

Registered Number: 01989349

Annual Report and Financial Statements 2022  
**Allianz (UK) Limited**

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## Company Information

<b>Directors</b>	C W T Dinesen (ceased 10 April 2023) F K Dyson (ceased 29 May 2023) P J Evans C J Holmes (appointed 22 February 2022) U Lange (appointed 30 May 2023) D J Larnder S C McGinn (appointed 22 February 2022; ceased on 30 April 2023) R M Murison (ceased 25 September 2022) T Robson-Capps (appointed 13 April 2022) D A Torrance C G Townsend S Treloar J R Vazquez (appointed 1 June 2022)
<b>Company secretary</b>	C M Twemlow
<b>Registered office</b>	57 Ladymead Guildford Surrey GU1 1DB
<b>Registered number</b>	01989349
<b>Independent Auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT

## Strategic Report for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

### Principal activities

The Company acts as an investment holding company.

### Business review

The results for the year are set out in the Statement of Profit and Loss and Other Comprehensive Income on page 11. The profit for the year amounted to £99,983k (2021: £120,275k). The decrease almost entirely was due to lower dividends received during the year.

### Key performance indicators

The financial key performance indicators monitored by the Company are profit before tax, dividends received and total equity. The profit before tax for the year amounted to £99,981k (2021: £120,316k) with the Company receiving dividends of £100,000k (2021: £120,000k). At the year end, the Company had total equity of £1,611,837k (2021: £1,611,854k). The Company does not monitor any non-financial key performance indicators.

### Principal risks and uncertainties

The principal risk facing the Company is the performance of its subsidiary undertaking, Allianz Holdings plc ("AZH"). AZH holds subsidiary undertakings which are listed in note 8, collectively, "the Group".

### Future outlook

No changes to the principal activities are anticipated in the foreseeable future. The Company will continue to consider suitable investment opportunities as and when they arise.

The Group is in a strong position despite the ongoing competitive market conditions in the UK and the challenges presented by the economic environment. The Group is well equipped through its diverse portfolio and robust financial position to manage these challenges.

### Going concern

The Directors, having undertaken an assessment, are confident in the Company's ability to continue as a going concern.

### Section 172(1) Companies Act 2006 Statement

This statement sets out how the Directors have had regard to the matters set out in section 172(1) of the Companies Act 2006 when performing their duties. The Directors consider, both individually and collectively, that they have acted in a way that, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and in doing so have had regard to the matters set out in section 172(1) (a) to (f) of the Companies Act in the decisions taken during the year.

As set out in principal activities, the Company is an investment holding Company and is the parent company of AZH. The Group governance structure is such that the Company's Board composition is the same as the boards of AZH and other key regulated entities and holding companies within the Group (collectively, the "Boards"). As a result of this governance structure, strategic decisions and matters which affect the whole Group are considered by the Boards or their committees to an appropriate extent for the Group as a whole. Certain Group stakeholders and their interests (including the Group's employees, community and the environment) are considered and actions concerning them determined at a Group level by the Boards rather than by the Company's Board. Group strategy and stakeholder considerations are understood by the Company's Directors as they are members of the Boards. The Company's Directors have oversight of the Company's key activities through the reporting provided to and the oversight provided by the Boards and the AZH Executive Committee. However, while oversight is carried out at Group level, any decisions put to the Company's Board are considered from the perspective of the Company and its stakeholders. The Company's Board meets at least quarterly to discuss matters relevant to the Company's business.

### Stakeholder statement

The Company's key stakeholders are its subsidiary and its shareholders as well as wider stakeholders such as the local communities in which its subsidiary operates and employees working within the Group. Stakeholders, their interests and the manner in which the Company engages with them, are integral to how the Company conducts business. When strategic and operational decisions are considered by the Company's board, their broader impact on stakeholders are taken into account and this approach is embedded within the Group's governance structure.

## Strategic Report for the Year Ended 31 December 2022 (continued)

### Shareholders

The Company has regard to the interests of its immediate shareholders, Allianz SE, Allianz Europe B.V and the wider Group including AZH and its subsidiaries when making decisions. Allianz SE nominate a non-executive Director to the Board of the Company. In 2022, the Board received regular updates from the Allianz SE Group on key matters being considered within the wider group. Shareholder views have been factored into various decisions made by the Board during the year.

