

esure broker Limited

Report and Financial Statements

For the year ended 31 December 2018

Company Registration Number 07464424

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esure broker Limited

Corporate Information

Directors

D F Pitt (appointed 25 April 2018)

S A Long

Secretary

A Rivers

Auditors

KPMG LLP

Chartered Accountants & Statutory Auditor

15 Canada Square

London

E14 5GL

Registered office

The Observatory

Castlefield Road

Reigate

Surrey

RH2 0SG

esure broker Limited

Registered number 07464424

Directors' Report

The Directors present their report and the financial statements for the year ended 31 December 2018.

Principal activity

The nature of the Company's operations is as an insurance intermediary.

Dividends

The Directors do not recommend the payment of a dividend.

Directors

The Directors who served during the year were:

S A Long

D F Pitt (appointed 25 April 2018)

S R Vann (resigned 18 January 2018)

The Company maintained Directors' and Officers' liability insurance, which gives appropriate cover should legal action be brought against its Directors. In addition, indemnities are in force under which the Company has agreed to indemnify the Directors against all liabilities and related costs that they may incur in the execution of their duties. These indemnities do not cover the Directors for fraudulent activities.

Change of auditor

Pursuant to a shareholder resolution, the Company is not obliged to reappoint its auditor annually. KPMG LLP has indicated its willingness to continue in office and therefore the Company has agreed that KPMG LLP will remain in office.

Statement of disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Going concern

On April 4 2019 the Directors of esure broker Limited made the decision that the business should be wound down – the date from which no new business will be written is yet to be confirmed but is expected to be before the end of 2020, with the book being run off from the renewal of policies.

The financial position of the Company as disclosed on the statement of financial position shows net current and total liabilities of £660,000. Having reviewed cash flow forecasts of the Company for at least 12 months from the date of approval of these financial statements, and taking into account a letter of support from the Company's immediate parent esure Services Limited for a period of not less than 12 months from the date of approval of these financial statements, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. However, given the Company's intention to run off the remaining book, they have prepared these account on an "other than going concern basis" of accounting.

Acquisition of esure Group plc

On 14 August 2018 Bain Capital announced an offer for esure Group plc, then the ultimate parent of the Company, by way of Scheme of Arrangement. The Independent Shareholders voted to approve the Scheme on 3 October 2018 and the acquisition became effective on 19 December 2018 with esure Group plc delisting from the London Stock Exchange.

By order of the Board



A Rivers
Company Secretary

 July 2019

The Observatory
Castlefield Road
Reigate
Surrey
RH2 0SG

Statement of Directors' responsibilities in respect of the Directors' report and the Financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of esure broker Limited

Opinion

We have audited the financial statements of esure broker Limited ('the company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Emphasis of matter - non-going concern basis of preparation

We draw attention to the disclosure made in note 2 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Directors' report

The directors are responsible for the Directors' report. Our opinion on the financial statements does not cover this report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 2, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis)

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent auditor's report to the members of esure broker Limited (continued)

The purpose of our audit work and to whom we owe our responsibilities

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.



Philip Smart
for and on behalf of KPMG LLP, Statutory Auditor
Chartered accountants
15 Canada Square
London E14 5GL

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July 2019

esure broker Limited

Statement of comprehensive income For the year ended 31 December 2018

	Notes	2018 £000	2017 £000
Turnover	4	1,258	2,136
Administrative expenses		(1,614)	(2,119)
Operating (loss)/profit		(356)	17
Interest receivable		34	11
(Loss)/profit on ordinary activities before tax		(322)	28
Tax credit/(charge) on (loss)/profit on ordinary activities	8	61	(10)
(Loss)/profit on ordinary activities after tax and other comprehensive income for the year		(261)	18

All amounts relate to continuing operations.

The notes on pages 9 to 14 form part of these financial statements.

esure broker Limited

Statement of financial position As at 31 December 2018

	Notes	2018 £000	2017 £000
Current assets			
Debtors	9	393	591
Cash at bank		<u>8,706</u>	<u>7,501</u>
		9,099	8,092
Creditors: amounts falling due within one year	10	<u>(9,759)</u>	<u>(8,491)</u>
Net current liabilities		(660)	(399)
Total assets less current liabilities		<u>(660)</u>	<u>(399)</u>
Capital and reserves			
Called up share capital	12	4,250	4,250
Profit and loss account		(8,110)	(7,849)
Other reserves		3,200	3,200
Shareholder's funds - all equity		<u>(660)</u>	<u>(399)</u>

The notes on pages 9 to 14 form part of these financial statements.

