MOTOR INSURERS' BUREAU

2024 ANNUAL REPORT AND ACCOUNTS

GROUP COMPANY NUMBER 412787

IN THIS REPORT

The BIG Stuff

How we performed

Our Impact in Detail

Financial Statements and Governance

Our full financial statements, governance report and results for the year

FROM OUR CHAIRMAN

Looking back at our achievements in 2024 reminds me why I'm so proud to be Chairman of MIB. We've had another strong year protecting people from the devastation of uninsured and hit-and-run driving, working in partnership with the police and insurers to make roads safer, and providing vital data services relied on by our partners and the public. You can read about those in more detail in the following pages, but I am particularly proud of the way we have continued to support victims of uninsured and hit-and-run driving efficiently and compassionately. In 2024 we settled the claims of more than 34,000 victims of uninsured or hit-and-run driving, paying out more than £400m to support their recovery. Alongside this, the time taken to settle a claim has reduced by 15% to 271 days.

In addition to these strong achievements in the UK, our work internationally continues to be a vital part of MIB's service. At the heart of that is the Green Card system, which enables people to travel freely across Europe without having to purchase separate insurance policies at each border. It also provides a platform for settling claims arising from collisions caused by foreign vehicles in the UK and UK-based vehicles in the other countries of the Green Card system.

We continued to contribute actively to the work of the COB (Council of Bureaux), playing a central role on key issues, negotiating and influencing on behalf of insurers. In 2024, we welcomed visiting bureaus from 50 countries by hosting the COB General Assembly, an event I was pleased to attend and represent MIB to our international guests. The event received excellent feedback and helped to further strengthen relationships across Europe on behalf of the insurance industry.

MIB's data services are vital to the industry, partners and the public, and we reached a significant milestone in 2024 with the launch of Navigate, the new home for MIB's vital data services. In this first phase, we successfully migrated 4 billion records from the outdated MID (Motor Insurance Database). Like many technology launches, the switchover wasn't without challenges and I'd like to thank our industry colleagues for their assistance as we responded to issues they raised, and for their continued collaboration as we continue to improve Navigate alongside the development to replatform MIAFTR (Motor Insurance Anti-Fraud and Theft Register).

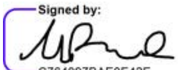
Last year also saw the departure of Dominic Clayden as our CEO. Dom and I had been in conversations about this transition since 2022, ensuring the best timing for his exit and finding the strongest possible replacement. I'd like to thank Dom for his efforts during his six years as CEO, and the achievements MIB made under his leadership. He helped MIB continue to deliver on its core purpose of tackling uninsured and hit-and-run driving but, more than that, Dom was integral in strengthening MIB's standing with insurers and key partners as an invaluable asset to the market.

It was important to identify a successor with the leadership capability and passion for MIB that would support its future success. I was delighted to appoint Angus Eaton as Dom's successor. Angus has brought a wealth of experience across the industry and knowledge of MIB through his time on the Board as a Non-Executive Director. What is clear when working with Angus is that he shares a strong passion for the purpose and values of MIB. I have thoroughly enjoyed working with him since he started in July and he has already laid solid foundations which will enable MIB to go from strength to strength.

Finally I'd like to thank my MIB colleagues. Firstly, our experienced Board, who volunteer their time to provide valued experience and expertise to help protect and progress MIB. And secondly, to everyone working tirelessly to serve victims of uninsured and hit-and-run driving, the insurance industry, the police and government on a daily basis with such commitment and passion.

Mike Crane, Chairman

Signed by:



C764097BAE0E42E...

11 June 2025

FROM OUR CEO

I'm extremely proud to be sharing my first Annual Report and Accounts statement as CEO of MIB, following my arrival in July. There are too many individual names to mention but I'd like to take this opportunity to thank everyone who has helped and supported me to settle into life at MIB. In the months that followed my arrival I had daily confirmation that leading this fantastic organisation is a privilege. It has also acted as a motivator to do everything I can to make its impact even greater in the future.

I had had experience of MIB through my time on the MIB Board, but if I'm honest the scale of our work and impact surprised me. Whether it's supporting victims of uninsured and hit-and-run driving, supporting the police and government to tackle the underlying problem, managing billions of data records for the insurance industry or playing a key role in cross border travel, MIB provides a unique and crucial service.

Our impact goes further still. We provide crucial services to the Insurance Fraud Bureau, leading the fight against insurance fraud by serving as the industry's hub for intelligence and analytics. In 2024, IFB investigated fraud with a total value of £150m. We manage the Employers' Liability Tracing Office (ELTO), which now holds nearly 35 million records to provide anyone affected by a work-related illness or injury to access their employer's insurer. And we run the Official Injury Claim portal on behalf of the government, which enables people to make a claim for compensation after a road accident without the need for legal representation.

The next section of this ARA includes the numbers that demonstrate the success MIB had last year, and I'd like to highlight one.

At the end of 2024, our caseload of open claims fell to 23,000. This represents the lowest number of open claims on record since MIB began managing claims in the late 1990s. The statistic is even more impressive when you look back just a couple of years – at the end of 2021, the open caseload was almost 40,000. It shows that while the problem of uninsured and hit-and-run driving still exists, we are determined to get people the support they deserve as quickly as possible. Having only started in July, I can't take the credit for this impressive progress, so I'd like to thank the many people, both current and former colleagues and partner organisations, who have contributed to serving the victims of the scourge of uninsured and hit-and-run driving.

We want to get to a day where there are no victims – and I genuinely believe we can achieve this together – but until we accomplish that, the work we do in helping people rebuild their lives is something that makes me immensely proud.

One of my key priorities when I joined was to meet and listen to as many people as possible, both colleagues and external stakeholders. That has included visits and regular discussions with our insurer members and the DVLA, attending roadside operations with the police and building deeper relationships with key partnership organisations, including the ABI and COB (Council of Bureaux). It's essential to maintain close links with these and many other partners integral to the insurance industry and I want to make sure we work together and speak with one voice.