### Employees

The Company does not have any employees. During the year, Allianz Management Services Limited (“AMS”) and Liverpool Victoria General Insurance Group Limited (“LVGIG”), companies within the Group, provided administration services and staff resources to the Group Companies. AMS and LVGIG have a high level of resources and expertise which benefit the Company and the Group.

### Regulators

While the Company itself is not regulated, some of the principal subsidiaries of AZH, its subsidiary, are authorised and regulated by the Financial Conduct Authority (“FCA”) and the Prudential Regulation Authority (“PRA”). Maintaining a good relationship with the regulators is the priority for the Group and regulatory considerations are given close scrutiny when making decisions.

### Customers

The Company has no direct customers. The Group is committed to ensuring good outcomes for its customers. Customer centricity is fundamental to the Group’s growth and development and is one of five important themes underpinning the Allianz SE business strategy which the Group has adopted. The Group’s focus is on maintaining high levels of service, and supporting our customers. Throughout 2022, as the country recovered from the effects of the pandemic and faced a cost of living crisis, the Group’s employees continued to support customers, suppliers and communities through what continues to be a difficult time for many.

### Suppliers

Proposed significant supplier contracts, either strategic or by reason of size and significance to the Group, are considered by the AZH Board on behalf of the Group, following initial meetings and negotiations by procurement and commercial teams and direct engagement with senior management. In 2022, significant supplier contracts, supported by summary documents, were provided to the AZH Board to enable an informed decision to be made covering areas such as performance, cost, risk and strategic alignment.

### Community and the Environment

An Environmental, Social, Governance (“ESG”) strategy ensures the Group is a leader in sustainability, and a committed corporate citizen with responsible and trusted businesses. The Group focuses on promoting the transition to a low-carbon economy, social inclusion and ensuring the integration of ESG into all aspects of our businesses. Examples of initiatives undertaken by the Group include partnerships with the mental health charities, Mind and Scottish Action on Mental Health, which benefit people across the UK as well as the Group’s employees as the partnership has been utilised to expand the employee mental health support resources that are in place. During the year, the AZH Board considered the ESG 2025 plan and 2022 objectives and targets for each functional area working on ESG matters, including the opportunities and risks climate change poses.

### Board decision making:

This part of the section 172 statement describes how the Board has had regard to the Company’s and the Group’s stakeholders and other matters considered under section 172(1) of the Act in some of the key decisions taken by the Board during the year.

During the year, the Board approved an interim distribution of £100m to its shareholders from its distributable reserves. The distribution was carried out in accordance with the articles of association of the Company. In considering whether to approve the distribution of the interim dividend, the Board considered the reserves of the Company and the long term consequences of making the payment. The Board noted that it expected to receive a dividend of £100m from its subsidiary, AZH, based on which the distribution was due to be made. The Board considered the needs and views of its shareholders, who require dividends to be paid to ensure the long term success and viability of the Allianz SE Group as a whole. While the Company itself is not regulated, the Board took into account the regulatory environment and the views of the regulator of its subsidiaries in paying a dividend, ensuring that the payment of the dividend was a prudent decision from a regulatory perspective. The Board ensured that the Company had sufficient capital to meet its requirements in the long term when making the decision.

## Strategic Report for the Year Ended 31 December 2022 (continued)

The Board approved the annual report and financial statements for the year ended 31 December 2021 during the year. It considered, inter alia, the performance of the Company, its future outlook and going concern statement as well as the principal risks and uncertainties facing the Company in making the decision. The Board also approved the Modern Slavery Statement for the year ended 31 December 2021 during the year. In approving the statement, the Board considered the activities and actions taken in the preceding year to mitigate against the risk of modern slavery in the organisation and its subsidiary and their supply chain. In reviewing the statement, the Board noted employees and suppliers of the Group as the key stakeholders and considered the Allianz Modern Slavery Standard and how it laid out expectations from employees and the supply chain in maintaining the required standards within the business which were aimed at mitigating the risk of modern slavery.

