Miller Insurance Holdings Limited

Annual report and financial statements for the year ended 31 December 2020

Registered Number 00830141

Miller Insurance Holdings Limited

Annual report and financial statements
for the year ended 31 December 2020

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Miller Insurance Holdings Limited
Company information for the year ended 31 December 2020

Directors:

E.R.G. Clarke
G.E.M. Collins
M.J. Davison

Secretary:

B.R. Speers

Registered office:

70 Mark Lane
London
EC3R 7NQ

Independent auditor:

Deloitte LLP
Hill House
1 Little New Street
London
EC4A 3TR

Banker:

Barclays Bank plc
One Churchill Place
London
E14 5HP

Registered number:

00830141

Miller Insurance Holdings Limited

Strategic report for the year ended 31 December 2020

1. Business development

Miller Insurance Holdings Limited ('company') is a holding company and does not trade. The financial statements of the company are drawn up to 31 December each year.

The company also receives dividends from its subsidiaries.

2. Performance during the year

The indicators used to monitor the financial performance of the company and its results for the year ended 31 December 2020 are listed below:

- dividends receivable were nil (31 December 2019: £50k);
- loss before tax was £(1,278)k (31 December 2019: £(1,024)k);
- statement of financial position net assets decreased by £1,278k to £5,759k.

3. Principal risks and uncertainties

COVID-19

Description:
During 2020, COVID-19 has emerged as a key risk. However, the effective invocation of contingency plans has enabled the return of operations to normal within a short time frame.

Mitigation:
Disaster continuity communications, systems and processes effectively invoked, allowing all Miller's people to work remotely.

Cyber-Security

Description:
Failure to protect, and prevent theft of, corporate intellectual property and client data from cyber security breaches through inadequate control environment, staff training, poor electronic data management and/or insufficient expertise or resource.

Mitigation:
- Email threat protection for all staff regarding phishing, spoofing and malware prevention.
- Virus protection software installed on all laptops and firewall in place.
- Various data back-ups carried out daily, weekly and monthly. Stored off-site and undergoes regular testing.
- Regular penetration testing and monthly vulnerability scanning.
- Mandatory information security training for all staff across wide range of threats.
- Progressively adopting formal industry information security standards, ISO 27001, across the organisation.

The company is a holding company and its principal investments are in Miller Insurance Services (Singapore) Pte Ltd and Nelson Holdings Ltd. Its key risk is the variability of its dividend income stream during the year. There is no impact from Brexit since the company is not trading.

Approved by the board on 28 June 2021 and signed on behalf of the board by:

M. Dav

M.J. Davison
Director
70 Mark Lane
London EC3R 7NQ

Miller Insurance Holdings Limited

Directors' report for the year ended 31 December 2020

The directors present their annual report and the audited financial statements for the year ended 31 December 2020.

1. Principal activities

During the year, the company acted as a holding company and did not trade. The financial statements of the company are drawn up to 31 December each year.

The company does not prepare consolidated financial statements as it is entitled to the exemptions provided by Section 400 (1) of the Companies Act 2006 and because it is included in the group accounts of Willis Towers Watson PLC (collectively referred to as 'WTW'), the ultimate controlling party as at 31 December 2020. The group accounts of Willis Towers Watson PLC are available from the Group's website www.willistowerswatson.com, in the Investor Relations section. On the 1 March 2021, GIC Private Limited ("GIC"), a sovereign wealth fund established by the Government of Singapore, and Cinven Partners LLP ("Cinven"), the international equity firm, completed the acquisition of Miller Insurance Services LLP and its subsidiaries.
The registered office address of the parent company preparing the 2020 consolidated accounts is Willis Towers Watson House, Elm Park, Merrion Road, Dublin 4, Ireland.

The company made no political contributions during the year (31 December 2019: nil).

2. Strategic report

In accordance with Section 414C (11) the strategic report on page 1 contains corporate activities, risk management and business development.

3. Post balance sheet events

On 1 March 2021, GIC, a sovereign wealth fund established by the Government of Singapore, and Cinven the international private equity firm, completed the acquisition of Miller Insurance Services LLP and its subsidiaries.

Other than the events above, the members are not aware of any post balance sheet events prior to the financial statements being signed that need to be disclosed or adjusted.

4. Dividends

During the year a nil (31 December 2019: £50k) dividend was received from the company's subsidiary Miller Insurance Services (Singapore) Pte Ltd.

The company declared and paid no dividends during the year (31 December 2019: nil).

