

Registered number: 09595901

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Annual Report and Financial Statements

For the Year Ended 31 December 2018



PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Company Information

Directors	G Santos (appointed 18 September 2018) J G M Rojas (resigned 18 September 2018) C Sanchez J L B Zuniga (resigned 11 March 2019) D G Stevens (resigned 15 March 2018) E B Novoa (appointed 15 March 2018) J Gurtubay-Francia (appointed 11 March 2019)
Company secretary	D J Caunt
Registered number	09595901
Registered office	Ty Admiral David Street Cardiff CF10 2EH
Independent auditor	Deloitte LLP Statutory Auditor 1 New Street Square London EC4A 3HQ

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Contents

	Page
Strategic Report	1
Directors' Report	2
Directors' Responsibilities Statement	3
Independent Auditor's Report	4 - 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 22

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Strategic Report For the Year Ended 31 December 2018

Introduction

Preminen Price Comparison Holdings Limited (the "Company") was incorporated on 18 May 2015 and has been established as a partnership between Admiral Group plc and Mapfre S.A., to explore the potential of price comparison overseas.

Business review

The Company has incurred administrative expenses of €758,729 in 2018 (2017: €1,187,328), which primarily comprise business development and market research costs. The Company is focussed on developing as a base from which to explore different geographical markets for price comparison, with operations in Mexico and Turkey being established in 2017. The Company's loss after tax for the year was €721,210 (2017: loss of €1,183,563).

UK Exit from the European Union ('Brexit')

Following the UK's decision to leave the European Union and the uncertainty which this has presented, it is difficult to quantify or foresee the overall impact this will have on the UK economy and for the company itself. Due to the measures put in place by the Company, any impact that Brexit is likely to have is not considered to be material to its operations or its financial position.

Credit risk

The Company's activities expose it primarily to financial risk of credit risk and liquidity risk.

Credit risk:

Credit risk is defined by the Company as the risk of loss if another party fails to perform its obligations. The key exposure of the Company to credit risk is through bank deposits and amounts relating to intercompany receivables.

To mitigate the risk over bank deposits, cash balances and deposits are placed only with highly rated credit institutions.

Liquidity risk:

Liquidity risk is the risk that the Company does not have sufficient, available financial resources to enable it to meet its obligations as they fall due, or can only secure them at excessive cost.

The primary liquidity risk of the Company is the amounts owed to group undertakings, which have no fixed repayment terms. The group undertakings are not seeking recovery of the intercompany payables that are due.

Principal risks and uncertainties

The key risk is that developing new operations overseas could fail to produce sustainable, profitable long term businesses. Management will continue to apply a conservative approach to expansion and seek to mitigate this risk.

This report was approved by the board on 30 September 2019 and signed on its behalf.



D J Caunt
Secretary

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

**Directors' Report
For the Year Ended 31 December 2018**

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

Directors

The Directors who served during the year were:

G Santos (appointed 18 September 2018)
J G M Rojas (resigned 18 September 2018)
C Sanchez
J L B Zuniga (resigned 11 March 2019)
D G Stevens (resigned 15 March 2018)
E B Novoa (appointed 15 March 2018)

Future developments

The Company's plan for the coming year is to continue to support the development of the established operations in Mexico and Turkey, empower the launch of the new operations in India and the Middle East, and to keep looking for further opportunities that may present themselves.

Branches outside the United Kingdom

The Company has one branch outside of the United Kingdom: Preminen Price Comparison Holdings Sucursal en Espana.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed 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 the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

On 24 January 2019, Preminen Price Comparison India Private Limited was incorporated, a wholly owned subsidiary of the Company.

Auditor

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 30 September 2019 and signed on its behalf.



D J Caunt
Secretary

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Directors' Responsibilities Statement For the Year Ended 31 December 2018

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and 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;
- 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 to 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.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Independent Auditor's Report to the Shareholders of Preminen Price Comparison Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Preminen Price Comparison Holdings Limited ("the Company"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with 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 Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related notes 1 to 19.

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 United Kingdom, 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

We are required by ISAs (UK) to report in respect of the following matters where:

- 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 these matters.

Other information

The Directors are responsible for the other information. The other information comprises the information

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Independent Auditor's Report to the Shareholders of Preminen Price Comparison Holdings Limited (continued)

included in the Annual Report, other than the financial statements and our Auditor's Report thereon. 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.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

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 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.