On behalf of the Board



U Lange

Director

22 June 2023

## **Directors' Report for the year Ended 31 December 2022**

The directors present their audited Annual Report and financial statements for the year ended 31 December 2022.

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

- Results for the year;
- Principal activities of the Company;
- Business review and Future prospects and
- Stakeholders.

### **Directors**

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

C W T Dinesen (ceased 10 April 2023)

F K Dyson (ceased 29 May 2023)

P J Evans

C J Holmes (appointed 22 February 2022)

U Lange (appointed 30 May 2023)

D J Larnder

S C McGinn (appointed 22 February 2022; ceased on 30 April 2023)

R M Murison (ceased 25 September 2022)

T Robson-Capps (appointed 13 April 2022)

D A Torrance

C G Townsend

S Treloar

J R Vazquez (appointed 1 June 2022)

### **Directors' liabilities**

A qualifying third party indemnity was in force during the financial year and also at the date of approval of the financial statements.

### **Results and dividend**

The results for the year are set out in the Statement of Profit and Loss and Other Comprehensive Income on page 11. A review of the Company's business activities and any likely future developments can be found in the Strategic Report on page 2.

An interim dividend was paid in the sum of £100m on 4 August 2022, for the year ended 31 December 2022 (2021: £120m). The Directors do not recommend the payment of a final dividend for the year ended 31 December 2022 (2021: £nil).

### **Future outlook**

The future outlook for the Company is outlined in the Strategic Report on page 2.

### **Going concern**

The going concern assessment for the Company is outlined in the Strategic Report on page 2.

### **Streamlined Energy and Carbon Reporting ("SECR")**

The Company fulfils the statutory requirements for SECR which includes disclosure relating to carbon emissions. Under the Companies Act 2006 and SECR Regulations, 'Large' companies' are required to report their annual emissions in their Directors' report. It should be noted that the information disclosed relates to only some of the entities within the Group as this is the lowest level of granularity for which the data is collected. Information relating to Liverpool Victoria General Insurance Group Limited and its subsidiaries is reported separately and can be found in the annual report.

## Directors' Report for the year Ended 31 December 2022 (continued)

Information relating to the Company alone is not available and appropriate disclosure has been made by all Companies meeting the reporting requirement.

The SECR statement covers the reporting period 1 January 2022 to 31 December 2022 and has been prepared in line with the requirements of the Streamlined Energy and Carbon Reporting regulations and the relevant areas of the Greenhouse Gas ("GHG") Protocol Corporate Accounting and Reporting Standard.

A 'Dual Reporting' methodology has been used to indicate emissions using UK electricity grid average emission factors (known as the 'Location based' method), and also emissions using supplier specific generation emission factors (the 'Market Based' method).

### 'Location based' Method

The total energy consumption for 2022 was 16,034,389.25 kWh (2021: 16,645,135.03 kWh) equating to 3,432.989 tCO<sub>2</sub> (2021: 3,532.599 tCO<sub>2</sub>e). Carbon intensity: Emissions of tCO<sub>2</sub>e/full-time equivalent during 2022 was 0.786 tCO<sub>2</sub>e (2021: 0.831 tCO<sub>2</sub>e).

However, the Company strategy has been to purchase renewable energy backed by Renewable Electricity Guarantees of Origin (REGO) certificates. Through this strategy, within the above 2022 total energy consumption, the Company has sourced a total of 5,124,261.79 kWh of REGO backed (zero emission) electricity equating to 98.58% of total electricity use.

### 'Market Based' Method

The total energy consumption for 2022 was 16,034,389.25 kWh (2021: 16,645,135.03 kWh) equating to 2,388,140 tCO<sub>2</sub> (2021: 2,503.965 tCO<sub>2</sub>e). Carbon intensity: Emissions of tCO<sub>2</sub>e/full-time equivalent during 2022 was 0.547 tCO<sub>2</sub>e.

Energy Efficiency actions taken during 2022:

- During the refurbishment of the Milton Keynes office the following actions were taken: Adapted landlord energy efficient air-con system and added two energy efficient air-con wall mounted units in the Comms Room. Also adapted landlord energy efficient LED light fittings and PiR controls (movement sensors).