One of the conclusions from listening to others about the value MIB brings and what more we can do for those we support, was the need for a long-term plan to give us clarity and energy for our future direction and to achieve our overall vision of ending uninsured driving. As a result, in the second half of 2024 we undertook a strategic review which culminated in a five-year strategy proposed to and agreed by the MIB Board in early 2025. This will be launched later in 2025 and I'm excited by the direction it will take us in. The new strategy is bold and ambitious, while retaining and improving the crucial work we are already valued for. I have the upmost confidence it will create a lasting legacy for our insurance customers, the industry, government and society as a whole that will make MIB and everyone associated with it extremely proud.

Angus Eaton - Chief Executive Officer

Signed by:
Angus Eaton
AFF70254DD26403...
11 June 2025

OPERATIONAL PERFORMANCE

Supporting victims of uninsured and hit-and-run driving

Our continued dedication to improving the way we work means that this year we have settled the claims of more than 34,000 people who were victims of uninsured or hit-and-run driving, paying out more than £400m to support their recovery.

We have worked hard to bring down the time it takes for a claim to be settled: from 320 days at the start of 2024 to 271 days by the end of the year. We also reduced the number of open claims to 23,014 – the lowest number on record since MIB began managing claims. This all means that support is getting to where it's needed much more quickly.

Our customer satisfaction (CSAT) score for represented claimants reached 86% – the highest since our records began. Four fifths of respondents rated our claims service nine or ten out of ten – we're not just settling claims quickly but treating people fairly and compassionately too.

New claims in 2024

(vs 2023)

Uninsured claims 8,206 (+1%)

Hit-and-run claims 14,712 (-2%)

Financial performance

Year-on-year our claims reserves, included within the consolidated statement of financial position, remained relatively flat at *£2,999 million* (2023: £3,209 million).

Our investments performed well and grew from £193 million in 2023 to £236 million in 2024, and our cash deposits yielded interest income in excess of £3.7 million (2023: £2.7 million).

Keeping people safe on our roads

Our Police Helpline Team received more than 45,000 enquiries, helping frontline officers quickly establish whether a vehicle is insured. Around a third of these calls resulted in seizures – this resource is vital in keeping uninsured drivers off the roads.

Between Operation Tutelage and Continuous Insurance Enforcement, we sent 961,844 letters to drivers suspected of being uninsured. From this 627,053 people took action, to correct their insurance status.

We stepped up work in our Enforcement programme, launching our first set of multi-force operations, with three operations along major road networks (M4, M62, M8), collaborating with 11 forces. These operations resulted in 517 stops with over a quarter (26%) of those stopped having their vehicle seized for no insurance.

We also launched Operation Scalis, funding dedicated resource within police forces to allow officers to solely focus on tackling uninsured driving in key hotspots. Across 2024, six forces took part in 200 operation with 2,636 vehicles stopped resulting in 1,058 seizures (40%).

2024's Operation Drive Insured week was a huge success, with 35 police forces taking part making over 3,500 seizures during the week. Our awareness campaign, prompting people to check they are correctly insured, was published across more than 200 news outlets and seen 4.3 million times across social media – a fantastic return for our multi-channel communications approach.

And thanks to the kind permission of people we have helped, we have been able to tell more real-life stories to raise awareness of the impact of uninsured and hit-and-run driving.

Making high-quality data available on modern platforms

In 2024, we received a record 3 billion enquiries across our data services.

In April we launched Navigate, the new home for the Motor Insurance Database (MID), the UK's central record of all motor insurance policies data.

A major investment for today and the future, Navigate provides a vital tool for the industry and its customers, as well as other stakeholders who use the many different data services that we offer. With millions of enquiries being made every month, Navigate is already boosting our mission to get uninsured drivers off our roads.

We have monitored the success of Navigate, with users providing valuable feedback through an in-depth look at lessons learnt from launch. In addition, we developed and ran 41 business data-quality rules against 42 million Navigate policies, totalling more than 1.5 billion checks.

Navigate has been designed with scalability and expansion built in. We began working on the next phase – the replatforming of the Motor Insurance Anti-Fraud and Theft Register (MIAFTR), which is planned to go live late in 2025.

Maintaining frictionless travel abroad

Most of our work is centred in the UK, but we also play an important and influential role across Europe and beyond. At the heart of this is our work in the Green Card system, which enables hassle-free travel, keeps businesses moving across Europe and beyond, while protecting victims of accidents.

In 2024 we worked with our COB colleagues and wider international counterparts to expand the use of digital Green Cards in the Green Card system, making digital Green Cards valid in all 47 countries in the scheme.

We recovered £17.8 million from uninsured drivers who caused accidents in the UK, and our counterparts in the EU and beyond, to ensure that liability sits with our foreign counterparts for accidents in the UK caused by foreign registered vehicles.

Supporting our people to do their best work

We have taken steps to support our people right from the moment they apply. We also developed multiple programmes to improve job satisfaction, wellbeing and performance.

We transformed our recruitment materials, giving job applicants better support through the recruitment process. We created a much friendlier process with more accessible communication, bringing the onboarding experience in line with the culture we want to create. This is already leaving potential employees with a much better idea of MIB's purpose and our desire to make new colleagues feel welcome.

We have rolled out a programme of exploring individual strengths profiles to all of our people. This awareness of ourselves and those around us, of what people enjoy and are good at, will guide how we think about work in the future. We are already laying the groundwork for embedding this process in our culture. This strengths and coaching programme has been backed up by the launch of a new mentoring scheme.

We have underpinned our employee experience by rolling out a suite of new people-related policies. These have allowed us to produce clear guidance for all colleagues in areas such as maternity and paternity leave, short- and long-term illness, and discrimination. These policies mean that our people are aware of their obligations and rights, and managers have clear guidance via our Manager's Toolkit, which ensures everyone has the correct support from their line manager.