Report on other legal and regulatory requirements

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

**Independent Auditor's Report to the Shareholders of Preminen Price Comparison Holdings Limited
(continued)**

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 have 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 material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

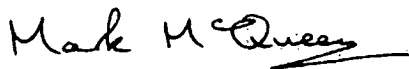
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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

The 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.



Mark McQueen (Senior Statutory Auditor)
for and on behalf of
Deloitte LLP
Statutory Auditor
London, United Kingdom

30 September 2019

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Statement of Comprehensive Income
For the Year Ended 31 December 2018

	Note	2018 €	2017 €
Turnover		72,289	-
Gross profit		72,289	-
Administrative expenses		(758,729)	(1,187,328)
Operating loss		(686,440)	(1,187,328)
Interest receivable and similar income/(expenses)	7	(8,221)	3,693
Loss before tax		(694,661)	(1,183,635)
Tax on loss	8	(26,549)	72
Loss for the financial year		(721,210)	(1,183,563)

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2018 (2017:€NIL).

The notes on pages 10 to 22 form part of these financial statements.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED
Registered number: 09595901

Statement of Financial Position
As at 31 December 2018

	Note	2018 €	2017 €
Fixed assets			
Tangible assets	9	6,693	4,125
Investments	10	3,450,001	600,001
		<u>3,456,694</u>	<u>604,126</u>
Current assets			
Debtors: amounts falling due within one year	11	2,936,424	3,033,460
Cash at bank and in hand	12	62,276	5,100,519
		<u>2,998,700</u>	<u>8,133,979</u>
Creditors: amounts falling due within one year	13	(1,183,401)	(2,744,902)
Net current assets		<u>1,815,299</u>	<u>5,389,077</u>
Total assets less current liabilities		<u>5,271,993</u>	<u>5,993,203</u>
Net assets		<u><u>5,271,993</u></u>	<u><u>5,993,203</u></u>
Capital and reserves			
Called up share capital	14	10,000,000	10,000,000
Other reserves	15	9,660	9,660
Profit and loss account		(4,737,667)	(4,016,457)
		<u>5,271,993</u>	<u>5,993,203</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 September 2019.



E B Novoa
Director

The notes on pages 10 to 22 form part of these financial statements.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

**Statement of Changes in Equity
For the Year Ended 31 December 2018**

	Called up share capital €	Other reserves €	Profit and loss account €	Total equity €
At 1 January 2017	5,000,000	-	(2,832,894)	2,167,106
Comprehensive income for the year				
Loss for the year	-	-	(1,183,563)	(1,183,563)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(1,183,563)	(1,183,563)
Shares issued during the year	5,000,000	-	-	5,000,000
Deferred tax credit on share scheme charges	-	9,660	-	9,660
Total transactions with owners	5,000,000	9,660	-	5,009,660
At 1 January 2018	10,000,000	9,660	(4,016,457)	5,993,203
Comprehensive income for the year				
Loss for the year	-	-	(721,210)	(721,210)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(721,210)	(721,210)
Total transactions with owners	-	-	-	-
At 31 December 2018	10,000,000	9,660	(4,737,667)	5,271,993

The notes on pages 10 to 22 form part of these financial statements.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements of Preminen Price Comparison Holdings Limited for the year ended 31 December 2018 were authorised for issue by the board of Directors on 30 September 2019 and the Statement of Financial Position was signed on the board's behalf by Elena Betes Novoa, Director. Preminen Price Comparison Holdings Limited is a limited company incorporated and domiciled in the UK and registered in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Admiral Group plc includes the Company in its consolidated financial statements. The consolidated financial statements of Admiral Group plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the Company Secretary at the registered office – Ty Admiral, David Street, Cardiff, CF10 2EH.

Under the provisions of section 400 of the Companies Act 2006, the Company is exempt from preparing consolidated financial statements as it is included in the results of publicly available consolidated financial statements of the parent company. These financial statements present information about the Company as an individual undertaking and not about its group.

1.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- FRS 101.8 (g): the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements to produce a cash flow statement, a third balance sheet, disclosure around capital management and to make an explicit and unreserved statement of compliance with IFRSs.
- FRS 101.8 (h): the requirements of IAS 7 Statements of Cash Flows.
- FRS 101.8 (i): the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to include a list of new IFRSs that have been issued but that have yet to be applied
- FRS 101.8 (k): the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to transaction is wholly owned by such a member

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.3 Impact of new international reporting standards, amendments and interpretations

IFRS 9

During the year the Company has applied IFRS 9 Financial Instruments with a date of initial

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

1. Accounting policies (continued)

1.3 Impact of new international reporting standards, amendments and interpretations (continued)

application of 1 January 2018, which resulted in changes in accounting policies and the potential for adjustments to the amounts previously recognised in the financial statements in respect of financial instruments.