Over 90% of the Group's waste is recycled. The Group's aim is to divert 100% of waste from landfill. This includes office closures where the aim is to repurpose or recycle old office equipment or donate this to local charities.

The Group is committed, via a Science Based Target, to being net zero in operations by 2030. This means reducing emissions by 70%, versus the 2019 baseline, by strengthening environmental management and sourcing 100% renewable electricity by 2023. The key drivers to delivering the emissions reduction target will be the shift to a fully electric corporate car fleet by latest 2030 and a reduction of 40% GHG emissions deriving from travel activities by 2025.

### **Directors' responsibility to the Auditors**

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. The Directors have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Independent Auditors**

Pursuant to section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been re-appointed as auditors at the end of 28 days beginning with the day on which copies of these report and financial statements are sent to Members.

By order of the Board



C M Twemlow

Company secretary

22 June 2023



## 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 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 UK-adopted international accounting standards..

Under company law, 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:

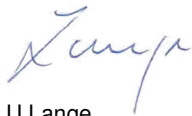
- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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 responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board



U Lange

Director

22 June 2023

# ***Independent auditors' report to the members of Allianz (UK) Limited***

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion, Allianz (UK) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements 2022 (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2022; the Statement of Profit and Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows 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.

### **Conclusions relating to going concern**

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the directors' going concern assessment and challenging the material assumptions made using our knowledge of the business, review of regulatory correspondence and obtaining further corroborative evidence;
- Considering information obtained during the course of the audit and publicly available market information to identify any evidence that would contradict management's assessment of going concern; and
- Assessing the disclosures made by management in the financial statements and checking the consistency of the disclosures with our knowledge of the company based on our audit and the other procedures listed here.

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 at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# ***Independent auditors' report to the members of Allianz (UK) Limited***

## **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.

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 our work undertaken in the course of the audit, the Companies Act 2006 requires 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 2022 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 in respect of the financial statements, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## ***Independent auditors' report to the members of Allianz (UK) Limited***

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK Companies Act (2006), and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and judgmental areas of the financial statements such as the valuation of investment in subsidiaries.. Audit procedures performed by the engagement team included:

- Discussions with the Board of Directors, management, internal audit, senior management involved in the risk and compliance functions and the Company's legal function, including consideration of known or suspected fraud;
- Obtaining management's impairment analysis and challenging the assumptions made;
- Reviewing relevant meeting minutes including those of the Board of Directors;
- Attending relevant meetings of the Allianz Holdings plc Audit Committee and reviewing minutes of the Allianz Holdings plc Risk Committee;
- Identifying and testing journal entries, in particular any journal entries posted by senior management; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

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](http://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.

## **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 obtained 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  
22 June 2023

## Statement of Profit and Loss and Other Comprehensive Income For the year Ended 31 December 2022

	Note	2022 £'000	2021 £'000
Dividends received		100,000	120,000
Interest income		1	-
Administrative (expense)/income		(20)	316
<b>Profit before tax</b>		<b>99,981</b>	<b>120,316</b>
Income tax credit/(expense)	5.1	2	(41)
<b>Profit for the year wholly attributable to the equity holder</b>		<b>99,983</b>	<b>120,275</b>

There has been no other comprehensive income in the year ended 31 December 2022 (2021: £nil).

The accounting policies and notes on pages 15 to 20 are an integral part of these financial statements.

## Statement of Changes in Equity

### For the year Ended 31 December 2022

		Share capital	Share premium	Retained earnings	Total
	Note	£'000	£'000	£'000	£'000
<b>At 1 January 2021</b>		1,304,800	62,800	243,979	1,611,579
Dividends paid	7	-	-	(120,000)	(120,000)
Profit for the year		-	-	120,275	120,275
<b>At 31 December 2021</b>		<b>1,304,800</b>	<b>62,800</b>	<b>244,254</b>	<b>1,611,854</b>
		Share capital	Share premium	Retained earnings	Total
		£'000	£'000	£'000	£'000
<b>At 1 January 2022</b>		1,304,800	62,800	244,254	1,611,854
Dividends paid	7	-	-	(100,000)	(100,000)
Profit for the year		-	-	99,983	99,983
<b>At 31 December 2022</b>		<b>1,304,800</b>	<b>62,800</b>	<b>244,237</b>	<b>1,611,837</b>


The accounting policies and notes on pages 15 to 20 are an integral part of these financial statements.