The financial statements were approved by the Board and authorised for issue on *24th* July 2019 and signed on its behalf.

S A 

S A Long
Director

Registered number: 07464424

esure broker Limited

Statement of changes in equity

	Share capital	Other reserves	Profit and loss account	Total equity
	£000	£000	£000	£000
Year ended 31 December 2017				
At 1 January 2017	4,250	3,200	(7,867)	(417)
Profit for the year	-	-	18	18
Total comprehensive income for the year	-	-	18	18
At 31 December 2017	4,250	3,200	(7,849)	(399)
Year ended 31 December 2018				
At 1 January 2018	4,250	3,200	(7,849)	(399)
Loss for the year	-	-	(261)	(261)
Total comprehensive income for the year	-	-	(261)	(261)
At 31 December 2018	4,250	3,200	(8,110)	(660)

Other reserves relate to capital contributions made by esure Services Limited to esure broker Limited of £3,200,000. During the year ended 31 December 2018, no additional capital contributions were made (2017: £nil). These reserves are realised profits and are therefore available for distribution under the requirements of the Companies Act 2006.

The notes on pages 9 to 14 form part of these financial statements.

esure broker Limited

Notes to the financial statements

For the year ended 31 December 2018

1 . General information

esure broker Limited is a company incorporated in England and Wales. Its registered office is The Observatory, Castlefield Road, Reigate, Surrey, RH2 0SG.

The nature of the Company's operations is as an insurance intermediary.

2 . Accounting policies

Basis of preparation

These financial statements present the esure broker Limited Company financial statements for the year ended 31 December 2018, comprising the statement of comprehensive income, statement of financial position, statement of changes in equity and related notes, as well as comparatives for the year ended 31 December 2017.

The financial statements have been prepared in accordance with the provisions of Section 396 of the Companies Act 2006 (the 'Act') and Schedule 1 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (the 'Regulations'). These financial statements were prepared in accordance with the FRS 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('IFRSs'), but makes amendments where necessary in order to comply with the Act and the Regulations and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of capital management;
- Disclosure in respect of transactions with other wholly owned subsidiaries of esure Group plc;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of key management personnel required by IAS 24; and
- Disclosures in respect of revenue required by IFRS 15.

As the consolidated financial statements of esure Group plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- The disclosures required by IFRS 7 *Financial Instrument Disclosures* .

On April 4 2019 the Directors of esure broker Limited made the decision that the business should be wound down – the date from which no new business will be written is yet to be confirmed but is expected to be before the end of 2020, with the book being run off from the renewal of policies.

Having reviewed cash flow forecasts of the Company for at least 12 months from the date of approval of these financial statements, and taking into account a letter of support from the Company's immediate parent esure Services Limited for a period of not less than 12 months from the date of approval of these financial statements, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. However, given the Company's intention to run off the remaining book, they have prepared these account on an "other than going concern basis" of accounting.

The financial statements have been presented in sterling and rounded to the nearest thousand. Throughout these financial statements any amounts which are less than £500 are shown by 0, where as dash (-) represents that no balance exists.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

At the date of approval of these financial statements there were no standards, amendments or interpretations in issue and endorsed by the EU which the Company had not adopted.

Implementation of IFRS 9 *Financial Instruments*

From 1 January 2018, a new accounting standard, IFRS 9, is effective which prescribes the rules for measuring impairment allowances for financial assets, the classification and measurement of financial assets and liabilities and hedge accounting. The impact on the Company is disclosed in Notes 2 and 11.

Turnover

Turnover comprises the brokerage fees and commission, where the Company has a continuing relationship with the customer, and introducer fees where the Company does not have a continuing relationship with the customer.

Revenue relating to insurance broking is brought into account when the policy placement has been completed and confirmed.

Where the Company has no contractual obligation to provide future services, the revenue is recognised immediately.

In certain circumstances, where the revenue cannot be reliably measured at the contract or policy inception date, broking fees and commission are recognised on a periodic basis when the consideration becomes due. Rebates of commissions and fees relating to the return of premiums for additional insurance products and services are recognised at the point the return is due.