As permitted by the transitional provisions of IFRS 9 the Company elected not to restate comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition would be recognised in the opening retained earnings and other reserves of the current period.

The adoption of IFRS 9 has resulted in changes to the Company's accounting policies for recognition, classification and measurement of financial assets and liabilities and impairment of financial assets.

No reconciliation of the change from IAS 39 to IFRS 9 has been presented as there is no impact on the Income Statement or reserves on transition.

a) Recognition, classification and measurement of financial instruments

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the previous IAS 39 categories of held-to-maturity, loans and receivables and available-for-sale.

There were no changes to the measurement of financial assets or liabilities. These were measured at amortised cost under IAS 39 and this has not changed under IFRS 9.

b) Impairment of financial assets

IFRS 9 replaces the "incurred loss" model in IAS 39 with an "expected credit loss" model. Under IFRS 9, credit losses are recognised earlier than under IAS 39. For an explanation of how the Company applies the impairment requirements of IFRS 9, see note 1.8.

IFRS 15

During the year the Company has applied IFRS 15 Revenue from Contracts with Customers with a date of initial application of 1 January 2018. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Company has opted to apply IFRS 15 retrospectively using the cumulative effect method i.e. by recognising the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of equity as at 1 January 2018. Therefore, the comparative information has not been restated and continues to be reported under IAS 18 and IAS 11. No differences in the accounting treatment between these standards have been identified in relation to the Company's revenue.

As the Company had no revenue in the prior periods, The Company has not identified any impact on its financial statements for the year ending 31 December 2018 as a result of adopting IFRS 15 and therefore no transition adjustment is presented. The disclosures required by IFRS 15 are set out in note 1.5 and 3 to the financial statements.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

1. Accounting policies (continued)

1.4 Going concern

The financial statements are prepared on a going concern basis which the Directors have considered and believe to be appropriate.

Although the Company has a retained deficit on the profit and loss account of €4,737,667 at 31 December 2018 (2017: €4,016,457), the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. This expectation is based on the net current and non-current assets position of the Company and business plans. The Company has no debt or other financial commitments.

1.5 Revenue

Revenue comprises amounts chargeable to clients for advisory services provided during the period, exclusive of Value Added Tax. Substantially all turnover is generated in Spain and relates to Spanish sales.

Performance obligations

The performance obligation is the provision of advisory services, at which point the obligation is met.

Revenue recognition

Revenue is recognised at a point in time, when the obligation is met, net of a provision for potential future cancellations or refunds.

Payment terms

Payment is due within 30 to 45 days, based on the terms of the contract in place.

There has been no change in revenue recognition from the comparative period, as no revenue has been recognised in previous periods.

1.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Office equipment	- 4 years
Computer equipment	- 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

1.7 Investment in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

1.8 Debtors

Classification

Trade and other debtors are measured at amortised cost, being made up of multiple types of receivable balances including trade receivables, amounts owed by group undertakings, and other debtors.

Impairment

Where a provision is required for these receivables, it is calculated in line with the simplified method for trade receivables per IFRS 9, whereby lifetime expected credit losses are recognised irrelevant of the credit risk. In this case, the provision is based on a combination of:

- (i) aged debtor analysis;
- (ii) historic experience of write-offs for each receivable;
- (iii) any specific indicators of credit deterioration observed; and
- (iv) management judgement.

The level of provision is immaterial. There was no change to the provision at 1 January 2018 on transition from IAS 39 to IFRS 9.

The amortised cost carrying amount of receivables is a reasonable approximation for fair value. Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

1. Accounting policies (continued)

1.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

All cash and cash equivalents are measured at amortised cost. Due to the high liquidity and low risk of these assets, no provision is deemed to be required under IFRS 9 at the balance sheet date.

1.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

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

1.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

1.12 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

1.13 Taxation

The tax expense for the year comprises current tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively. In particular, where the estimated future tax deduction related to share based payments exceeds the cumulative remuneration expense, the excess of the associated current tax is recognised directly in equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

2. Judgment in applying accounting policies and key sources of estimation uncertainty

In applying the accounting policies as described above, management has primarily applied judgement in the impairment testing of the Company's investment in group undertakings. Management has applied judgement in determining whether the carrying value of the investment, or asset may be supported by the recoverable amount calculation based on the 'value in use' of the asset (the net present value of future cash-flows arising from the asset).