## Statement of Financial Position

### As at 31 December 2022

	Note	2022 £'000	2021 £'000
<b>Assets</b>			
Investment in group undertakings	8	1,611,348	1,611,348
Amounts due from related parties	13	-	521
Current tax asset	5.3	2	-
Cash and cash equivalents	9	537	19
<b>Total assets</b>		<b>1,611,887</b>	<b>1,611,888</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	10	1,304,800	1,304,800
Share premium	10	62,800	62,800
Retained earnings		244,237	244,254
<b>Total equity</b>		<b>1,611,837</b>	<b>1,611,854</b>
<b>Liabilities</b>			
Current tax liability	5.3	-	34
Amounts due to related parties	13	50	-
<b>Total liabilities</b>		<b>50</b>	<b>34</b>
<b>Total equity and liabilities</b>		<b>1,611,887</b>	<b>1,611,888</b>

These financial statements on pages 11 to 20 were approved by the Board of Directors on 22 June 2023 and signed on its behalf by:



U Lange  
Director

**Allianz (UK) Limited**  
Registered Number: 01989349

The accounting policies and notes on pages 15 to 20 are an integral part of these financial statements.

## Statement of Cash Flows

### For the Year Ended 31 December 2022

	Note	2022 £ 000	2021 £ 000
<b>Cash flows from operating activities</b>			
<b>Profit before tax</b>		<b>99,981</b>	<b>120,316</b>
<b>Changes in working capital</b>			
Decrease/(increase) in amounts due from related parties	13	521	(301)
Increase/(decrease) in amounts due to related parties	13	50	(15)
<b>Cash generated from operations</b>		<b>100,552</b>	<b>120,000</b>
Income tax paid		(34)	-
<b>Net cash flow generated from operating activities</b>		<b>100,518</b>	<b>120,000</b>
<b>Cash flows from financing activities</b>			
Dividends paid		(100,000)	(120,000)
<b>Net cash flows used in financing activities</b>		<b>(100,000)</b>	<b>(120,000)</b>
<b>Net increase in cash and cash equivalents</b>		<b>518</b>	<b>-</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>19</b>	<b>19</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>537</b>	<b>19</b>



The accounting policies and notes on pages 15 to 20 are an integral part of these financial statements.

## **Notes to the Financial Statements for the Year Ended 31 December 2022**

### **1 ACCOUNTING POLICIES**

#### **1.1 Company and its operations**

Allianz (UK) Limited ("the Company") is a private company limited by shares, incorporated in England and Wales and domiciled in the United Kingdom, whose shares are not publicly quoted.

#### **1.2 Statement of compliance**

The financial statements of the Company have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

#### **1.3 Basis of preparation**

The Company is exempt from the obligation to prepare and deliver group financial statements by virtue of the Companies Act 2006 (Section 401 1a) as it is a subsidiary undertaking of an EU parent (see note 13). The financial statements have been prepared on the historical cost basis. The functional and presentational currency is British Pounds.

#### **Going concern**

These financial statements are prepared on a going concern basis. For more information on the going concern assessment please refer to Going Concern within the Strategic Report on page 2.

#### **New standards and interpretations adopted by the Company**

There are no new standards and interpretations affecting the Company that are mandatorily effective from 1 January 2022. The accounting policies have been consistently applied unless a new policy has been implemented.

#### **New standards and interpretations not yet adopted by the Company**

New standards and interpretations which are not mandatorily effective have not been applied in preparing these financial statements. The Company does not plan to adopt these standards early; instead it will apply the standards from the effective date as determined by the date of UK Endorsement Board ("UKEB").