We saw a reduction in our gender pay gap (the difference in median hourly earnings between men and women) from 25% to 21% *

Of the 141 roles filled in 2024, almost half (46%) were internal applicants who successfully secured promotions or secondments showing great routes of progression for our people. Just 4% of roles were filled via recruitment partners, saving over £120k.

Our Gallup Q12 survey showed engagement remained high with a slight increase on 2023's result, a positive outcome as we continued to make progress in ensuring MIB is a place where our people love to be, where they can be themselves and where everyone is rewarded fairly.

In fact, at the end of the year we celebrated 115 employees who have worked at MIB for ten years or more. That equates to a quarter of our workforce, which shows we're succeeding in supporting our people to have happy careers at MIB.

*median hourly pay December 2024 excluding bonus

FINANCIAL STATEMENTS AND GOVERNANCE

Our full financial statements, governance report and results
for the year ended 31 December 2024

Strategic report

The Board presents its report and the audited financial statements of the Motor Insurers' Bureau for the year ended 31 December 2024.

Group status

The Directors confirm that MIB remains a group limited by guarantee, without share capital.

Principal activities

The activities of the Group are:

1) In pursuance of agreements with the Secretary of State for Transport:

   a) To satisfy judgements in respect of any liability required to be covered by contracts of insurance or security under the Road Traffic Acts 1972 and 1988 but not so covered by insurance; and

   b) To investigate, and where appropriate, make awards to persons suffering damage to property or injury or dependants/relatives of persons killed as a result of the use of a motor vehicle on a road, in cases where the driver of the vehicle cannot be traced.

2) In accordance with the provisions of the Internal Regulations of the Council of Bureaux, to act as:

   a) A Paying Bureau to guarantee the payment of relevant liability claims arising from accidents in other countries caused by holders of International Certificates of Motor Insurance (Green Cards) issued under the authority of MIB or by users of motor vehicles registered in the United Kingdom; and

   b) A Handling Bureau to deal with Road Traffic Act liability claims arising from accidents in the United Kingdom caused by drivers of foreign registered vehicles on a temporary visit to the United Kingdom, in possession of valid Green Cards and/or vehicles registered in a signatory country of Section III of the Internal Regulations.

3) For accidents up until the end of 2020, as required by the Motor Vehicles (Compulsory Insurance) (Information Centre and Compensation Body) Regulations 2003 (S.I. 2003

No.37) and the Agreement between Compensation Bodies and Guarantee Funds, approved under Commission Decision 2004/20/EC, to act as the Compensation Body to:

a) Handle claims made by UK resident victims arising from accidents abroad, where there are no foreign insurers' representatives, or where those representatives fail to act, or where an insurer or the responsible driver cannot be identified, always providing that legal proceeding for such claims were started by 31 December 2020. Currently only legacy cases are being dealt with, where the court was seized (proceeding issued) by end of 31 December 2020. Once these are settled then there will no longer be obligations under this strand of the 2003 regulations.

As a paying Compensation Body, to reimburse the handling Compensation Body for payments made to EEA victims who were injured from accidents in the UK before the end of 2020, by uninsured/untraced UK vehicle, or the representatives of the UK insurer fail to act. Provided, the handling Compensation Body was notified of the claim before end of 2020. This again is only for legacy cases whereby:

I. Accidents before end of 31 December 2020 and the handling Compensation Body notified MIB of the claim before end of 31 December 2020; and
II. Accidents before end of 31 December 2020 and the handling Compensation Body signed the Optional Clause of the Addendum to the 2002 Agreement. In this case, they can continue to handle even if they notified MIB of the claim after 31 December 2020. This strand could take a while to conclude.

Once these are settled then there will no longer be obligations under this strand of the 2003 regulations; and

b) Act as the UK Information Centre and continue to provide insurance details of foreign vehicles to UK victims/claimants, and insurance details of UK vehicles to foreign victims/claims, green card bureaux and guarantee funds.

4) Maintain the Motor Insurance Database (MID) ensuring:

a) A fit for purpose database supporting the detection, enforcement and prevention of uninsured driving in the UK; and
b) Compliance with current Road Traffic Act legislation (Road Traffic Act 1988 and The Motor Vehicles Third Party Risks Regulations 2001, S.I. No.2266).

5) In accordance with the Articles of Association provide value-added services including:

a) The maintenance of the Claims and Underwriting Exchange (CUE) and the Motor Insurance Anti-Fraud & Theft Register (MIAFTR);

b) Data asset management and analytical services on behalf of Members and the insurance industry; and
c) The provision of managed services.

Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The Board of Directors of MIB consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year ended 31 December 2024. The Directors have considered:

1) the likely consequences of any decision in the long term (pages 4-5 and 7);
2) the interests of the company's employees (pages 8-9);
3) the need to foster the company's business relationships with suppliers, customers and others (pages 7-8);
4) the impact of the company's operations on the community and the environment (pages 19-21)
5) the desirability of the company maintaining a reputation for high standards of business conduct (pages 8-9); and
6) the need to act fairly between members of the company (pages 26-27).

Financial position and future prospects

The Directors confirm that total expenditure of MIB continues to be reimbursed by contributions received and sums receivable from its Members. The Directors are satisfied with the position of the Group and its performance during this financial year. The performance review of the Group is set out within the Chief Executive's statement and Operational Performance report on pages 5-6, 7-10 and below. During the year the DB Pension scheme underwent a buy-in process, and the scheme asset is now materially an insurance policy. Further details on the scheme can be found in Note 10.

The consolidated and company statement of comprehensive income on page 33 shows that the Group has neither made neither a profit nor a loss in the year ended 31 December 2024. MIB continues to have the support of its Members.

The Levy income included within the Consolidated statement of comprehensive income of £284.1 million (2023: £362.0 million) comprises the cash levy called of £506.6 million (2023: £530.3 million) plus the movement in uncalled levy of £(222.6) million (2023: £(168.3 million) which represents the movement in claims provisions; see Note 3 for details.

Claims reserves included within the consolidated statement of financial position of £2,999 million (2023: £3,209 million) is the value of all potential claims for which MIB is liable. The main movement year on year is due to the reduction in claims provisions; see Note 5 for further details.

