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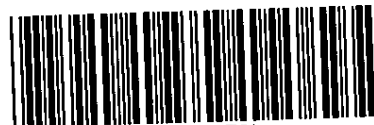
OS AA01

Statement of details of parent law and other information for an overseas company



Companies House

WEDNESDAY



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A04 22/11/2017 #76

COMPANIES HOUSE

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A05 20/10/2017 #64

COMPANIES HOUSE

✓ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law.

✗ **What this form is NOT for**
You cannot use this form to
an alteration of manner of
with accounting requirement

Part 1 Corporate company name

Corporate name of
overseas company ①

Aviva Global Services (Management Services) Private. Ltd

UK establishment
number

B R 0 1 6 0 8 9

→ Filling in this form

Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state.

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited.

Legislation ②

Singapore Companies Act

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts.

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ **No.** Go to **Section A3**.

☒ **Yes.** Please enter the name of the organisation or other
body which issued those principles below, and then go to **Section A3**.

③ Please insert the name of the
appropriate accounting organisation
or body.

Name of organisation
or body ③

Singapore Companies Act

A3 Accounts

Accounts

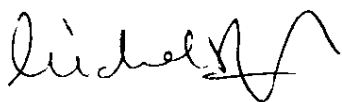
Have the accounts been audited? Please tick the appropriate box.

☐ **No.** Go to **Section A5**.

☒ **Yes.** Go to **Section A4**.

OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts	
Audited accounts	<p>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No. Go to Part 3 'Signature'.</p> <p><input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.</p>
Name of organisation or body ①	Financial Reporting Standards as per Singapore Companies Act
A5 Unaudited accounts	
Unaudited accounts	<p>Is the company required to have its accounts audited?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No.</p> <p><input checked="" type="checkbox"/> Yes.</p>
Part 3 Signature	
<p>I am signing this form on behalf of the overseas company.</p>	
Signature	<p>Signature  X</p>
<p>This form may be signed by: Director, Secretary, Permanent representative.</p>	

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name **Aviva plc**

Address **1 Undershaft, St Helen's**

Post town **London**

County/Region

Postcode

E C 3 P 3 D Q

Country

DX

Telephone



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

**AVIVA GLOBAL SERVICES (MANAGEMENT
SERVICES) PRIVATE LIMITED**

Annual Report

for the financial year ended 31 December 2016

**AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES)
PRIVATE LIMITED**

(Incorporated in Singapore, Registration No 200812047E)

ANNUAL REPORT

For the financial year ended 31 December 2016

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Statement of Cash Flows	9
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AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

DIRECTORS' STATEMENT

For the financial year ended 31 December 2016

The directors present their statement to the member together with the audited financial statements of Aviva Global Services (Management Services) Private Limited. (the "Company") for the financial year ended 31 December 2016.

In the opinion of the directors,

- (i) the financial statements as set out on pages 6 to 21 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2016 and the financial performance, changes in equity and cash flows of the Company for the financial year covered by the financial statements; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Michael Stephens
Graham Hunt
Kenneth Joseph Rappold

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Cap. 50, an interest in shares and share options of the Company's ultimate holding company as stated below:

Name of director	At <u>31.12.2016</u>	At 1.1.2016 or date of appointment, if later
AVIVA plc (Ordinary shares of £0.25 each)		
Michael Stephens	4,618	4,023
Graham Hunt	201	
AVIVA plc (Options to subscribe for ordinary shares of £0.25 each)		
Michael Stephens	17,479	8,335
Kenneth Joseph Rappold	137,912	137,078

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

DIRECTORS' STATEMENT

For the financial year ended 31 December 2016

Share Options

There were no options granted during the financial year to subscribe for unissued shares of the Company. No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company. There were no unissued shares under option at the end of the financial year.

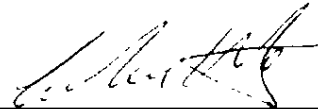
Independent Auditors

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors



Michael Stephens
Director



Graham Hunt
Director

15 June 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying financial statements of Aviva Global Services (Management Services) Private Limited ("the Company") are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2016 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

What we have audited

The financial statements of the Company comprise:

- the balance sheet as at 31 December 2016;
- the statement of comprehensive income for the financial year then ended;
- the statement of changes in equity for the financial year then ended;
- the statement of cash flows for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement included in pages 1 to 2 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above 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, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED (continued)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

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 SSAs 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.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AVIVA GLOBAL SERVICES
(MANAGEMENT SERVICES) PRIVATE LIMITED (continued)**

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

A large, stylized handwritten signature in black ink, which appears to read "PricewaterhouseCoopers" followed by a flourish.