In calculating the net present value of future cash-flows, where it is considerable to do so, Management has made assumptions over the timing and amount of underlying profit projections of the relevant undertakings, long term growth rates in those projections and the discount rate applied to these projections that is appropriate to reflect the market's view of the risk of the relevant investment.

3. Revenue

Revenue generated from amounts chargeable to clients for the provision of advisory services during the period amounted to £72,289 (2017: £NIL). All revenue was generated in Spain.

4. Employees

Staff costs, including Directors' remuneration, were as follows:

	2018 €	2017 €
Wages and salaries	248,542	381,467
Social security costs	35,734	41,672
Cost of defined contribution scheme	-	6,379
	<u>284,276</u>	<u>429,518</u>

No staff are directly employed by the Company. The staff costs disclosed above and in the Directors' remuneration note relate to recharges from fellow subsidiaries of Admiral Group plc for time spent working for the Company.

5. Administrative expenses

Audit fees of €6k (2017: €2k) were payable in the year.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Notes to the Financial Statements
For the Year Ended 31 December 2018

6. Directors' remuneration

The Directors are remunerated by fellow subsidiaries of Admiral Group plc.

No remuneration is received by the Directors in respect of their roles as directors of the company. The allocated cost of Directors remunerated in relation to their appointment to the Company's Board is as follows:

	2018 €	2017 €
Directors' emoluments	10,042	83,759
Directors' gains on long term incentive schemes	34,020	13,893
	<u>44,062</u>	<u>97,652</u>

7. Interest receivable and similar income/expenses

	2018 €	2017 €
(Loss)/gain on forward contracts	(8,221)	3,693
	<u>(8,221)</u>	<u>3,693</u>

The (loss)/gain on forward contracts disclosed above relates to amounts receivable from EUI Limited, a fellow group subsidiary, and is an allocation of the gain on contracts held by that entity. The Company does not directly hold any forward contracts.

8. Taxation

	2018 €	2017 €
Foreign tax		
Foreign tax on income for the year	26,549	-
Foreign tax in respect of prior periods	-	(72)
Total current tax	<u>26,549</u>	<u>(72)</u>

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Notes to the Financial Statements
For the Year Ended 31 December 2018

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 - *higher than*) the standard rate of corporation tax in the UK of 19.0% (2017 - 19.25%). The differences are explained below:

	2018 €	2017 €
Loss on ordinary activities before tax	<u>(694,661)</u>	<u>(1,183,635)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2017 - 19.25%)	(131,986)	(227,850)
Effects of:		
Expenses not deductible for tax purposes	6,631	101,145
Unutilised tax losses carried forward	136,844	126,705
Higher rate taxes on overseas earnings	26,549	-
Adjustments to tax charge in respect of prior periods	<u>(11,489)</u>	<u>(72)</u>
Total tax charge for the year	<u>26,549</u>	<u>(72)</u>

Factors that may affect future tax charges

The UK corporation tax rate reduced from 20.0% to 19.0% on 1 April 2017. The average effective rate of tax for 2018 is 19.0% (2017: 19.25%). A further reduction to the main rate of corporation tax to 17.0% (effective from 1 April 2020) was enacted on 15 September 2016. This will reduce the Group's future current tax charge accordingly.

At 31 December 2018 the Company had unused tax losses amounting to €2.5m, for which no deferred tax asset has been recognised.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

9. Tangible fixed assets

	Office equipment €	Computer equipment €	Total €
Cost or valuation			
At 1 January 2018	1,498	5,425	6,923
Additions	4,225	-	4,225
At 31 December 2018	<u>5,723</u>	<u>5,425</u>	<u>11,148</u>
Depreciation			
At 1 January 2018	599	2,199	2,798
Charge for the year on owned assets	304	1,353	1,657
At 31 December 2018	<u>903</u>	<u>3,552</u>	<u>4,455</u>
Net book value			
At 31 December 2018	<u>4,820</u>	<u>1,873</u>	<u>6,693</u>
At 31 December 2017	<u>899</u>	<u>3,226</u>	<u>4,125</u>

10. Investments

	Investments in subsidiary companies €	Total €
Cost or valuation		
At 1 January 2018	600,001	600,001
Additions	2,850,000	2,850,000
At 31 December 2018	<u>3,450,001</u>	<u>3,450,001</u>