### **1.4 Summary of significant accounting policies**

#### **(a) Income taxes**

Income tax on profit or loss for the year comprises current tax. Income tax is recognised in the income tax credit/(expense). Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the Statement of Financial Position date, together with adjustments to tax payable in respect of prior years. Group tax losses are utilised when available. Consideration paid for group relief is accounted for in the financial statements as though the payment has been made to the relevant tax authorities.

#### **(b) Investment in group undertakings**

Investments in group undertakings are shown in the Statement of Financial Position at cost less any impairment charges. The carrying value is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. The impairment assessment compares the carrying amount of the investment in the subsidiary with the recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. Where the carrying amount is higher than the recoverable amount, an impairment is recognised in the Statement of Profit and Loss and Other Comprehensive Income in the period in which it occurred.

#### **(c) Amounts due from related parties**

Amounts due from related parties are initially recognised and subsequently re-measured at amortised cost after taking into account any impairment losses. Amounts due from related parties shall be derecognised when the contractual right to receive cash flows expire or when the asset is transferred.

An expected credit loss ("ECL") provision is assessed as at the Statement of Financial Position and the carrying amount of the receivables balance is reported after deduction of any ECL.

The Company has adopted the "simplified approach" in determining the ECL. Under this approach, the ECL is calculated as the book cost of the receivables multiplied by a 1 year probability of default ("PD"), an appropriate loss given default ("LGD") and the number of days to maturity as a fraction of a year ("tenor").

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

## 1 ACCOUNTING POLICIES (CONTINUED)

## 1.4 Summary of significant accounting policies (continued)

**(d) Amounts due to related parties**

Amounts due to related parties are obligations to pay for goods or services that have been acquired in the ordinary course of business. They are initially recognised and subsequently measured at cost because they are expected to be settled within twelve months and their carrying value is a reasonable approximation of fair value.

**(e) Cash and cash equivalents**

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

An ECL provision is assessed as at the Statement of Financial Position date and the carrying amount of the cash and cash equivalents balance is reported after deduction of any ECL.

The Company has adopted the "simplified approach" in determining the ECL. Under this approach, the ECL is calculated as the book cost of the cash and cash equivalents multiplied by a 1 year PD, an appropriate LGD and tenor.

## 2 USE OF CRITICAL ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Company makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities. Estimates, assumptions and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company does not consider any particular accounting policy or estimate to be susceptible to significant changes in estimates and assumptions.

## 3 EMPLOYEE RELATED COSTS

The Company has no employees and as such incurs no employee related costs.

## 4 AUDITORS' REMUNERATION

The total remuneration payable by the Company excluding VAT, to its auditors in respect of the audit of these financial statements, is shown below. The Company's audit fees are borne by Allianz Management Services Limited. Other services supplied pursuant to legislation were £nil (2021: £nil).

	2022	2021
	£'000	£'000
Fees payable for the audit of the Company's auditors and associates	16	15

## 5 INCOME TAX

## 5.1 Income tax recognised in profit or loss

Tax (credited)/charged in the Statement of Profit and Loss and Other Comprehensive Income

	2022	2021
	£'000	£'000
<b>Current taxation</b>		
In respect of the current year	(2)	59
In respect of prior year	-	(18)
<b>Total current tax (credit)/expense recognised in the current year</b>	(2)	41

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

## 5 INCOME TAX (CONTINUED)

The tax assessed on the year is lower (2021: lower) than the standard rate of corporation tax in the United Kingdom of 19% (2020: 19%).

The differences are reconciled below:

	2022 £'000	2021 £'000
<b>Profit before tax</b>	<b>99,981</b>	<b>120,316</b>
<b>Income tax at standard rate</b>	<b>18,996</b>	<b>22,860</b>
Decrease in current tax from adjustment for prior periods	-	(18)
Effect of income that is exempt from taxation	(19,000)	(22,800)
Increase/(decrease) from transfer pricing adjustments	2	(1)
Income tax (credit)/expense recognised in profit or loss	<b>(2)</b>	<b>41</b>

## 5.2 Tax paid for cash flow purposes

	2022 £'000	2021 £'000
<b>Current tax payable/ (receivable) at 1 January</b>	34	(7)
Amounts charged to the statement of profit and loss	(2)	41
Tax paid during the year	(34)	-
Current tax (receivable)/ payable at 31 December	<b>(2)</b>	<b>34</b>

## 5.3 Current tax assets

	2022 £'000	2021 £'000
Current tax assets	2	-
Current tax liabilities	-	(34)

The UK Government announced its intention in the budget of 3 March 2021 to legislate to increase the rate of corporation tax from 19.0% to 25.0% with effect from 1 April 2023. This legislation was substantively enacted on 24 May 2021.

