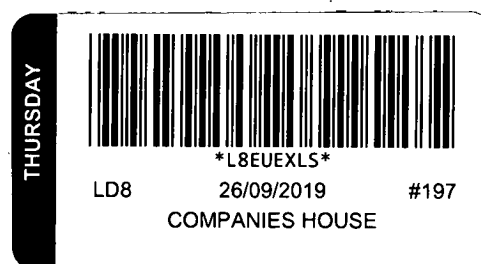




AIG Travel EMEA Limited

Annual Report and Financial Statements

**For the year ended
30 November 2018**



Company Registration Number: 01728011

AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

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Company Information

For the year ended 30 November 2018

Directors

M Heap
J Howard
F O'Neill
J Page
I Robinson
J Rutledge
S Waithe

Company Secretary

K Hillery

Registered Office

Unit 21
Cecil Pashley Way
Shoreham Airport
Shoreham-by-Sea
West Sussex
BN43 5FF

Independent Auditors

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

Principal Bankers

The Royal Bank of Scotland plc
PO Box 300
Brighton, East Sussex
BN1 9TE

Citigroup N.A.
25 Canada Square
London
E14 5LB

Strategic Report – for the year ended 30 November 2018

Principal Activities

The principal activities of the company are to provide emergency medical assistance to claimants insured via travel companies and claims handling services.

Business Review

The results of the Company for the year are set out on page 10 of the financial statements and show a loss before taxation of £724,965 (2017: £1,016,930 loss). Losses are largely due to the impairment charge in subsidiary company AIG Travel Europe Limited and higher than expected IT related charges. At 30 November 2018, the shareholders' funds of the Company, as shown on page 11, total £4,100,731 (2017: £4,755,413). The directors consider the level of business and the year-end financial position of the Company to be satisfactory.

Key Performance Indicators

The Board monitors the performance of the Company in light of the following key performance indicators:

	2018	2017
	£	£
Turnover	7,536,966	7,208,650
Operating loss margin	-4.74%	-15.60%
Total shareholders' funds	4,100,731	4,755,413

Future Outlook

Fee income is expected to grow in 2019, also relative to the cost base which will lead the Company to profitability in future years.

Approach to Risk

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management. Compliance with regulation, legal and ethical standards is a high priority for the company. As part of the AIG Group, the Company conforms to a proper internal control framework, which exists to manage financial risks and ensures that the controls operate effectively.

Principal Risks and Uncertainties

The Company is exposed to financial risks through its financial assets and financial liabilities in particular, the following key financial risks may arise:

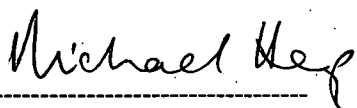
- **Liquidity Risk** – is the risk that cash may not be available to pay obligations at a reasonable cost when due. The amounts due from group companies are monitored regularly, and followed up when overdue. The risk is mitigated by cash flow monitoring and monthly forecasts to ensure that sufficient funds are available to meet anticipated outflow requirements.
- **Credit Risk** – is the risk that a counterparty will be unable to pay amounts in full when due. The key areas where the Company is exposed to credit risk are:
 - amounts due from debtors - the company's exposure is managed through credit control.
 - banking relationships – bank balances are usually kept to a minimum and surplus cash is lent to a group company which can be recalled at sufficient notice to meet the day to day liabilities.
- **Interest Rate Risk** – arises mainly from the impact that the change in interest rates may have on loans to/from group companies. Interest due on loans is determined with reference to the Sterling LIBOR rate.
- **Foreign Exchange Risk** – is managed through the active matching of assets and liabilities within the major currency (other than sterling) exposures, which are the Euro and the US Dollar.
- **Group Risk** – The Company is exposed to group risk as it uses group resources for systems, support and processes. The activities of the wider group could affect the Company's strategy and reputation, in particular its regulatory, social and ethical standing and client perception.

The Company follows the risk governance process as for AIGUK and they are regularly reviewed through the Audit Committee meetings for the Company.