A business review and key performance metrics can be found in the Operational Performance Statement and the risks including financial risk management can be seen in Note 21.

The directors expect the business to continue to operate in a similar manner in future years.

Principal risks and uncertainties

MIB's principal risks and uncertainties are noted below, additional details can be found in Note 21.

MIB has identified the following principal risks and uncertainties:

- market;
- credit;
- liquidity;
- operational;
- reserving; and
- foreign exchange risk.

Post balance sheet events

The Civil Liability Act 2018 introduced a new framework for setting the personal injury discount rate, requiring the government to reset the discount rate by reference to low risk rather than very low or zero risk investments. Following a government review, as dictated by the terms of the Civil Liability Act 2018, on 2nd December 2024 the Lord Chancellor announced a new Ogden discount rate of +0.5% to take effect from 11th January 2025 (a movement from -0.25%).

Directors' report

The Directors present their Directors' Report on Motor Insurers' Bureau for the year ended 31 December 2024.

Board of Directors

The following were Directors during 2024 and held office throughout the year unless shown otherwise:

Executive Directors

Name	Title	Company	Date of appointment	Date of resignation
D Clayden	Chief Executive	Motor Insurers' Bureau	14.05.2018	30.06.2024
Note: appointed Non-Executive Director on 11.09.2009				
A Eaton	Chief Executive	Motor Insurers' Bureau	01.07.2024	
C Makomereh	Chief Risk Officer	Motor Insurers' Bureau	29.03.2023	
H Phagura	Chief Finance Officer	Motor Insurers' Bureau	27.03.2024	

Non-Executive Directors

K Helgesen	RSA	29.03.2018
M Crane	Liverpool Victoria	02.08.2018
Note: appointed as chair on 01.01.2022		
R Charles	Admiral Group	28.09.2018
C Weston	Great Lakes	09.12.2022
G Carter	Sabre	09.12.2022
W Malik	Aviva	09.12.2022
A Beckett	Ageas	19.12.2022
A Miller	Markerstudy	05.02.2024
M Distefano	Axa	05.02.2024
G Fleet	Zurich	27.03.2024
A Rayner	Allianz	30.07.2024

Appointments

Directors appointed to the Group after the year end are as follows:

D Lehane	Independent non executive director	01.04.2025
H Robinson	Independent non executive director	01.03.2025

Resignations

Directors resigned from the Group after the year end are as follows:

W Malik	Aviva	25.04.2025
C Weston	Great Lakes	28.03.2025

Board attendance

The Directors of the Group attended the following Board meetings and Audit and Risk Committee meetings during the year:

	Board meetings						Audit and Risk Committee			
Name	05.02.24	27.03.24	08.05.24	03.09.24	26.09.24	28.11.24	15.01.24	15.04.24	11.07.24	07.11.24
M Crane	✓	✓	✓	✓	✓	✓				
A Eaton				✓	✓	✓			✓	✓
K Helgesen	✓	✓	✓	✓	A	✓				
R Charles	✓	✓	✓	✓	✓	✓				
W Malik	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
A Beckett	✓	✓	✓	✓	A	✓				
G Carter	✓	✓	✓	✓	✓	✓				
C Weston	A	✓	✓	A	✓	✓				
A Miller		✓	✓	✓	✓	A				
M Distefano		✓	✓	✓	✓	✓				
G Fleet			✓	✓	✓	✓				
A Rayner				✓	✓	✓				✓
C Makomereh	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
H Phagura			✓	✓	✓	✓		✓	✓	✓
D Clayden	✓	✓	✓				✓	✓		

✓ = Present
A = Absent

Committee Members during 2024

Name	Executive Security Steering Committee	Audit and Risk Committee	Remuneration and Nomination Committee	Investment Committee	Levy Group	Compliance Management Committee
M Crane			✓			
A Eaton	Chair	✓	✓	✓	✓	
H Phagura		✓		✓	✓	✓
C Makomereh	✓	✓		✓	✓	Chair
G Carter				Chair	Chair	
R Charles					✓	
K Helgesen			Chair			
W Malik		Chair				
A Beckett				✓		
A Rayner		✓				

Membership details

During the year, the following companies were accepted as Members of MIB:

Name	Date of joining
Bridgehaven Specialty UK Ltd	12.03.2024
Antares Insurance Company Ltd	12.03.2024
Accredited Insurance (UK) Ltd	21.10.2024

The following companies ceased being Members:

Name	Date ceased
None	

Statement of Directors' responsibility

The Directors present their Directors' Report on Motor Insurers' Bureau for the year ended 31 December 2024

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

Future developments of the business are noted within the Strategic Report.

Financial risk management objectives and policies of the entity and the exposure of the entity to price risk, credit risk, liquidity risk and cash flow risk can be seen within the Strategic Report and Note 21.

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 UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view. 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 adopted international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group; 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Going Concern

The Directors have been monitoring Global and Economic activities and the impact both directly on the Company's business and indirectly through reviewing the development of government policy and advice, based on these the Directors consider MIB to continue to be a going concern. The main considerations are as follows:

- **Operational**

  MIB has stringent procedures in place surrounding sanctions and is constantly monitoring updates and world activities. As such all necessary controls are in place to ensure that no payments are made to banks or individuals listed on the UK sanction list. All MIB staff are aware of these controls and procedures so the risk to MIB's Going Concern is minimal.

- **Revenue and claims**

  The Company's revenue is derived from the statutory levy, which is chargeable on all insurers writing UK motor business. The levy chargeable for any one year is calculated by reference to the expected net cash-flow of the Company for that year, i.e. it is calculated to be sufficient to enable the Company to pay all claims and expenses accruing in that year, with a provision for a cash buffer also included. As such, the Company's revenue is not exposed to normal market factors except for the credit risk in relation to the insurers concerned; taken as a whole it does not vary with the underlying revenue or profitability of those insurers.