## 6 DIRECTORS' EMOLUMENTS

During the year, remuneration of 10 Directors was paid by Allianz Management Services Limited ("AMS"). S Treloar was remunerated by Liverpool Victoria General Insurance Group Limited ("LVGIG") and C Townsend waived his right to receive emoluments. AMS and LVGIG are Group Services companies and make no recharge to the Company for such costs. The aforementioned individuals provided services to the Company and other companies within the Allianz UK Group and it is not possible to make an accurate apportionment of an individual's remuneration in respect of their role as a Director of the Company. Accordingly, no remuneration is being disclosed for such individuals.

## 7 DIVIDENDS

An interim dividend was paid in the sum of £100,000k (representing 7.7p per share) on 4 August 2022, for the year ended 31 December 2022 (2021: £120,000k, representing 9.2p per share). The Directors do not recommend the payment of a final dividend for the year ended 31 December 2022 (2021: £nil).

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

## 8 INVESTMENT IN GROUP UNDERTAKINGS

Shares in group undertakings are shown in the Statement of Financial Position at cost. The undertakings of Allianz (UK) Limited are shown below. The Company's shareholding in Allianz Holdings plc is held directly, all other shareholdings are held indirectly. The registered office for all undertakings is 57 Ladymead, Guildford, Surrey, GU1 1DB.

**Subsidiary undertakings of Allianz (UK) Limited**

	<b>Country of incorporation</b>	<b>Primary business operation</b>	<b>Percentage holding</b>
Allianz Holdings plc	England	General Insurance Holding	99.99%
<b>Held by Allianz Holdings plc:</b>			
Allianz Insurance plc	England	General Insurance	100.00%
Liverpool Victoria General Insurance Group Limited	England	General Insurance Holding	100.00%
Allianz Management Services Limited	England	Management Services	100.00%
Allianz Engineering Inspection Services Limited	England	Engineering Inspections	100.00%
Home and Legacy Insurance Services Limited	England	Insurance Intermediary	100.00%
Allianz Business Services Limited	England	Insurance Intermediary	100.00%
Vet Envoy Limited	England	IT Data Services	100.00%
<b>Held by Allianz Insurance plc:</b>			
Trafalgar Insurance Limited	England	General Insurance	100.00%
Allianz Equity Investments Limited	England	Investing in Equity Shares	100.00%
Pet Plan Limited	England	Insurance Intermediary	100.00%
Allianz Properties Limited	England	Investing in Real Estate	100.00%
Allianz Pension Fund Trustees Limited	England	Pension Fund Trustee	100.00%
<b>Held by Liverpool Victoria General Insurance Group Limited:</b>			
Liverpool Victoria Insurance Company Limited	England	General Insurance	100.00%
LV Assistance Services Limited	England	Road Rescue	100.00%
LV Insurance Management Limited	England	Management Services	100.00%
Fairmead Insurance Limited	England	General Insurance	100.00%
<b>Held by Liverpool Victoria Insurance Company Limited:</b>			
LV Repair Services Limited	England	Repair Engineering Services	100.00%
Highway Insurance Group Limited	England	General Insurance Holding	100.00%
<b>Held by Highway Insurance Group Limited:</b>			
Highway Insurance Company Limited	England	General Insurance	100.00%
<b>Held by Fairmead Insurance Limited:</b>			
Buddies Enterprises Limited	England	Insurance Intermediary	100.00%

During the year, two subsidiaries, Three Pillars Business Solutions Limited and Fairmead Distribution Services Limited were dissolved.

In the opinion of the Directors, there has been no impairment during the year to the investment in group undertakings (2021: nil).