There is an intrinsic business link between the Company and other group companies operating in the UK (primarily American International Group UK Limited "AIGUK", previously with AIG Europe Limited). Substantially all of the Company's income is derived from services provided to group companies. The Company's exposure to these group companies is monitored on a regular basis.

The Company is vulnerable to changes in the regulatory environment, which impact its activities as we strive for best industry practice. The Company regularly reviews its procedures to ensure that it meets the regulatory requirements in force at the time. In addition, the compliance department and internal audit provide oversight of the Company's ongoing activities within the regulatory environment.

On behalf of the Board



M Heap
Director

18 September 2019

Directors' Report – for the year ended 30 November 2018

The directors have pleasure in presenting their annual report and the audited financial statements of AIG Travel EMEA Limited for the year ended 30 November 2018.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

M Heap	Appointed 12 December 2018	
J Howard	Appointed 12 December 2018	
N Minnich	Appointed 07 March 2016	Resigned 12 December 2018
F O'Neill	Appointed 09 June 2016	
J Page	Appointed 07 March 2016	
I Robinson	Appointed 12 December 2018	
J Rutledge	Appointed 01 May 2006	
A Thomas	Appointed 06 March 2015	Resigned 12 December 2018
S Waithe	Appointed 11 December 2014	

Dividends

There were no dividends declared or paid in the year (2017: £nil).

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of 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.

AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

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.

Future Developments

The directors aim to maintain the management policies and expect fee income to grow in 2019, and for this growth to increase relative to the cost base leading the company to profitability in future years. Growth is anticipated through organic business opportunities.

Going Concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the financial strength of the balance sheet and confidence in the future growth strategies of the Company.

Financial Risk Management

Details of the financial risk management objectives and policies of the Company and the exposure of the company to financial risks are provided in the strategic report on page 4.

Statement of Disclosure of Information to Auditors

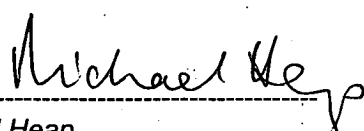
Each of the persons who is a director at the date of this report confirms that:

- So far as each of them is aware, there is no information relevant to the audit of the Company's financial statements for the year ended 30 November 2018 of which the auditors are unaware; and
- The directors have taken all steps that they ought to have taken in their duty as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Independent Auditors

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be reappointed as auditors.

On behalf of the Board



M Heap
Director
18 September 2019

Independent auditors' report to the members of AIG Travel EMEA Limited

Report on the audit of the financial statements

Opinion

In our opinion, AIG Travel EMEA Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 November 2018; the statement of comprehensive income, and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and, in common with other companies, it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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.

AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

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

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 November 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Mark Bolton (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
18 September 2019

AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

Statement of Comprehensive Income
For the year ended 30 November 2018

	Note	2018 £	2017 £
Turnover		7,536,966	7,208,650
Cost of sales	2	(3,764,818)	(3,587,813)
Gross Profit		3,772,148	3,620,837
Administrative expenses	3	(4,129,635)	(4,745,420)
Operating loss		(357,487)	(1,124,583)
Interest receivable and similar income		32,802	8,568
Foreign exchange (loss)/gain		(48,018)	99,085
Impairment charge	9	(352,262)	-
Loss before taxation		(724,965)	(1,016,930)
Tax on ordinary activities	7	70,283	205,717
Loss for the financial year		(654,682)	(811,213)
Other comprehensive income		-	-
Total comprehensive loss for the year		(654,682)	(811,213)

All of the Company's activities arise from continuing operations.

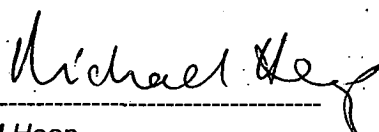
AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

Balance Sheet
As at 30 November 2018

	Note	2018 £	2017 £
Fixed Assets			
Tangible assets	8	53,919	72,077
Investment in subsidiary undertaking	9	3,800,000	4,152,262
Total Fixed Assets		3,853,919	4,224,339
Current Assets			
Debtors: amount falling due within one year	10	4,486,663	5,211,503
Cash at bank and in hand		3,592,475	3,159,594
Current Liabilities			
Creditors: amounts falling due within one year	11	(7,832,326)	(7,840,023)
Net Current Assets		246,812	531,074
Total Assets less Current Liabilities		4,100,731	4,755,413
Capital and Reserves			
Called up share capital	12	13,741,893	13,741,893
Profit and loss account		(9,641,162)	(8,986,480)
Total Shareholders' Funds		4,100,731	4,755,413

The notes on pages 13-21 form an integral part of these financial statements.