  The payment of claims already noted by the Company will continue based on the Company's normal claim protocols, albeit that claims dependent on the resolution of court proceedings are likely to be delayed.

- **Investment portfolio**

  The company holds financial investments in corporate and government bonds and equity funds, which remain liquid. These total £235.7 million as at 31 December 2024 (2023: £192.8 million).

- **Levy receivables**

  In the increasingly likely event of recessive economic conditions, there will be members of the Company (UK motor insurers) who may suffer. For MIB, the levy is a statutory obligation payable by its members and is not a discretionary cost. Thus, MIB will still be able to recover their cost in terms of the agreement with the Department for Transport. In the event that a member becomes insolvent the Company has appropriate agreements with its members to ensure all costs are recovered.

- **Revolving credit facility**

  The company renewed its guaranteed committed funding Revolving Credit Facility (RCF) from NatWest of £100 million in July 2023. This will be monitored by the MIB Board.

Emissions and energy consumption

MIB's greenhouse gas emissions, reportable under SECR from 1 January 2024 to 31 of December 2024, were 109 tonnes of CO2e using a location-based methodology and 26 tonnes of CO2e using a market-based method. The carbon emissions include those emissions associated with transportation and electricity consumption.

MIB greenhouse gas emissions have increased by 7% using the location-based methodology for emissions calculation, in comparison to the year 2023.

These include the emissions associated with electricity and business travel. Motor Insurers Bureau's intensity of 0.2 tonnes CO2e per £m was 0% higher than in 2023.

Emissions source	**2024**	**Share %**	**2023**	**Share %**
Natural Gas	0	0%	0	0%
Transportation Fuel	26	24%	13	12%
Electricity	83	76%	88	88%
Total emissions (tonnes of CO2e)	**109**	**100%**	**101**	**100%**

The emissions have been calculated using our annual consumption of energy, taken directly from electricity and gas statements and using the latest conversion factors provided by the UK Government, totalling 477,250 kWh for the year ended 31 December 2024. Our annual emissions ratio equates to 842 kWh per £k revenue.

Emissions source	**2024**	**Share %**	**2023**	**Share %**
Natural Gas	0	0%	0	0%
Transportation Fuel	75,561	16%	54,023	12%
Electricity	401,689	84%	393,273	88%
Total (kWh)	**477,250**	**100%**	**447,296**	**100%**

MIB is committed to continually improving energy efficiency and reducing environmental impact while operating as a responsible and sustainable business. Over the past year, we have undertaken several initiatives that will result in carbon emissions reductions for the company:

- 4 x fan motors replacement to optimise cooling systems for ultimate energy efficiency- following recommended works reported after our annual service through West Mercia on our Air conditioning/Air Handling Units.
- Revised operational arrangements:
    - LWH was open 16 hours a day, from 6am until 10pm Monday to Friday. Reception was staffed throughout those hours by our facilities partner and the building was also lit and heated/cooled during those times.
    - New LWH operational arrangements – hours changed from 6.30am to 6.30pm with Floor 2 being closed on Fridays to save energy and cut our CO2 emissions.
- Heating controls/timers which help manage when the heating should be on and what temperature rooms should be.
- Intake Roof reseal to prevent unnecessary heat loss keeping temperature more stable.

Taking our impact further

Our mission to support victims and make roads safer is at the heart of everything we do. We are always looking ahead for new opportunities to be a force for good in society and people's lives.

In 2024, we continued our commitment to six of the UN Global Goals which forms the basis of our ESG framework.

Goals 3 & 4: Early Intervention through Education

We believe education and early intervention for young people are crucial to ending uninsured driving. To help create positive change, we partnered with the PSHE Association to develop teaching resources.

Our free-to-download lessons help students (ages 11-18) recognise their responsibilities as road users (KS3), understand how to drive responsibly (KS4-5) and how to spot fraud and scams related to buying motor insurance (KS4-5).

Goals 5 & 10: People and the Community

Building a diverse and inclusive culture where everyone feels they belong is integral to our long-term strategy at MIB.

Everyone at MIB plays a key part in creating a welcoming and inclusive workplace, which is fundamental to our success. We all understand that, only when we truly enable each other and value the difference each one of us brings, we make serving the victims of uninsured and hit-and-run drivers and our ultimate goal of removing uninsured drivers, possible. We are committed to closing our gender pay gap and supporting the Women in Finance Charter to increase female leadership representation. In 2024, 35.7% of our senior leaders were women, and we have extended our timelines to achieve our 40% target we set as part of Women in Finance Charter by the end of 2025.

Our nine employee networks play a vital role in our effort to create a truly inclusive community where everyone can bring their whole self to work. Highlights from 2024 include:

- Our GEN (Gender Equality Network) hosted two panel discussion/networking events for International Women's Day on the theme of "accelerating progress", hosted a women's health webinar and hosted an event for International Men's Day. GEN also established a mentoring programme, with 30 mentors signed up across all business areas.

- Our Disability Employee Network has improved virtual meeting accessibility, lowering microphones and cameras, and improving Teams features.

- Our Wellbeing Network covered four broad topics, one per quarter: Physical Health, Mental Health, Social Health, and Emotional Health. For each we promoted a myriad of webinars, awareness days, fundraisers and in-person events which all benefitted our people and their overall wellbeing.

- Our menopause group are working hard to make menopause less of a taboo topic; helping colleagues deal with symptoms and sharing employee stories and having a dedicated resource page on our intranet.

- We have a hugely successful Real Life blog series; which is a collection of bravely shared, cathartically written and thought-provoking pieces from a cross-section of people across MIB.

- Our REACH (Race, Ethnicity And Cultural Heritage) Network has worked hard on advocating for a diverse community. After introducing a Diversity Map to understand the places that represent the heritage in MIB, we focused on celebrating all cultural events with bringing people together or sharing articles/ experiences to learn more as education plays an important role in breaking down barriers and want to contribute towards promoting the inclusivity.

- 44 colleagues attended an Unconscious Bias webinar, and our senior leadership group participated in allyship training.