Public Accountants and Chartered Accountants
Singapore,

15 JUN 2017

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2016

	Notes	2016 £	2015 £
Revenue			
Reimbursement from related companies	12	39,041,418	40,772,646
Amortisation of deferred income	13	8,800,000	9,600,000
Service income	3	2,434	2,385
Interest income	4	1,355	7,442
		<u>47,845,207</u>	<u>50,382,473</u>
Expenses			
Expenses incurred by overseas service providers		(38,992,737)	(40,724,953)
Amortisation of prepaid incentive premium	13	(8,800,000)	(9,600,000)
Operating expenses	5	(48,685)	(47,693)
		<u>(47,841,422)</u>	<u>(50,372,646)</u>
Profit before tax		3,785	9,827
Income tax expense	6	(1,632)	(1,964)
Profit after tax		<u>2,153</u>	<u>7,863</u>
Other comprehensive income		-	-
Total comprehensive income		<u>2,153</u>	<u>7,863</u>

The accompanying notes form an integral part of these financial statement

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

BALANCE SHEET

As at 31 December 2016

	Notes	2016 £	2015 £
Current assets			
Cash and cash equivalents	9	1,042,280	1,815,294
Trade and other receivables	8	3,076,761	3,325,099
Prepaid incentive premium	13	-	8,800,000
		<u>4,119,041</u>	<u>13,940,393</u>
Non-current assets			
Investment in subsidiaries	7	1,368	1,368
Financial guarantee		9,188	9,188
		<u>10,556</u>	<u>10,556</u>
Total assets		<u>4,129,597</u>	<u>13,950,949</u>
Current liabilities			
Trade and other payables	10	4,019,505	5,042,568
Income tax payable		3,552	3,994
Deferred income	13	-	8,800,000
		<u>4,023,057</u>	<u>13,846,562</u>
Non-current liabilities			
Accrued financial guarantee		9,188	9,188
		<u>9,188</u>	<u>9,188</u>
Total Liabilities		<u>4,032,245</u>	<u>13,855,750</u>
Net Assets		<u>97,352</u>	<u>95,199</u>
Equity attributable to equity holder of the Company			
Share capital	11	1	1
Retained earnings		97,351	95,198
Total equity		<u>97,352</u>	<u>95,199</u>

The accompanying notes form an integral part of these financial statements

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2016

	Note	Share <u>capital</u> £	Retained <u>earnings</u> £	<u>Total</u> £
At 1 January 2016	11	1	95,198	95,199
Total comprehensive income for the year		-	2,153	2,153
At 31 December 2016		1	97,351	97,352
At 1 January 2015	11	1	87,335	87,335
Total comprehensive income for the year		-	7,863	7,863
At 31 December 2015	11	1	95,198	95,199

The accompanying notes form an integral part of these financial statements.

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Profit after tax		2,153	7,863
Adjustments for:			
Interest income	4	(1,355)	(7,442)
Decrease in prepaid incentive premium		-	800,000
Decrease in deferred income		-	(800,000)
Amortisation of deferred income		(8,800,000)	(9,600,000)
Amortisation of prepaid incentive premium		8,800,000	9,600,000
Income tax expense		1,632	1,964
Operating cash flows before changes in working capital		2,430	2,385
Changes in working capital:			
Decrease in trade and other receivables		248,338	282,867
Decrease in trade and other payables		(1,023,063)	643,758
Cash generated from operating activities		(772,296)	929,010
Interest income received	4	1,355	7,442
Income tax paid		(2,074)	(2,525)
Net cash generated from operating activities		(773,014)	933,927
Net increase in cash and cash equivalents		(773,014)	933,927
Cash and cash equivalents at the beginning of the year		1,815,294	881,367
Cash and cash equivalents at the end of the year	9	1,042,280	1,815,294

The accompanying notes form an integral part of these financial statements

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

1. General

Aviva Global Services (Management Services) Private Limited. (the "Company") is a private limited company incorporated in Singapore and is a wholly-owned subsidiary of Aviva International Holdings Limited, a company incorporated in United Kingdom. Its ultimate holding company is Aviva Plc., which is incorporated in United Kingdom.