The Financial Statements on pages 10 to 21 were approved on 18 July 2019
by the Board of Directors and signed on its behalf by:


M Heap
Director
18 September 2019

Statement of Changes in Equity
For the year ended 30 November 2018

	Called up Share Capital £	Profit and Loss Account £	Total Equity £
Balance at 1 December 2016	13,741,893	(8,175,267)	5,566,626
Total comprehensive loss for the year	-	(811,213)	(811,213)
Balance at 30 November 2017	13,741,893	(8,986,480)	4,755,413
Total comprehensive loss for the year	-	(654,682)	(654,682)
Balance at 30 November 2018	13,741,893	(9,641,162)	4,100,731

Notes to the Financial Statements for the year ended 30 November 2018

1. ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements have been prepared on the going concern basis and in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The financial statements have been prepared on the historical cost basis.

The financial statements are presented in British Pound Sterling as the assets, liabilities and majority of the Company's transactions are denominated in that currency. The functional currency of the Company is British Pound Sterling.

The Company is a private company limited by shares and is incorporated in the United Kingdom and registered in England.

The Company has taken advantage of section 401 of the Companies Act 2006, which exempts an intermediate parent Company that is a subsidiary of a parent established outside the EEA from the requirement to prepare consolidated financial statements if it is included in the consolidated financial statements of a larger group drawn in a manner equivalent to the consolidated financial statements produced in accordance with the provisions of the Seventh Directive. The financial statements therefore present the information of AIG Travel EMEA Limited as an individual undertaking and not as a group.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions in accordance with paragraph 1.12 of FRS 102:

- From preparing a statement of cash flows
- From disclosing the Company's key management personnel compensation

b) Principal Accounting Policies

A summary of the significant accounting policies is set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Turnover

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of discounts allowed by the Company and value added taxes.

Turnover comprises revenue that is recognised by the Company, in respect of services provided, on an accruals basis. All turnover is generated from the Europe, Middle East and Africa ("EMEA") region.

Interest income is recognised using the effective interest rate method.

AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

Notes to the Financial Statements for the year ended 30 November 2018

Cost of Sales

Cost of sales represents direct costs incurred in generating revenue. These include the salary and communication costs of employees directly involved in the claims handling process. The expense is recognised in the profit and loss account when incurred.

Tangible Fixed Assets and Depreciation

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs. Depreciation is calculated so as to write off the cost of the tangible fixed asset, less its estimated residual value, on a straight line basis over the expected useful economic life of the asset. The useful life used for this purpose:

Computer equipment	36-60 months
Fixtures, fittings and office equipment	120 months

Tangible fixed assets are held at their net realisable value and impairment loss recognised if the asset's carrying amount is greater than its net realisable value.

Taxation

The charge for tax is based on the results for the year adjusted for disallowable items and items not chargeable to tax. Deferred tax is provided in full on all material timing differences. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is calculated at the enacted or substantially enacted rate. Deferred tax balances are not discounted.

Foreign Exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the profit and loss account.

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate fund. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Annual Bonus Plan

The Company operates a bonus plans for employees which is calculated based on individual performance and that of the AIG group. An expense is recognised in the profit and loss account when the Company has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

Investment in Subsidiary Undertakings

Investment in a subsidiary company is held at cost less accumulated impairment losses:

Cash

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

Notes to the Financial Statements for the year ended 30 November 2018

Debtors

Trade debtors are amounts due from customers for fees charged for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Accrued Income

Accrued income represents revenue earned as a result of obligations being fulfilled but not yet billed at the Balance Sheet date.

Offsetting

The assets and liabilities of the entity are offset when and only when, the entity has a legally enforceable right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Share Capital

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Related Party Transactions

The Company discloses transactions with related parties. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Company's financial statements.