5. Directors

The Directors who held office during the year and up to the approval of this annual report were:

Executive Directors	
E.R.G.	Clarke (Chair)
G.E.M.	Collins
M.J.	Davison

6. Directors' responsibilities statement

The directors are responsible for preparing the annual 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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors of the company have, individually, considered their responsibilities to provide information to the company's auditors and in so far as each of them is aware there is no relevant audit information of which the company's auditors are unaware and each 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.

7. Going concern

The directors evaluate at each annual period whether there are conditions or events, considered in the aggregate, that raise a material uncertainty about the company's ability to continue as a going concern within one year after the date that the financial statements are issued. The board's evaluation is based on relevant conditions and events that are known and reasonably knowable at the date that the financial statements are issued.

Recently, the COVID-19 pandemic ('COVID-19') has had an adverse impact on global commercial activity, including the global supply chain; and has contributed to significant volatility in financial markets, including, among others, a decline in equity markets, changes in interest rates and reduced liquidity. It has also resulted in increased travel restrictions and extended shutdowns of businesses in various industries including, among others, travel, trade, tourism, health systems and food supply, and significantly reduced overall economic output.

In light of the potential future disruption to the company's business operations and those of its clients, suppliers and other third parties with whom it interacts the board considered it was appropriate to perform additional procedures and analysis, specific to COVID-19, to consider whether these events and uncertainties cast a material uncertainty upon the company's ability to continue as a going concern. These additional procedures were carried out as part of a Group wide exercise and considered business resilience and continuity plans, financial modelling, both for the company and wider Group, and stress testing of liquidity and financial resources.

Having assessed the responses to their enquiries, including those related to COVID-19, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt upon the ability of the Company to continue as a going concern or its ability to repay loans due from time to time. Notwithstanding the net liability position of the company at the reporting date, the Directors believe it is appropriate to prepare the accounts on a going concern basis as parental support from its immediate parent, Miller Insurance Services LLP, enables it to continue to meet its ongoing liabilities as they fall due for payment.

8. Liability of directors and officers

The company has qualifying third party indemnity insurance for its directors and officers against liability as permitted by Section 233 of the Companies Act 2006.

9. Auditor

Each of the persons who are a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all 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 auditor is aware of that information.

Deloitte LLP has indicated their willingness to be reappointed for another term as auditors and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the board on 28 June 2021 and signed on behalf of the board by:

M. Dav

M.J. Davison
Director
70 Mark Lane
London EC3R 7NQ

Miller Insurance Holdings Limited

Independent auditors' report for the year ended 31 December 2020

Report on the audit of the financial statements

Opinion
In our opinion the financial statements of Miller Insurance Holdings Limited:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the company's operating licence, regulatory solvency requirements and environmental regulations.

We discussed among the audit engagement team including relevant internal specialists such as IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance reviewing internal audit reports.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

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

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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

....

David Rush FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
Dated: 28 June 2021

Miller Insurance Holdings Limited

Statement of comprehensive income for the year ended 31 December 2020

	Notes	31 December 2020 £'000s	31 December 2019 £'000s
Administrative expenses		(11)	(7)
Operating (loss)	**4**	**(11)**	**(7)**
Investment income	6	-	50
Interest receivable and similar income	7	-	586
Interest payable and similar costs	8	(1,267)	(1,675)
(Loss) before income tax		**(1,278)**	**(1,046)**
Income tax on ordinary activities credit	9	-	22
(Loss) for the year		**(1,278)**	**(1,024)**
Total comprehensive expense for the year		**(1,278)**	**(1,024)**

All income is generated from continuing operations, and there was no other comprehensive income.

The notes on pages 11 to 19 are an integral part of these financial statements.

Miller Insurance Holdings Limited

Statement of financial position as at 31 December 2020

	Notes	31 December 2020 £'000s	31 December 2019 £'000s
Fixed assets			
Investments in group undertakings	10	58,468	58,468
		58,468	**58,468**
Current assets			
Debtors	11	17	-
Cash at bank and in hand		10	672
		27	**672**
Creditors - amounts falling due within one year	12	(52,736)	(18,901)
Net current liabilities		**(52,709)**	**(18,229)**
Total assets less current liabilities		**5,759**	**40,239**
Creditors - amounts falling due more than one year	13	-	(33,202)
Net assets		**5,759**	**7,037**
Equity			
Share capital	14	2,000	2,000
Capital reserve		52	52
Retained earnings		3,707	4,985
Total shareholder's funds		**5,759**	**7,037**

The financial statements on pages 8 to 10 were approved and authorised by the Board of Directors on 28 June 2021 and signed on their behalf by

Designated member: ....
G.E.M Collins

Registered Number 00830141

The notes on pages 11 to 19 are an integral part of these financial statements.

