that of a claims administrator for insurance businesses. As at 31 December 2013 the Company ceased to provide claims administrative services for Syndicate 218, accordingly these financial statements are not prepared on a going concern basis.

On 19 May 2017 the Company received cash funds from ERS Insurance Group Limited, ERS Syndicate Management Limited and ERS Administration Services Limited to clear inter-company debts due, this subsequently enabled the Company to clear its inter-company debt liability with ERS Syndicate Services Limited.

Going concern

These financial statements have not been prepared on the going concern basis, as it is the intention to liquidate the Company in the near future. No adjustments have been made to the financial statements to reflect that the Company is not a going concern because the Company expects to continue to realise its assets and settle liabilities in an orderly fashion and for the amounts stated.

Results and dividends

The results for the year ended 31 December 2017 are set out on page 9. The Company has no retained earnings available for distribution.

Employees

During the year all staff were employed by ERS Administration Services Limited ("ERS ASL"), a fellow subsidiary undertaking of ERS DGB Limited ("ERS DGB") The amount recharged to the Company by ERS ASL in respect of employee costs was £nil (2016: £nil).

Directors' and officers' liability insurance

As permitted by the Companies Act 2006, the Group has maintained insurance cover for directors and officers against liabilities arising in relation to the ERS DGB group.

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

Statement of disclosure of information to auditors
Each person who is a director at the date of this report confirms that:

(a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
(b) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted, in accordance with the provisions of section 418 of the Companies Act 2006.

Independent auditors
The auditors PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed and approved by the Board.

Statement of directors' responsibilities
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Future developments
Future developments of the Company are discussed in the strategic report on page 2

On behalf of the Board:

D Turner

David C Turner
Company Secretary
14 May 2018
ERS Claims Limited
Company No. 02996846

Independent Auditors' report to the Members of ERS Claims Limited

For the year ended 31 December 2017

Report on the audit of the financial statements

Opinion

In our opinion, ERS Claims Limited's financial statements:

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

We have audited the financial statements, included within the Financial Statements (the "Annual Report"), which comprise: the Statement of Comprehensive Income; the Balance Sheet as at 31 December 2017; the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Emphasis of matter – Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the basis of preparation. It is the intention of the directors to liquidate the company in the near future. Accordingly, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1 to the financial statements. No adjustments were necessary in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the decision or to reclassify fixed assets and long-term liabilities as current assets and liabilities.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Reporting on other information (continued)
With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

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

Strategic Report and Directors' Report
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements
As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report
This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' report to the Members of ERS Claims Limited

For the year ended 31 December 2017

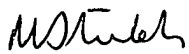
Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Matthew Nichols (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
14 May 2018

Statement of comprehensive income

For the year ended 31 December 2017

The company has not traded during the year or the preceding financial year. During these years, the company received no income and incurred no expenditure and therefore made neither profit nor loss. Accordingly a statement of comprehensive income has not been presented.

Balance sheet

As at 31 December 2017

	Note	2017 £	2016 £
Current assets			
Debtors	5	**100**	15,383,431
Cash at bank and in hand		**-**	3
		100	15,383,434
Creditors:			
Amounts falling due within one year	6	**-**	(15,383,334)
Net current assets		**100**	100
Net assets		**100**	100
Capital and reserves			
Called up share capital	7	**100**	100
Total shareholders' funds		**100**	100

The financial statements on pages 8 to 13 were approved by the Board on 11 May 2018 and were signed on its behalf by:



Katharine A Wade
Director
14 May 2018

The notes on pages 11 to 13 form an integral part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2017

	Called up share capital £	Profit and loss account £	Total shareholders' funds £
At 1 January 2016	100	-	100
At 31 December 2016	100	-	100

	Called up share capital £	Profit and loss account £	Total shareholders' funds £
At 1 January 2017	100	-	100
At 31 December 2017	**100**	**-**	**100**

Notes to the financial statements

For the year ended 31 December 2017

1. Statement of accounting policies

General information
ERS Claims Limited is a company limited by shares, domiciled and incorporated in the United Kingdom.

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

The principal accounting policies are set out below and have been applied consistently to all years presented.

For the reasons explained in the Directors' report the financial statements have not been prepared on a going concern basis. No adjustments were necessary to the amounts at which the remaining assets and liabilities are included in these financial statements.

(i) Cash flow statement
The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, ERS DGB includes the Company's cash flows in its consolidated financial statements.

(ii) Related parties
The Company is exempt under the terms of FRS 102 paragraph 1.12(e), from disclosing related party transactions with entities that are part of the group, as it is a wholly owned subsidiary of ERS DGB, whose consolidated financial statements are publicly available.

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

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

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be recovered.

2. Directors' emoluments

The directors are remunerated by ERS ASL for their services to the Group as a whole. The recharges from ERS ASL for their services as directors of this Company amounted to £nil (2016: £nil). The remuneration of the highest paid director amounted to £nil (2016: £nil).

The Group operates a single defined contribution pension plan for its employees. The recharges from ERS ASL to the Company in respect of the pension contributions of the directors during the year amounted to £nil (2016: £nil).

There were two directors (2016: two) in the Group's defined contribution scheme.

3. Auditors' remuneration

Auditors' remuneration costs are borne by ERS ASL. Disclosures of the full amounts are shown in the notes to the financial statements of ERS ASL. The auditors' remuneration for the audit of the Company's financial statements, which is incurred by ERS ASL, is £2,500 (2016: £2,500).

4. Deferred taxation

There is an unrecognised deferred tax asset of £6,862 (2016: £6,862), in respect of decelerated capital allowances.

This asset is not being recognised on the basis that the Directors are planning to put the Company into a Members' voluntary liquidation arrangement in the second half of 2018.

5. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	**100**	15,383,431
Total	**100**	15,383,431

As at 31 December 2017, no interest was receivable on amounts owed by group undertakings and all balances were due within one year.

6. Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	-	15,383,334
Total	-	15,383,334

7. Called up share capital

	2017 £	2016 £
Authorised:		
500,000 (2016: 500,000) ordinary shares of £1 each	**500,000**	500,000
Allotted, issued and fully paid:		
100 (2016: 100) ordinary shares of £1 each	**100**	100

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

8. Controlling parties

The immediate parent undertaking is ERS Insurance Group Limited ("ERS IGL").

The ultimate UK parent undertaking and the smallest and largest group to consolidate these financial statements is ERS DGB. Copies of ERS DGB's consolidated financial statements can be obtained from the Company Secretary at 52 – 54 Leadenhall Street, London, EC3A 2BJ.