2. COST OF SALES

	2018	2017
	£	£
Travel	20,255	21,398
Staff costs	3,744,563	3,566,415
Total	3,764,818	3,587,813

AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

Notes to the Financial Statements for the year ended 30 November 2018

3. ADMINISTRATIVE EXPENSES

	2018	2017
	£	£
Premises	1,919,624	2,380,109
Office supplies	246,461	195,811
Professional fees	654,623	636,340
Depreciation	18,158	33,665
Travel	20,344	14,964
IT	328,216	114,844
Audit fee	17,880	14,397
Staff costs	763,865	906,934
Other expenses	160,464	448,356
Total	4,129,635	4,745,420

4. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	3,571,946	3,375,337
Social security costs	320,463	304,518
Other pension costs	300,610	299,365
Other benefits	315,409	494,130
Total	4,508,428	4,473,350

Average monthly employee headcount by department

	2018	2017
	Number	Number
Operations	80	78
Claims	32	30
Administrative	2	2
Total	114	110

5. DIRECTORS' REMUNERATION

	2018	2017
	£	£
Remuneration	124,065	115,721
Company pension contributions to defined contribution pension schemes	8,040	7,088

The highest paid director received remuneration of £124,065 (2017: £115,721). No share option scheme exists in the Company. Further information on transactions with the Directors is disclosed under Note 15 Related party transactions.

AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

Notes to the Financial Statements for the year ended 30 November 2018

6. AUDITORS' REMUNERATION

	2018 £	2017 £
Fees payable to the auditor for the audit of the financial statements	17,880	14,397

7. TAX ON LOSS

a) Analysis of tax credit in the year

	2018 £	2017 £
<u>Current Tax</u>		
UK corporation tax credit on loss for the year	67,594	205,141
Adjustments in respect of prior periods	(14,548)	-
Current tax credit for the year	53,046	205,141
<u>Deferred Tax</u>		
Origination and reversal of timing difference	2,880	(7,522)
Adjustments in respect of prior periods	14,357	8,098
Total Deferred	17,237	576
Current tax credit on loss on ordinary activities	70,283	205,717

AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

Notes to the Financial Statements for the year ended 30 November 2018

b) Factors affecting the tax credit for the year

The company's tax assessed is higher (prior year: lower) than the standard rate of corporate tax in the UK of 19% (2017: 19.33%), details as below:

	2018 £	2017 £
Loss on ordinary activities before tax	(724,965)	(1,016,930)
Current Tax		
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 19.33%)	137,743	196,588
Effects of:		
Adjustments to tax charge in respect of previous periods	(14,548)	-
Rate differential	(3,220)	-
Accelerated capital allowances and other timing differences	-	8,553
Non-taxable losses	(66,929)	-
Current tax credit for the year	53,046	205,141
Deferred Tax		
Origination and reversal of timing differences	2,880	(7,522)
Adjustments to tax charge in respect of previous periods	14,357	8,098
Deferred tax rate credit for the year	17,237	576
Tax on profit on ordinary activities	70,283	205,717

c) Movement in Deferred Tax Asset

	2018 £	2017 £
Opening balance	88,307	87,731
Deferred tax movement in year	17,237	576
Closing balance	105,544	88,307

AIG Travel EMEA Limited
Annual Report & Financial Statements for the year ended 30 November 2018

Notes to the Financial Statements for the year ended 30 November 2018

8. TANGIBLE ASSETS

	Furniture, Fixtures and Fittings £	Computer and Office Equipment £	Total £
Cost			
At 1 December 2017	225,253	288,642	513,895
Additions	-	-	-
At 30 November 2018	225,253	288,642	513,895
Accumulated depreciation:			
At 1 December 2017	155,901	285,917	441,818
Depreciation charge for the year	15,433	2,725	18,158
At 30 November 2018	171,334	288,642	459,976
NET BOOK VALUE			
At 30 November 2018	53,919	-	53,919
At 30 November 2017	69,352	2,725	72,077

9. INVESTMENT IN SUBSIDIARY UNDERTAKING

	2018 £	2017 £
Cost		
At 1 December	4,152,262	4,152,262
Impairment	(352,262)	-
Balance at 30 November	3,800,000	4,152,262

The impairment charge in 2018 reflects the lower net asset value of AIG Travel Europe Limited at 30 November 2018. The investment in subsidiary is held at realisable value.