Miller Insurance Holdings Limited

Statement of changes in equity for the year ended 31 December 2020

	Called-up share capital	Capital reserve	Retained earnings	Total
	£'000s	£'000s	£'000s	£'000s
Balance at 1 January 2019	2,000	52	6,009	8,061
Loss for the year	-	-	(1,024)	(1,024)
Total comprehensive expense for the year	**-**	**-**	**(1,024)**	**(1,024)**
Balance at 31 December 2019	**2,000**	**52**	**4,985**	**7,037**
Balance at 1 January 2020	2,000	52	4,985	7,037
Loss for the year	-	-	(1,278)	(1,278)
Total comprehensive expense for the year	**-**	**-**	**(1,278)**	**(1,278)**
Balance at 31 December 2020	**2,000**	**52**	**3,707**	**5,759**

Retained earnings represent accumulated comprehensive income for the year and prior year less dividends paid.

The capital reserve represents amounts retained in order to increase the capital base.

Dividends per share in the year to 31 December 2020 and the year to 31 December 2019 were £nil.

1. General information

Miller Insurance Holdings Limited ('company') is a holding company. The company did not undertake any trade during the current or comparative year.

The company is a private company, limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is 70 Mark Lane, London EC3R 7NQ.

These financial statements are separate financial statements. The company has taken advantage of Section 401 of the Companies Act 2016 in not preparing consolidated financial statements on the basis that it is included in the group accounts of Willis Towers Watson PLC (WTW) – the group accounts of Willis Towers Watson PLC are available as set out in note 15. On the 1 March 2021, GIC, a sovereign wealth fund established by the Government of Singapore and Cinven, the international equity firm, completed the acquisition of Miller Insurance Services LLP and its subsidiaries. The registered office address of the ultimate parent company preparing consolidated accounts is Willis Towers Watson House, Elm Park, Merrion Road, Dublin 4, Ireland. The company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 other than those relating to legal changes and has made the amendments to Company Law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 that are effective for accounting periods beginning on or after 1 January 2016.

2. Summary of significant accounting policies

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

2.1 Basis of preparation

These financial statements have been prepared in conformity with FRS 101 on the historical cost basis, except for certain financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- disclosure of the categories of financial instrument and nature and extent of risks arising on these financial instruments;
- comparative information has not been given in respect of:
  - a reconciliation of the carrying amount of each class of property, plant and equipment at the beginning of the year;
  - a reconciliation of the carrying amount of each class of intangible assets at the beginning of the year;
- the requirement to produce a third statement of financial position when applying a change in accounting policy, retrospective restatement or reclassification;
- the requirement to disclose information relating to the company's objectives, policies and processes for managing capital;
- the requirement to disclose the future impact of a new IFRS in issue but not effective at the reporting date;
- the requirement to disclose compensation for key management between short term employee benefits, post-employment benefits and other long term benefits;
- the requirements to disclose related party transactions entered into between two or more, wholly owned, members of a group;
- the requirement to include a cash flow statement in the financial statements
- certain fair value requirements of IFRS 13 Fair Value Measurement
- certain revenue requirements of IFRS 15 Revenue from Contracts with Customers

2. Summary of significant accounting policies (continued)

2.2 Period of account and the comparative period of account

These financial statements cover the year from 1 January 2020 to 31 December 2020.

The comparative period of these financial statements is the year from 1 January 2019 to 31 December 2019.

2.3 Going concern

The directors evaluate at each annual period whether there are conditions or events, considered in the aggregate, that raise a material uncertainty about the company's ability to continue as a going concern within one year after the date that the financial statements are issued. The board's evaluation is based on relevant conditions and events that are known and reasonably knowable at the date that the financial statements are issued.

The COVID-19 pandemic ('COVID-19') has had an adverse impact on global commercial activity, including the global supply chain; and has contributed to significant volatility in financial markets, including, among others, a decline in equity markets, changes in interest rates and reduced liquidity. It has also resulted in increased travel restrictions and extended shutdowns of businesses in various industries including, among others, travel, trade, tourism, health systems and food supply, and significantly reduced overall economic output.