Community Engagement: Goodness Programme

We believe in being a force for positive change. Through our Goodness programme, we empower employees to give back to their communities. In 2024, the programme:

- Partnered with UnityMK to support individuals experiencing homelessness; raising over £8,500 by participating in UnityMK's Big Sleep Out.

- Recorded 168.5 volunteering hours by 28 employees.

- Donated £1,458 via our Pennies from Heaven scheme, where employees donate small amounts from their payslips.

Goal 9: Industry, Innovation, and Infrastructure

In 2024, MIB continued work enhancing our core services to improve road safety, provide high-quality support to victims of uninsured and hit-and-run drivers, and influence key international industry issues. We are committed to adapting to an evolving landscape to ensure long-term success.

Goal 13: Environment

In 2024 we continued our partnership with Carbon Neutral Britain to offset our carbon emissions; expanding our environmental impact reporting to include our office in

London. This year we offset 101 tonnes of CO_2e, certifying our entire estate as carbon neutral.

Statement of disclosure of information to auditors

At the time when this report is approved each Director has confirmed that:

- so far as each Director is aware, there is no relevant audit information of which the Group's auditors are unaware; and

- each Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Group's auditors in connection with preparing their report and to establish that the Group's auditors are aware of that information.

The Board approved the Strategic Report and Directors' Report and these were signed on their behalf by:

DocuSigned by:
Mark Evans
B76DC3A140BE487...

Mark Evans
Company Secretary
11 June 2025

Registered Office:
Linford Wood House
6 - 12 Capital Drive
Linford Wood
Milton Keynes
MK14 6XT

Corporate Governance Statement

A robust corporate governance framework is essential to the efficient and effective performance of MIB. It ensures the accountability, responsibility and ethical behaviour of MIB and enables our members, customers and stakeholders to have full confidence in our operations. In developing its governance framework, MIB has considered some of the provisions of the UK Corporate Governance Code and has used these, to the extent appropriate given MIB's 'not for profit' status and the fact that Non-Executive Directors perform their roles on a voluntary basis without remuneration.

The Board

It is the responsibility of the Board to ensure that MIB's long-term strategy promotes the interests of our members, customers, employees, and the business community in which we operate. This includes reporting to all members and other stakeholders on MIB activities and presenting a fair, balanced, and understandable assessment of MIB's position and prospects.

The Board provides direction to MIB, supervising MIB executive management and maintaining control over MIB's assets. They ensure MIB operates ethically and with robust corporate governance practices to determine the nature and extent of the principal risks MIB is willing to take in achieving strategic, financial, and operational success.

The Board is responsible for ensuring there is an appropriate system of governance throughout the Group. This includes a robust system of internal controls and a sound risk management framework, the core elements of which are:

- matters reserved for the Board and Board committees' terms of reference;
- risk appetite; and
- Group Policy Framework, which comprises policies that the Board approves.

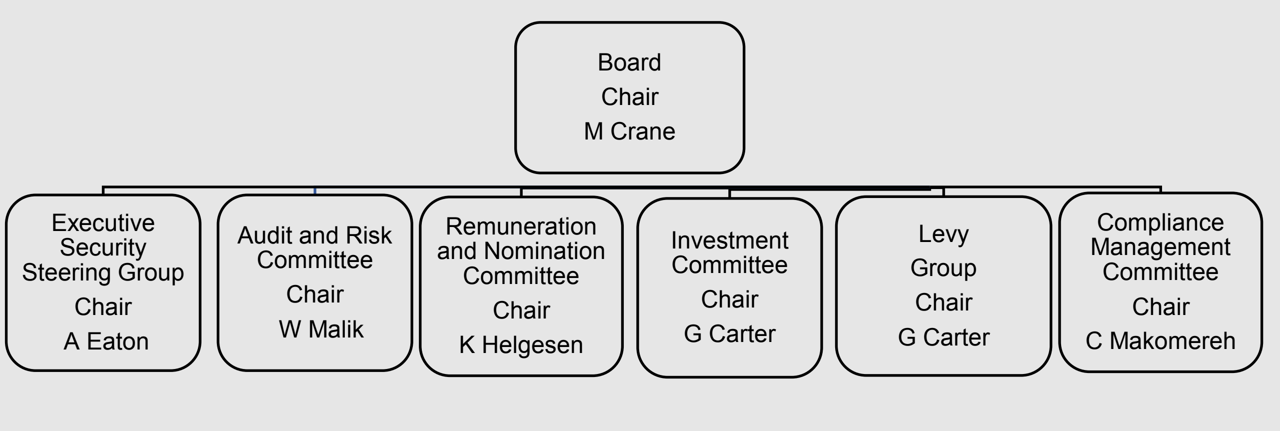
No sole member of the Board has unrestricted powers of decision; the Board as a whole will consider matters referred to them for approval. Affairs that require specific Board approval are documented along with relevant controls. This framework also provides a reference for decisions that can be delegated to committees.

At the time of writing, the Board comprises nine Non-Executive Directors, two independent Non-Executive Directors, and three Executive Directors. The nine Non-Executive Directors do not receive any form of remuneration in their capacity as Board members. The two independent Non-Executive directors receive an annual salary only. The Executive Directors receive a salary, an annual bonus and benefits in kind. The remuneration of Executive Directors is determined by the Remuneration and Nomination Committee on consideration of the degree of individual responsibility, individual performance and market data.

The role of the Non-Executive Directors is to participate fully in the functions of the Board, advising, supporting and challenging executive management as appropriate. Non-Executive Directors can serve three terms of three years. The Chairman can currently serve three terms of three years plus an additional 4 years. The Remuneration and Nomination Committee nominates the Non-Executive Directors and Chairman for appointment and the Board then approves the appointments. Non-Executive Directors and the Chairman are subject to election or re-election annually at the AGM.

Board Committees

The Board has established various Committees to help meet its responsibilities. Each Committee plays a vital role in ensuring that the Board operates efficiently and considers matters appropriately and each Committee has a separate terms of reference.