2 Accounting policies (continued)

Interest income

Interest income comprises bank interest. Interest on assets classified as loans and receivables is recognised in the income statement as it accrues and is calculated by using the effective interest rate method. Interest income on assets classified as loans and receivables is recognised in the income statement as it accrues and is calculated by using the effective interest rate method. The effective interest rate method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest expense over the expected life of the asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash flows to the instrument's initial carrying amount. Calculation of the effective interest rate takes into account fees payable or receivable that are an integral part of the instrument's yield, premiums or discounts on acquisition or issue, early redemption fees and transaction costs. All contractual terms of a financial instrument are considered when estimating future cash flows.

Taxation

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those enacted or substantively enacted by the reporting date. Current tax assets and liabilities also include adjustments in respect of tax expected to be payable or recoverable in respect of previous periods. Current tax relating to items recognised directly in equity or other comprehensive income is also recognised in equity or other comprehensive income and not in the income statement.

Financial assets

Classification

Financial assets falling within the scope of IFRS 9 *Financial Instruments* are classified as 'measured at amortised cost', 'measured at fair value through profit or loss' or at 'fair value through other comprehensive income'. During the years ended 31 December 2018 and 31 December 2017 the Company did not classify any financial assets at fair value through profit or loss'. The Company determines the classification of its financial assets at initial recognition. Financial assets are not reclassified subsequent to their initial recognition, unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. A financial asset is measured at amortised cost if it meets both of the following conditions: - it is held within a business model whose objective is to hold assets to collect contractual cash flows; and - its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company's financial assets as at 31 December 2018 and 31 December 2017 included trade and other debtors which were classified as measured at amortised cost.

Initial recognition of financial assets

The Company's financial assets are initially recognised at fair value, plus any directly attributable transaction costs.

Subsequent measurement

Financial assets at amortised cost are measured at amortised cost using the effective interest rate. Impairment losses are recognised in the income statement. Any gain or loss on derecognition is also recognised in the income statement.

Impairment of financial assets

The Company recognises loss allowances for Expected Credit Losses ('ECL') on all financial assets measured at amortised cost. For financial assets that are not credit-impaired at the reporting date the ECL is the present value of possible cash shortfalls in the next twelve months, this may be on a portfolio basis. For financial assets that are credit-impaired at the reporting date the ECL is the difference between the gross carrying amount and the present value of the estimated future cash flows. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Derecognition of financial assets

A financial asset is derecognised when the rights to receive cash flows from that asset have expired or when the Company transfers substantially all the risks and rewards of ownership of the financial assets.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, the Company has a currently enforceable legal right to offset the recognised amounts and it intends to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. Income and expenses are not offset in the statement of comprehensive income unless required or permitted by any accounting standard or interpretation.

Notes to the financial statements For the year ended 31 December 2018

2 . Accounting policies (continued)

Financial liabilities

Financial liabilities falling within the scope of IFRS 9 are classified as 'financial liabilities at amortised costs'.

The Company's financial liabilities at 31 December 2018 and 31 December 2017 include trade and other creditors and amounts owed to Group undertakings.

Initial recognition

Other financial liabilities are measured initially at fair value less directly attributable transaction costs.

Subsequent measurement

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised.

Amortised cost is calculated by taking into account any fees or costs that are an integral part of effective interest rate, transaction costs and all other premiums and discounts. The amortisation is included in finance costs in the statement of comprehensive income.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Share Capital

Shares are classified as equity when there is no contractual obligation to transfer cash or other assets to holders of the financial instruments.

Capital Contributions

Capital contributions are credited directly to equity (other reserves).

3 . Critical accounting judgements and estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates; however the financial statements presented are based on conditions that existed at the balance sheet date.

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 revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4 . Turnover

The whole of turnover is attributable to commissions received and receivable from within the United Kingdom.

5 . (Loss)/profit after tax

(Loss)/profit after tax is stated after charging:

	2018	2017
	£000	£000
Auditor's remuneration	21	24

The auditor's remuneration for the Company for the year ended 31 December 2018 amounted to £21,000 (2017: £24,000). Details of auditor's remuneration for the esure group of companies are disclosed in the consolidated financial statements of esure Group plc.

6 . Staff cost

The Company employed no staff during the current period (2017: Nil), all duties being carried out by esure Services Limited. Management fees for those services are included within expenses.

esure broker Limited

Notes to the financial statements For the year ended 31 December 2018

7 . Directors' remuneration

	2018 £000	2017 £000
Emoluments in respect of qualifying services	673	1,118
Contributions to defined contribution pension schemes	41	98
Total Directors' remuneration	<u>714</u>	<u>1,216</u>

All of the Directors of esure Group plc and its subsidiary undertakings receive remuneration from esure Services Limited as employees of that company. The Directors of esure broker Limited received total remuneration of £714,000 during the year ended 31 December 2018 (2017: £1,216,000). It is not appropriate to allocate this remuneration between their services as Directors of esure broker Limited and the other services provided to esure Group plc and its subsidiary undertakings.