In light of the potential continued future disruption to the company's business operations and those of its clients, suppliers and other third parties with whom it interacts the board considered it was appropriate to perform additional procedures and analysis, specific to COVID-19, to consider whether these events and uncertainties cast a material uncertainty upon the company's ability to continue as a going concern. These additional procedures were carried out as part of a Group wide exercise and considered business resilience and continuity plans, financial modelling, both for the company and wider Group, and stress testing of liquidity and financial resources.

Having assessed the responses to their enquiries, including those related to COVID-19, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt upon the ability of the Company to continue as a going concern or its ability to repay loans due from time to time. Notwithstanding the net liability position of the company at the reporting date, the Directors believe it is appropriate to prepare the accounts on a going concern basis as parental support from its immediate parent, Miller Insurance Services LLP, enables it to continue to meet its ongoing liabilities as they fall due for payment.

2.4 Consolidation

The financial statements present information about the company as an individual undertaking and not about its group, as the company has taken advantage of the exemption provided by the Companies Act 2006, as it is a subsidiary undertaking of Miller Insurance Services LLP, a Limited Liability Partnership incorporated in the United Kingdom which is itself a subsidiary undertaking of Miller 2015 Limited, a company incorporated in the United Kingdom, and is included in the 2020 consolidated financial statements of Willis Towers Watson PLC, a company incorporated in Ireland.

2.5 Foreign currencies

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. All other foreign exchange gains and losses are presented in the income statement.

2.6 Financial assets

Classification

The company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

2. Summary of significant accounting policies (continued)

2.6 Financial assets (continued)

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The company's loans and receivables comprise 'debtors in the balance sheet.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other (losses)/gains – net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the company's right to receive payments is established.

2.7 Investments in group undertakings and other investments

Investments in group undertakings and other investments are held at cost less accumulated impairment losses.

2.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.9 Impairment of financial assets

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

2.10 Debtors

Debtors are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of six months or less.

2.12 Creditors

Creditors are recognised initially at fair value and, are subsequently measured at amortised cost using the effective interest method.

2.13 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2. Summary of significant accounting policies (continued)

2.13 Current and deferred income tax (continued)

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined 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 income tax asset is realised or the deferred income tax liability is settled.

Deferred income 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 utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.14 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Reorganisation provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

2.15 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

2.16 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.17 Dividend distribution

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the year in which the dividends are approved by the company's shareholders.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. However, there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Impairment of assets

Financial assets are subject to impairment reviews based on whether current or future events and circumstances suggest that their recoverable amount may be less than their carrying value. The recoverable amount is based on the higher of the value in use and fair value less costs to dispose. Value in use is calculated from expected future cash flows using suitable discount rates and includes management assumptions.

The directors believe there are no critical judgements.

4. Operating (loss)

Operating loss is stated after charging

	31 December 2020	31 December 2019
	£'000s	£'000s
Audit fees payable to the company's auditor	10	10

For the year ended 31 December 2020, the auditor's remuneration for audit work was borne by Miller Insurance Services LLP, the immediate parent.

The company has no employees.

5. Directors' emoluments

The company does not remunerate the directors for their services to the company. The directors are remunerated by Miller Insurance Services LLP, the immediate controlling party.

6. Investment income

	31 December 2020	31 December 2019
	£'000s	£'000s
Dividends from group undertaking	-	50

7. Interest receivable and similar income

	31 December 2020	31 December 2019
	£'000s	£'000s
Interest income on amounts owed by group undertakings	-	286
Write off of amounts owed by group undertakings	-	300
Total interest income on financial assets not measured at fair value through profit or loss	-	586

8. Interest payable and similar costs

	31 December 2020	31 December 2019
	£'000s	£'000s
Interest expense on amounts owed to group undertakings	254	80
Interest expense on loans owed to group undertakings	326	475
Total interest expense on financial liabilities not measured at fair value through profit or loss	580	555
Write-off of investment in subsidiaries	-	90
Unwinding of deferred consideration	687	1,026
Interest on deferred consideration	-	4
	1,267	1,675

9. Tax

Tax (credit)/expense included in profit or loss

	31 December 2020	31 December 2019
	£'000s	£'000s
Current tax:		
Adjustments in respect of prior years	-	(22)
Total current tax	-	(22)
Total deferred tax	-	-
Tax on profit on ordinary activities	-	**(22)**

Tax expense for the year is lower (31 December 2019: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2020 of 19.00% (31 December 2019: 19.00%). The differences are explained below:

Loss on ordinary activities before tax	(1,279)	(1,046)
Loss multiplied by the standard rate of tax in the UK of 19.00% (31 December 2019: 19.00%)	(243)	(199)
Effects of:		
- Income not subject to tax	-	-
- Adjustments in respect of prior years	-	(22)
- Tax loss not recognised	243	199
Tax credit	-	(22)

Change in corporation tax rate

Legislation will be introduced in Finance Bill 2021 to set the main rate of corporation tax at 25% for Financial Year 2023, which will apply to profits above £250,000; and introduce a small profits rate of 19% for profits below £50,000. Marginal relief provisions will be introduced so that, where a company's profits fall between the lower and upper limits, it will be able to claim an amount of marginal relief that bridges the gap between the lower and upper limits providing a gradual increase in the Corporation Tax rate.

Legislation will also be introduced in Finance Bill 2021 to temporarily increase the period over which companies and unincorporated businesses can carry back trading losses from one year to three years. For companies, after unlimited carry back to the preceding year, a maximum of £2,000,000 of unused losses will be available for carry back against trading losses to the preceding two years.

10. Investments

	31 December 2020		31 December 2019	
	Shares in group undertakings	**Total**	**Shares in group undertakings**	**Total**
	£'000s	£'000s	£'000s	£'000s
Opening balance	**58,468**	**58,468**	**58,210**	**58,210**
Additions	-	-	348 (a)	348
Disposals	-	-	(90) (b)	(90)
Closing balance	**58,468**	**58,468**	**58,468**	**58,468**

(a) The addition in shares in group undertakings represents the increase of the shareholding in Six Clerks Insurance Services Limited from 50.01% to 100% (£164k) and further cost in acquisition of Nelson Holdings Ltd (£184k) (holding company for Miller Re Limited (formerly Alston Gayler & Co Ltd).

(b) The disposals in shares in group undertakings is due to liquidation of the following companies; Miller Holdings Limited (£50k), Miller Reinsurance Brokers Limited (£20k) and Miller North America Limited (£20k).

10. Investments (continued)

The subsidiary undertakings as at 31 December 2020 are listed below:

Company	Nature of Business	Country of Incorporation	Notes
Miller Insurance Services (Singapore) Pte Ltd	Insurance broking	Singapore	a
Six Clerks Insurance Services Limited	Managing general agent	UK	b
Miller Bermuda Limited	Insurance broking	Bermuda	c
International Tankers Indemnity Association Limited	Insurance services	Bermuda	d
MICAL Limited	Dormant	Guernsey	e
Nelson Holdings Limited	Holding company	UK	f
Miller Re Limited (formerly Alston Gayler & Co Limited)	Insurance broking	UK	g
AG Broking Limited	Dormant	UK	h
Miller Europe SRL	Insurance broking	Belgium	i

All companies incorporated in the United Kingdom are registered in England and Wales.

(Note a)	Share capital 4,547,801 SGD1 ordinary shares owned by Miller Insurance Holdings Limited. Registered office: 10 Collyer Quay, #07-04/05 Ocean Financial Centre, Singapore, 049315
(Note b)	Share capital 66,661 £1 A ordinary shares owned by Miller Insurance Holdings Limited (MIHL). Registered office: 70 Mark Lane, London, EC3R 7NQ. On 5 February 2019 MIHL acquired an additional 29,994 ordinary shares of Six Clerks Insurance Services Ltd from The Law Society ("TLS"), increasing MIHL's ownership from 50% to 95% while TLS retained a 5% ownership. On 3 June 2019 TLS sold 3,333 ordinary shares to MIHL, therefore increasing the ownership of MIHL to 100%.
(Note c)	Share capital 12,000 US$1 ordinary shares owned by Miller Insurance Holdings Limited. Registered office: Victoria Place, 31 Victoria Street, Hamilton HM 10 Bermuda
(Note d)	Share capital 350,000 US$1 ordinary shares owned by Miller Insurance Holdings Limited. Registered office: Victoria Place, 31 Victoria Street, Hamilton HM 10 Bermuda
(Note e)	Share capital 2 £1 ordinary shares and 1,500,000 redeemable preference shares of £1 each both owned by Miller Insurance Holdings Limited. Registered office: P.O Box 119 Martello Court, Admiral Park, St Peter Port, Guernsey GY1 3HB, Channel Islands
(Note f)	Share capital 1,148,159 £1 ordinary shares owned by Miller Insurance Holdings Limited. Registered office: 70 Mark Lane, London, EC3R 7NQ
(Note g)	Share capital 1,300,000 £1 ordinary shares owned by Nelson Holdings Limited. Registered office: 70 Mark Lane, London, EC3R 7NQ
(Note h)	Share capital 10,000 £0.01 ordinary shares owned by Nelson Holdings Limited. Registered office: 70 Mark Lane, London, EC3R 7NQ
(Note i)	Share capital 30,827 €185.50 shares and 1 €185.50 share owned by Miller Insurance Services LLP and Miller Insurance Holdings Limited respectively. Registered office: 1200 Woluwe-Saint-Lambert, Gulledelle 96, Brussels, Belgium. Registered as an insurance and reinsurance intermediary by the Financial Services and Markets Authority on 29 March 2019.