10. DEBTORS

	2018 £	2017 £
Amounts falling due within one year		
Trade debtors	85,314	51,272
Amounts owed by group undertakings	4,085,864	4,234,109
Other debtors	164	-
Deferred tax	105,544	88,307
Tax receivable	(612,969)	212,773
Prepayments and accrued income	822,746	625,042
Total	4,486,663	5,211,503

Included in 'Amounts owed by group undertakings' are balances owed by AIG companies for the payment of claims and provision of assistance services and loans. The balance from Treasury Loan amounted £2,657,614 in 2018 and £2,607,107 in 2017. Balances which are received for payments to be made for claims and which are not part of the central cash pooling scheme are disclosed in cash and bank balance (2018: £3,588,356 and 2017:

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£2,653,208 £2,666,563). The AIG companies are fellow subsidiaries within the American International Group, Inc. Group.

11. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade Creditors	2,146,999	2,187,643
Amounts owed to group undertakings	4,881,183	4,459,714
Other creditors	227,590	203,329
Accruals and deferred income	576,554	989,337
Total	7,832,326	7,840,023

12. CALLED UP SHARE CAPITAL

	Number of shares Nominal value £1	2018 £	2017 £
Allotted, issued and fully paid up ordinary shares	13,741,893 (same in 2017)	13,741,893	13,741,893

13. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £300,610 (2017: £299,365).

14. CAPITAL AND OTHER COMMITMENTS

The Company had no off-balance sheet arrangements and no capital or other commitments at 30 November 2018 (2017: £nil).

15. RELATED PARTY TRANSACTIONS

Transactions with entities controlled by the ultimate parent entity are considered to be transactions with related parties. The following related party balances are disclosed in the Balance Sheet as of 30 November 2018 and as of 30 November 2017.

	2018 £	2017 £
Intercompany accounts receivable balance	1,504,396	1,608,812

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The amounts outstanding are unsecured and will be settled in cash. No guarantees have been received. No provisions have been made for doubtful debts in respect of amounts owed by related parties in the financial year 2018 (2017: none).

	2018	2017
	£	£
Amounts owed by AIG Transaction Execution Ltd.	2,657,614	2,607,107

The Company entered into a deposit agreement with AIG Transaction Execution Limited. The Company was in a lending position throughout the financial years presented. The interest rate applied equals to the overnight LIBOR minus 12.5 basis points which considered to be a market rate.

	2018	2017
	£	£
Intercompany accounts payable balance	1,889,426	1,760,937

Net balance of float deposits and float movements were as follows at the year ends presented:

	2018	2017
	£	£
Float deposit balances owed to intercompany customers:	(1,007,078)	2,698,777

During the financial year ended 30 November 2018 the Company generated turnover in the amount of £6,462,630 (2017: £6,792,300) with AIG companies. This represents 86% of the total turnover (2017: 94%). AIG Travel Europe Limited recharged premises related, and postage services in the amount of £393,595 (2017: £641,342). AIG Europe Limited charged £137,064 as central HR service allocation and accounting centre fee (2017: £199,871).

There were not any events or transactions occurred in the years presented which the management considers to be outside the normal day-to-day business operation or which were carried out on non-market terms. The remuneration of key management personnel is set out under Note 4. Key management personnel include the Board of Directors. No loans or advance payments were granted to the members of the Board of Directors and the Company did enter into any guarantees in their names.

16. ULTIMATE PARENT COMPANY

The ultimate parent undertaking and controlling party is AIG Inc. a Company incorporated in the State of Delaware, United States of America. AIG Inc. is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 30 November 2018. The consolidated financial statements of AIG Inc. are available from the Company Secretary, AIG, 175 Water Street, New York 10038. The immediate parent undertaking of the Company is AIG Travel Assist Inc.