The investments balance reflects shares and capital contributions made by the Company. The additions during the year relate to further investments of €900k in Preminen Online Fiyat Karsilastirma Hizmetleri Anonim Sirketi and €1,950k in Preminen Mexico Sociedad Anonima de Capital Variable made in January, May and October 2018.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

10. Investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Preminen Dragon Price Comparison Limited	Ty Admiral, David Street, Cardiff, CF10 2EH	Ordinary	100%
Preminen Mexico Sociedad Anonima de Capital Variable	Varsovia, 36, 5th floor, office 501, Colonia Juárez, Cuauhtemoc, Ciudad de Mexico	Ordinary	95%
Preminen Online Fiyat Karsilastirma Hizmetleri Anonim Sirketi	Esentepe MAH. Harman1 SK. Harmanci Giz Plaza 5 1 Sisli/ Istanbul	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2018 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves €	Profit/(Loss) €
Preminen Dragon Price Comparison Limited	(500,070)	(28)
Preminen Mexico Sociedad Anonima de Capital Variable	222,801	(2,063,567)
Preminen Online Fiyat Karsilastirma Hizmetleri Anonim Sirketi	(209,142)	(509,142)

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

11. Debtors

	2018 €	2017 €
Amounts owed by group undertakings	2,930,021	3,005,306
Corporation tax	-	8,719
Prepayments and accrued income	6,403	12,089
Other taxes and social security	-	7,346
	<u>2,936,424</u>	<u>3,033,460</u>

12. Cash and cash equivalents

	2018 €	2017 €
Cash at bank and in hand	62,276	5,100,519
	<u>62,276</u>	<u>5,100,519</u>

13. Creditors: Amounts falling due within one year

	2018 €	2017 €
Amounts owed to group undertakings	1,133,665	2,688,474
Corporation tax	26,549	-
Other taxation and social security	17,553	-
Other creditors	5,634	56,428
	<u>1,183,401</u>	<u>2,744,902</u>

14. Share capital

	2018 €	2017 €
Authorised, allotted, called up and fully paid		
5,000,000 (2017: 5,000,000) A Ordinary shares of €1.00 each	5,000,000	5,000,000
5,000,000 (2017: 5,000,000) B Ordinary shares of €1.00 each	5,000,000	5,000,000
	<u>10,000,000</u>	<u>10,000,000</u>

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

15. Other reserves

Other reserves relate to deferred tax credits on share schemes with contributions in the year totalling €NIL (2017: €NIL).

16. 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 €NIL (2017: €6k). Contributions totalling €NIL (2016: €1k) were payable to the fund at the reporting date.

17. Related party transactions

Related party transactions were made on terms equivalent to those that prevail in an arm's length transaction.

	Transaction value 2018 €	Balance at 31 Dec 2018 due from / (to) related party €	Transaction value 2017 €	Balance at 31 Dec 2017 due from / (to) related party €
EUI Limited (fellow subsidiary)	(263,481)	(265,780)	(662,967)	(1,917,910)
Rastreator.com Limited (fellow subsidiary)	(69,499)	-	(313,801)	(768,270)
Comparaseguros Correduria de Seguros, S.L., Sociedad Unipersonal	(23,286)	(867,884)	-	-
Preminen Dragon Price Comparison Limited (fellow subsidiary)	(70,000)	3,430,000	1	3,500,000
Preminen Mexico Sociedad Anonima de Capital Variable (fellow subsidiary)	(2,348)	21	2,369	2,369

Transactions with EUI Limited relate to intercompany recharges from various Admiral Group plc entities for management support and travel costs.

Transactions with Rastreator.com relate to invoices paid by Rastreator on the Company's behalf.

Transactions with Preminen Dragon Price Comparison Limited relates to settlement of the intercompany balance. Preminen Holdings holds a €500k provision against the €3,430k owed by Preminen Dragon due to amounts invested in Long Yu which ceased trading in September 2017.

Transactions with Preminen Mexico Sociedad Anonima de Capital Variable relate to funding for future set-up costs.

PREMINEN PRICE COMPARISON HOLDINGS LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

18. Controlling party

The shares of the Company are owned 50:50 between Admiral Group plc and Mapfre S.A., with the controlling party considered to be Admiral Group plc, a company registered in England and Wales. The results of the Company for the period are included in the consolidated accounts of Admiral Group plc. Copies of the consolidated Admiral Group plc financial statements can be obtained from the Company Secretary at the registered office - Ty Admiral, David Street, Cardiff, CF10 2EH.

19. Post balance sheet events

There are no significant or material post balance sheet events which have not been reflected in the financial statements as at 31 December 2018.