The registered office of the Company is located at 6 Temasek Boulevard, # 29-00 Suntec, Tower 4, Singapore 038986.

The principal place of business of the Company is located at 8 Surrey Street, Norwich, Norfolk, NR1 3NG, United Kingdom.

The principal activities of the Company are provision of procurement, management and administration of insurance intermediary services to its related corporations.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions.

The financial statements are presented in Great Britain Pounds (GBP or £), the functional currency of the Company.

Interpretations and amendments to published standards effective in 2016

On 1 January 2016, the Company adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Basis of consolidation

The Company is exempted from consolidating the results of its subsidiaries as the Company is a wholly-owned subsidiary of another company. The name of the ultimate holding company that publishes consolidated financial statements in the United Kingdom is Aviva Plc. The registered office address is St Helen's, 1 Undershaft, London EC3P 3DQ.

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.3 Functional currency and foreign currency translations

(a) Functional currency

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be Great Britain Pound (GBP or £). Sales prices and major costs of providing services are primarily influenced by fluctuations in GBP.

(b) Currency translation

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rates as at the date of initial transactions. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

2.4 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

2.5 Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.5 Financial assets

Impairment

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flow, discounted at the original effective interest rate. When the asset becomes uncollectible it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2.6 Impairment of non-financial assets

Investment in subsidiaries

Investment in subsidiaries is tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.8 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

2.9 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

Trade payables and other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

2.10 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. Revenue is recognised as follows:

(a) Rendering of services

Service income is recognised when the services are rendered

(b) Interest income

Interest income is recognised using the effective interest method

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

2. Summary of significant accounting policies (continued)

2.11 Income taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of reporting period.

Current income tax is recognised on the chargeable income for the year. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.12 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.13 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

3. Service income

Service income represents revenue from provision of procurement, management and administration of insurance intermediary services to its related corporations.

Service income is calculated at 5% of operating expenses incurred by the Company.

	2016	2015
	£	£
Service fees	2,434	2,385

4. Interest income

	2016	2015
	£	£
Interest income from bank balances	1,355	7,442

5. Operating expenses

The following items have been included in arriving at profit before tax:

	2016	2015
	£	£
Legal and professional fees	46,113	41,789
Foreign exchange loss	2,111	1,384
Bank charges	1,247	1,038
Miscellaneous (income) / expenses	(786)	3,482
	48,685	47,693

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

6. Income tax expense

(a) Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2016 and 2015 are:

	2016 £	2015 £
Current income tax		
- Singapore	200	460
- Foreign	1,550	1,800
	1,750	2,260
- Over provision in respect of prior years current income tax	(118)	(296)
Income tax expense recognised in the statement of comprehensive income	1,632	1,964

The tax on profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	2016 £	2015 £
Profit before tax	3,785	9,827
Tax calculated at tax rate of 17% (2015:17%)	643	1,671
Effects of:		
Statutory stepped income exemption	(685)	(1,224)
Non-deductible expenses	1,632	1,964
Over provision of tax in prior years	(118)	(296)
Others	160	(151)
Tax expense	1,632	1,964

(b) Movement in current income tax payable

	2016 £	2015 £
Beginning of financial year	3,994	4,555
Income tax paid	(2,074)	(2,525)
Tax expense	1,750	2,260
Overprovision in preceding financial years	(118)	(296)
Endo financial year	3,552	3,994

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

7. Investment in subsidiaries

	2016 £	2015 £
Shares, at cost		
A.G.S. Customer Services (India) Private Limited.	1,367	1,367
A.G.S. Lanka (Private) Limited.	1	1
	<u>1,368</u>	<u>1,368</u>

Name	Country of incorporation	Principal activities	Proportion(%) of ownership interest	
			2016	2015
A.G.S. Customer Services (India) Private Limited	India	Customer support services	99.90	99.90
A.G.S. Lanka (Private) Limited.	Sri Lanka	Customer support services	100.00	100.00

A.G.S Customer Services (India) Private Limited. was acquired on 3 October 2008 and A.G.S Lanka (Private) Limited was acquired on 19 September 2008. The principal activities of the subsidiaries are to provide back-office customer support services to international clients of related corporations.