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

## 9 CASH AND CASH EQUIVALENTS

	2022	2021
	£ 000	£ 000
Cash and cash equivalents	<u>537</u>	<u>19</u>
<b>Total cash and cash equivalents</b>	<b><u>537</u></b>	<b><u>19</u></b>

## 10 EQUITY

## Share capital - allotted, called up and fully paid

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,304,800,002</u>	<u>1,304,800,002</u>	<u>1,304,800,002</u>	<u>1,304,800,002</u>

	2022	2021
	£	£
<b>Share premium</b>		
Share premium classified as fully paid	<u>62,800,000</u>	<u>62,800,000</u>

## 11 RISK MANAGEMENT POLICIES

**Capital management**

The Company's capital risk is determined with reference to the requirements of the Group. In managing capital, the Company seeks to maintain sufficient, but not excessive, financial strength to support the payment of dividends and the requirements of all stakeholders. The sources of capital used by the Company are equity shareholders' funds. At 31 December 2022 the Company had £1,611,837k (2021: £1,611,854k) of total capital employed.

**Financial Risk**

The key financial risk is that proceeds from the realisation of assets are insufficient to meet obligations as they fall due. The most important aspects of financial risk comprise market risk, credit risk and liquidity risk.

**Market risk**

Market risk is the risk that changes in market prices, such as interest rates, foreign currency exchange rates and equity prices will affect the value of the Company's assets and income. The Company is exposed to market risk through its investments in group undertakings insofar as the carrying amount exceeds the net asset value of the subsidiary and as such the investment is overstated.

**Credit risk**

Credit risk is the risk that a counterparty will be unable to pay amounts due to the Company in full when the fall due. The Company is exposed to credit risk through its amounts due from group undertakings and cash and cash equivalents. The Company deems this risk to be low as the amounts are due from fellow Allianz SE Group subsidiaries and as such are A rated and cash and cash equivalents which are also AA rated. All receivables are due within 1 year of the Statement of Financial Position date.

**Liquidity risk**

Liquidity risk is the risk that cash may not be available to pay obligations when they fall due. The Company is exposed to liquidity risk through its amounts due to group undertakings. Liquidity risk for the Company is mitigated as the Company largely finances through intercompany transactions and the Company has sufficient liquid assets to meet its liabilities as they fall due. All payables are deemed to be settled within 1 year of the Statement of Financial Position date.

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

### 12 PARENT AND ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Allianz Europe Limited, a company registered in the UK.

The ultimate parent undertaking, Allianz Societas Europaea ("Allianz SE"), is incorporated in Germany and is the parent of the largest and smallest group of undertakings for which Allianz SE Group financial statements are drawn up and of which the Company is a member.

The most senior parent entity producing publicly available financial statements is Allianz SE. These financial statements are available upon request from their registered office address of Allianz SE, Königinstrasse 28, 80802 München, Germany.

### 13 RELATED PARTY TRANSACTIONS

#### Transactions with and balances from or to related parties

The Company enters into transactions with fellow group undertakings and key management personnel in the normal course of business. Details of all transactions carried out during the year with related parties are as follows:

	2022	2021
	£'000	£'000
Dividends received	100,000	120,000
Dividends paid	100,000	120,000
Administrative (expense)/income	(20)	316
	<u>          </u>	<u>          </u>

Year-end balances arising from transactions carried out with related parties are as follows:

	2022	2021
	£'000	£'000
<b>Due from related parties at 31 December</b>		
Other related parties	-	521
<b>Total</b>	<u>          </u>	<u>          </u>
	<b>2022</b>	<b>2021</b>
	£'000	£'000
<b>Due to related parties at 31 December</b>		
Other related parties	50	-
<b>Total</b>	<u>          </u>	<u>          </u>
	<b>50</b>	<b>-</b>

The Company has concluded that the expected credit loss model has made no significant impact on the valuation of receivables reported in the financial statements.

The Company considers its key management personnel to be the Directors only. Further information is disclosed in note 6.

### 14 SUBSEQUENT EVENTS

On 16 May, 2023 the parent undertaking of the Company changed to Allianz Europe B.V, a company registered in the Netherlands.