Executive Security Steering Group

The Executive Security Steering Group comprises of five members of the Executive Committee plus appropriate representation from the wider business as required. Established in 2018, the role of the Executive Security Steering Group is to monitor threats to MIB critical assets and to ensure that controls are in place to reduce the likelihood of reputational damage through a security incident in line with the strategy and risk appetite set by the Board.

It is empowered to take the steps necessary to maintain adequate controls when the threat landscape changes and or when the likelihood of a security incident arises.

The Executive Security Steering Group operates at a strategic level, provides direction and takes information from the Operational Security Group.

Audit and Risk Committee

The Audit and Risk Committee comprises two Non-Executive Directors. The Head of Internal Audit has a direct reporting line to the Chair of the Audit and Risk Committee. The MIB Chief Executive Officer and MIB Chief Risk Officer are invited to attend by the Non-Executive Directors, as well as any MIB officer that the Audit and Risk Committee feels appropriate. In 2024 the Committee met four times, in January, April, July and November.

The Audit and Risk Committee assists the MIB Board by:

• overseeing the MIB Risk Management Framework and ensuring that MIB operates within agreed risk parameters and clearly defined risk appetite statements;

• reviewing and assessing MIB's system of internal controls by:
– Approving and challenging the Internal Audit plans of scheduled work and ensuring that such work provides assurance over the key risks to MIB meeting its corporate objectives; and
– Ensuring that Internal Audit has adequate and appropriately skilled resources and where necessary obtains external specialist resource to support completion of its work programme;

• Overseeing the work of the external auditors and providing assurance over the integrity of MIB's financial statements;

• Appointing and removing external auditors; and

• Providing supervision of corporate governance policies and issues related to legal and regulatory compliance bodies.

2. Risk Management

As MIB's range of services and programme activity continues to evolve, there is a stronger focus on governance and control across the business. The Risk Management team provide a robust risk-management framework that provides effective management of risk within MIB.

The Risk team is MIB's second line of defence and oversees MIB's control environment. The team is responsible for helping to embed a risk-management culture into everyday business activities. MIB's risk-management framework is aligned to ISO31000:2018 principles and guidelines. Risk Management focuses on dynamic strategy enablement and value creation as well as the prevention and mitigation of key risk events. By embedding a risk-management culture, MIB is able to adapt to mitigate threats and exploit opportunities.

3. Compliance

MIB views compliance with the Data Protection Act 2018 and the UK GDPR as a business-critical objective. The MIB data protection programme is designed to deliver continuous improvement, while driving increased maturity levels across the business. MIB maintained both ISO 27001 information security and ISO 22301 (2019) business continuity certification in 2024. MIB compliance with these standards forms part of its commitment to a systematic, robust approach to management of the confidentiality, integrity and availability of the data MIB controls. Accountable executives review MIB's compliance with all laws and regulations relevant to their business unit and they proactively ensure MIB remains compliant with the latest laws and regulations.

4. Health and Safety

MIB recognises the vital importance of health and safety. MIB operates, as far as is reasonably practical, in a manner which poses no risk to the health and safety of employees, contractors, visitors and the general public. We carry out required risk assessments and ensure that appropriate mitigating actions are taken.

Levy Group

The Levy Group comprises two Non-Executive Directors, three Executive Directors, appropriate representation from member companies and consultant actuaries as appropriate. The role of the Levy Group is to assess the levy requirements, including the amount of the annual levy and the method of apportioning this across the levy members.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee comprises a minimum of two Non-Executive Directors. The role of the Committee is to determine and agree with the Board the framework or broad policy for the remuneration of the Executive Directors, including pension rights and compensation payments. The Committee also oversees the remuneration arrangements of MIB employees, and through Board delegation, all aspects relating to culture, and the nomination of the Non-Executive Directors and Chairman for appointment by the Board.

Investment Committee

The Investment Committee comprises two Non-Executive Directors and three Executive Directors. The role of the Investment Committee is to provide investment strategy recommendations and monitor the investment policies, procedures and performance.

Compliance Management Committee

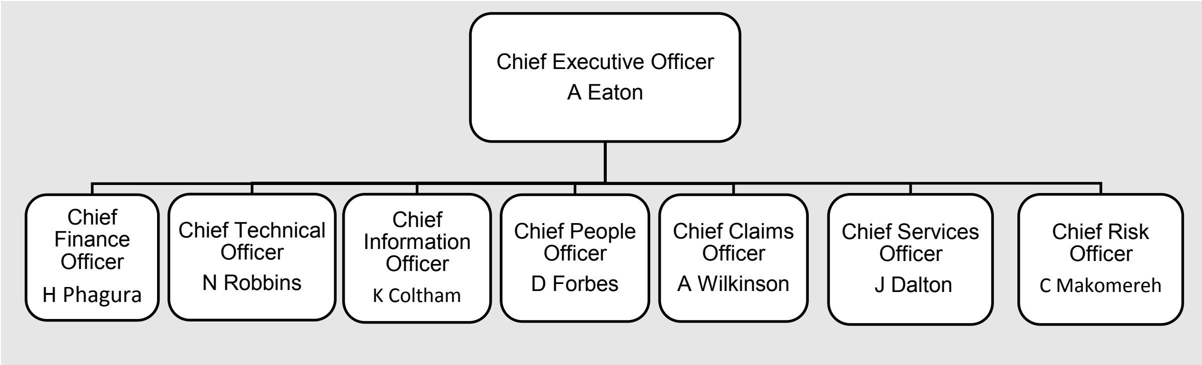
The Compliance Management Committee was established to ensure MIB complies with all obligations under the applicable data protection laws and that there is effective oversight and monitoring of data protection compliance initiatives undertaken across the organisation. The Compliance Management Committee also ensures any data protection initiatives undertaken remain aligned with the organisation’s overall commercial strategy, priorities and risk appetite.