During the year the company received nil dividends from Miller Insurance Services (Singapore) Pte Ltd.

11. Debtors

	31 December 2020	31 December 2019
	£'000s	£'000s
Amounts owed by group undertakings	17	-
	17	-

Amounts owed by group undertakings are unsecured, are charged interest at a rate of 1.60% and are repayable on demand.

No amounts included in debtors fall due after more than one year.

12. Creditors - amounts falling due within one year

	31 December 2020	31 December 2019
	£'000s	£'000s
Amounts owed to group undertakings	44,681	10,846
Deferred consideration on AG acquisition	8,045	8,045
Other creditors	10	10
	52,736	18,901

Amounts due to group undertakings are unsecured, charged interest at a rate of 1.60%, repayable on demand and have a fixed end date for repayment.

Current and comparative amounts owed to group undertakings include £4,219k, which fall due after more than one year.

No other amounts included in creditors fall due after more than one year.

13. Creditors - amounts falling due more than one year

	31 December 2020	31 December 2019
	£'000s	£'000s
Amounts owed to group undertakings	-	25,493
Deferred consideration on AG acquisition	-	7,709
	-	33,202

Amounts due to group undertakings are unsecured, interest bearing and have a fixed date of repayment.

Comparative figures are included in note 12 Creditors - amounts falling due within one year.

14. Share capital

Ordinary shares of £1.00 each

	Ordinary shares	
Allotted, issued and fully paid 2,000,000 ordinary shares of £1 each	31 December 2020	31 December 2019
	£'000s	£'000s
Opening balance	2,000	2,000
Share issue	-	-
Closing balance	2,000	2,000

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

15. Controlling party & ultimate parent

For day to day operations, the immediate parent undertaking is Miller Insurance Services LLP. During the financial reporting period and up to 1 March 2021 the terms of the partnership agreement in force were such that Willis Towers Watson PLC had certain step in rights in certain circumstances and for this reason the controlling parties were deemed to include the LLP's immediate parent undertaking Miller 2015 Limited. The ultimate parent undertaking and controlling party and the smallest and largest group to consolidate these financial statements was Willis Towers Watson PLC incorporated in Ireland and these group accounts are available from the Group's website www.willistowerswatson.com, in the Investor Relations section

On 1 March 2021, Cinven, the international private equity firm, and GIC, Singapore's sovereign wealth fund, completed the acquisition of a controlling interest in the Miller group. In the opinion of the members, the LLP's ultimate parent company and ultimate controlling party is Ben Nevis Feederco Limited, a company incorporated in Jersey and owned jointly by: Cinven Strategic Financials Fund Limited Partnership, incorporated in Guernsey; SFF Cinven Co-investment SCSp, incorporated in Luxembourg; Raffles Private Holdings Limited, incorporated in England and Wales, which is owned by GIC, together with employees of the Miller group. The parent undertaking of the largest group, which includes the LLP and for which group accounts are prepared, is Ben Nevis Cleanco Limited, a company incorporated in England and Wales. Copies of the group financial statements of Ben Nevis Cleanco Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ. The LLP's immediate controlling parties are Miller 2015 Limited and Ben Nevis Bidco Limited.

16. Related party transactions

FRS 101 exempts the reporting of transactions between group companies in the financial statements of companies that are wholly owned within the group. The Company has taken advantage of this exemption. There are no other transactions requiring disclosure.

17. Post balance sheet events

On 1st March 2021, GIC, a sovereign wealth fund established by the Government of Singapore, and Cinven, the international private equity firm, completed the acquisition of Miller Insurance Services LLP and its subsidiaries

Other than the events above, the directors are not aware of any post balance sheet events prior to the financial statements being signed that need to be disclosed or adjusted.