8. Trade and other receivables

	2016 £	2015 £
Trade receivables:		
Amount due from related companies	3,075,664	3,324,578
Other receivables:		
GST recoverable	1,035	439
Advance payment to service providers	62	82
Trade and other receivables	<u>3,076,761</u>	<u>3,325,099</u>

Trade receivables are unsecured, non-interest bearing and are generally on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

9. Cash at bank and bank deposits

	2016	2015
	£	£
Cash at bank and bank deposits	1,042,280	1,815,294

10. Trade and other payables

	2016	2015
	£	£
Trade payables:		
Trade payables	3,160,333	4,033,003
Amounts due to subsidiaries	78,150	65,394
	3,238,483	4,098,397
Other payables:		
Accrued expenses	79,500	80,948
Amount due to related company	701,522	863,223
	781,022	944,171
Trade and other payables	4,019,505	5,042,568

These amounts are trade related, unsecured, non-interest bearing, and are repayable on demand. They are normally settled on 30-day terms.

11. Share capital

	2016	2015
	£	£
Issued and fully paid up ordinary shares at 1 January and 31 December (2 ordinary shares of SGD1 each)	1	1

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

12. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties took place at terms agreed between the parties during the financial year:

	2016 £	2015 £
Service income from related companies	2,434	2,385
Reimbursement from related companies	39,041,418	40,772,646
Management fees to related companies	(30,506)	(26,588)
Expenses charged by subsidiaries for services	(712,738)	(520,591)

There were no key management personal compensation incurred by the Company.

Balances with related companies disclosed on note 8 and note 10.

13. Prepaid incentive premium and deferred income

In 2008, the Company entered into an 100 months Master Service Agreement with WNS Global Services Private Limited ("the supplier"). In accordance with the agreement, the supplier paid an incentive fee of £80m to the Company which is being amortised over the lifetime of the contract (up to 30 November 2016). The unamortised balance is disclosed as deferred income in the balance sheet. In addition, the Company has a contractual obligation to pay the incentive fee to Aviva Central Services UK Limited ("the customer") and the unamortised balance of the payment made is disclosed as prepaid incentive premium.

The amount of £0.0 million (2015 £8.8 million) of prepaid incentive premium and deferred income liability represent the unamortised asset and liability as at 31 December 2016.

14. Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

The carrying amounts of the Company's financial assets and liabilities are a reasonable approximation of fair values, due to their short-term nature

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

15. Financial risk management objectives and policies

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency. The board of directors reviews and agrees policies and procedures for the management of these risks, as summarised below.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

At the end of the reporting period, 100% (2015: 100%) of the Company's trade receivables were due from related parties located in United Kingdom.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash and short-term deposits that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

The Company does not have any financial assets that either past due or impaired at the end of the reporting period. (2015: Nil)

Financial assets that are past due but not impaired

The Company does not have any receivables that are past due but not impaired at the end of the reporting period. (2015: Nil)

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company obtains short term funding from its immediate holding and related companies. All the financial assets and liabilities are of current nature

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their balances and deposits with banks and financial institutions.

AVIVA GLOBAL SERVICES (MANAGEMENT SERVICES) PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

15. Financial risk management objectives and policies (continued)

d) Foreign currency risk

The Company has transactional currency exposures arising from purchase of services and payment of goods and services tax, professional fees and secretarial fees, which are denominated in a currency other than the functional currency (i.e. GBP). The foreign currencies in which these transactions are denominated are mainly Singapore Dollars (SGD) and Sri Lankan Rupee (LKR). At the balance sheet date, trade and other receivables in foreign currency balances amount to £ 1,097 (2015: £ 521) and trade and other payables in foreign currency amount to £ 0.00 (2015: £ 6,713).

The Company maintains bank accounts in Singapore Dollar (SGD) and Sri Lankan Rupee (LKR). At the balance sheet date, such foreign currency balances amount to £ 1,441 (2015: £ 3,042).

The Company receives money from its parent Company in GBP and makes all payments in GBP except for the above payments.

e) Capital Risk

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the period ended 31 December 2016. Capital includes equity attributable to the owner of the Company.

The Company is not subject to any externally imposed capital requirements.

16. New or revised accounting Standards and Interpretations

The Company has not early adopted any mandatory standards, amendments and interpretations to existing standards that have been published but are only effective for the Company's accounting periods beginning on or after 1 January 2017. However, management anticipates that the adoption of these standards, amendments and interpretations will not have a material impact on the financial statements of the Company in the period of their initial adoption.

17. Authorisation of financial statements

The financial statements of the Company for the financial year ended 31 December 2016 were authorised for issue in accordance with a resolution of the directors on 15 June 2017.