During the year, retirement benefits were accruing to two Directors of esure broker Limited (2017: two) in respect of defined contribution pension schemes.

During the year, two Directors (2017: no Directors) exercised share options in esure Group plc.

Remuneration of the highest paid Director

	2018 £000	2017 £000
Emoluments in respect of qualifying services	343	892
Contributions to defined contribution pension schemes	20	84
	<u>363</u>	<u>976</u>

8 . Taxation

	2018 £000	2017 £000
UK corporation tax (credit)/charge on the (loss)/profit for the year	(61)	10
Total current tax	<u>(61)</u>	<u>10</u>

The tax rate used for the calculations is the Corporation Tax rate of 19.00% (2017: 19.25%) payable by the corporate entities in the UK on taxable profits under tax law in that jurisdiction.

The expense for the year can be reconciled to the profit per the statement of profit and loss and other comprehensive income as follows:

	2018 £000	2017 £000
(Loss)/profit before taxation	(322)	28
Taxation calculated at 19.00% (2017: 19.25%)	(61)	5
Effect of expenses that are not deductible	-	5
Taxation (credit)/charge	<u>(61)</u>	<u>10</u>

Factors affecting the tax charge for future periods

A reduction in the standard rate of Corporation Tax from 20% to 19% was effective from 1 April 2017. There will be a further reduction in the rate of Corporation Tax to 17% from 1 April 2020. This change was substantively enacted at the year end date.

9 . Debtors: Amounts falling due within one year

	2018 £000	2017 £000
Trade debtors	10	69
Corporation tax	38	6
Other debtors	345	516
	<u>393</u>	<u>591</u>

esure broker Limited

Notes to the financial statements

For the year ended 31 December 2018

10 . Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Amounts owed to Group undertakings	9,429	8,029
Trade creditors	330	462
	<u>9,759</u>	<u>8,491</u>

11 . Financial Assets and Liabilities

Financial assets

Designation under IFRS 9	2018 £000	2017 £000	Designation under IAS 39
Financial assets at amortised cost	355	585	Loans and receivables
Total financial assets	<u>355</u>	<u>585</u>	

Financial liabilities

Financial liabilities measured at amortised cost	9,759	8,491	Other financial liabilities
Total financial liabilities	<u>9,759</u>	<u>8,491</u>	

The directors consider that the carrying amount of the financial assets and liabilities at amortised cost approximates their fair value. All financial assets and liabilities at amortised cost are expected to be settled within one year.

Credit Risk

Loss allowances

Measured at equal to lifetime expected credit loss: credit-impaired

	£000
At 31 Dec 2017 (IAS 39)	69
At 31 Dec 2017 (IFRS 9)	95
At 31 Dec 2018	76

Credit Risk Exposure

Gross carrying amounts

	Loss allowance equal to 12-month expected credit loss £000	Loss allowance equal to lifetime expected credit loss: credit-impaired £000
At 31 December 2018		
Low Risk	387	-
Doubtful	-	44
Loss	-	-
Total	<u>387</u>	<u>44</u>
At 31 December 2017		
Low Risk	611	-
Doubtful	-	42
Loss	-	-
Total	<u>611</u>	<u>42</u>

Items of income, expense, gains or losses

Net gains/(losses) on:

	2018 £000	2017 £000
Financial assets at amortised cost	(126)	(377)
Financial liabilities measured at amortised cost	-	-

esure broker Limited

Notes to the financial statements

For the year ended 31 December 2018

12 . Share capital

	2018	2017
	£000	£000
Authorised, allotted, called up and fully paid		
4,250,000 Ordinary shares of £1 each	<u>4,250</u>	<u>4,250</u>

13 . Ultimate parent undertaking

The Company is a wholly owned subsidiary undertaking of esure Services Limited. The smallest group into which these accounts are consolidated is esure Group plc. Until 19 December 2018 the Company's ultimate parent was esure Group plc. Blue (BC) Bidco Limited acquired 100% of the share capital of esure Group plc on 19 December 2018, its ultimate parent is Blue (BC) Holdings LP, a limited partnership registered in Jersey. Blue (BC) Topco Limited is the largest group into which these accounts are consolidated.