Chief Executive Officer (CEO)

The role of the CEO is to manage the Group’s business on a day-to-day basis and to assist the Board in carrying out its role by providing advice and recommendations consistent with the agreed corporate objectives, financial and operational risk management and regulatory good practice. In fulfilling this executive role, the CEO acts within the authority delegated by the Board.

Executive Committee

The Executive Committee is the principal management committee that supports the CEO to manage the day-to-day operations of the Group. The Executive Committee assists the CEO to set performance targets, implement the MIB strategy and direction and monitor key objectives to achieve the Group’s targets. During 2024, the Executive Committee comprised the Executive Directors (CEO, Chief Risk Officer and Chief Finance Officer) and a Chief Technical Officer, Chief Information Officer, Chief People Officer, Chief Claims Officer and Chief Services Officer.



Supplier terms

A review of the forms of contract for use in new contract awards has been performed and they have been updated where necessary. Supplier payment terms are now standard and range from 30 days to 60 days on average, dependent on the category of expenditure.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOTOR INSURERS' BUREAU

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's result and the Parent Company's result for the year then ended;
- the financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Motor Insurers' Bureau ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2024 which comprise the Consolidated and Company Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Cash Flow and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

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 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 Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, 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.

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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 Group and the Parent 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.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

Responsibilities of Directors

As explained more fully in the Directors' Report, 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- Inspecting board minutes,

we considered the significant laws and regulations to be UK adopted international accounting standards, and the Companies Act.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for

example through the imposition of fines or litigations. We identified such laws and regulations to be the applicable provisions of the Road Traffic Acts.
Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be the valuation of Periodic Payment Order ('PPO') and Incurred But Not Reported ('IBNR') Liabilities and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing them to supporting documentation; and
- Performing independent reprojections and other audit procedures with respect to the valuation PPO and IBNR liabilities.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

6EAAC5E6CA7F492...

Giles Watson (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
11 June 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated and Company Statement of Comprehensive Income

For the year ended 31 December 2024

	Notes	Consolidated		Company	
		2024 £'000	**2023 £'000**	**2024 £'000**	**2023 £'000**
INCOME					
Leviable premium	3	284,056	361,990	278,131	355,088
Other operating income	4	12,359	12,791	14,716	16,071
Total income		296,415	374,781	292,847	371,159
EXPENDITURE					
Net claims paid	5	(433,707)	(344,371)	(433,707)	(344,371)
Decrease in claims provision	5	370,565	157,841	370,565	157,841
Net claims incurred	5	(63,142)	(186,530)	(63,142)	(186,530)
Administrative expenses	6	(72,544)	(62,889)	(68,976)	(59,267)
Terrorism insurance	6	(8,400)	(8,400)	(8,400)	(8,400)
Operating gain		152,329	116,962	152,329	116,962
Financial income	7	8,827	8,108	8,827	8,108
Financial expenses	8	(161,156)	(125,070)	(161,156)	(125,070)
Net income / (expenditure) before tax		-	-	-	-
Income tax refund / (expense)	9	-	-	-	-
Net income / (expenditure) after tax		**-**	**-**	**-**	**-**
Other comprehensive income:					
Items that will not be reclassified to SoCI					
Actuarial (loss) / gain on retirement benefits	10	(5,916)	508	(5,916)	508
Unrealised gain / (loss) on investments		9,418	(208)	9,418	(208)
Items that will or may be reclassified to SoCI					
Adjustment in leviable premiums for Actuarial loss / (gain) on retirement benefits		5,916	(508)	5,916	(508)
Adjustment in leviable premiums for Unrealised (gain) / loss on investments		(9,418)	208	(9,418)	208
Other and total comprehensive income for the year		**-**	**-**	**-**	**-**

The Group's activities were continuing during the above two financial years.

The Group has no other comprehensive income. The net income shown above is its total comprehensive income. The accompanying notes on pages 36 to 70 form an integral part of these financial statements.

Consolidated and Company Statement of Financial Position

As at 31 December 2024

	Notes	Consolidated		Company	
		2024 £'000	**2023 £'000**	**2024 £'000**	**2023 £'000**
ASSETS					
Non-current assets					
Intangible assets	11	-	-	-	-
Property, plant and equipment	12	5,780	6,441	5,780	6,441
		5,780	6,441	5,780	6,441
Current assets					
Trade and other receivables	13	2,763,339	2,999,334	2,763,050	2,999,590
Retirement benefit asset	10	115	286	115	286
Financial investments	14	235,704	192,766	235,704	192,766
Cash and cash equivalents	15	60,482	77,482	60,217	76,188
		3,059,640	3,269,868	3,059,086	3,268,830
Total assets		**3,065,420**	**3,276,309**	**3,064,866**	**3,275,271**
LIABILITIES					
Non-current liabilities					
Retirement benefit obligations	10	-	-	-	-
Provisions	5	2,468,650	2,702,341	2,468,650	2,702,341
Creditors > 1 year		337	413	337	413
		2,468,987	2,702,754	2,468,987	2,702,754
Current liabilities					
Trade and other payables	16	66,133	66,955	65,579	65,917
Retirement benefit obligations	10	-	-	-	-
Provisions	5	530,300	506,600	530,300	506,600
		596,433	573,555	595,879	572,517
Total liabilities		**3,065,420**	**3,276,309**	**3,064,866**	**3,275,271**

The financial statements on pages 33 to 70 were approved and authorised for issue by the Board of Directors on 11 June 2025, and were signed on its behalf by

Signed by:
C764097BAE0E42E...
Mike Crane – Chairman

Signed by:
Angus Eaton
AFF70254DD26403...
Angus Eaton – Director, and Chief Executive

The accompanying notes on pages 36 to 70 form an integral part of these financial statements.

Group Company Number 412787

Consolidated and Company Statement of Cash Flow

For the year ended 31 December 2024

	Note	Consolidated		Company	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Cash flows from operating activities					
Cash generated from operations	17	17,877	82,469	18,906	81,595
Interest paid		(144)	(229)	(144)	(229)
Interest received		8,560	6,143	8,560	6,143
Net cash flows from operating activities		26,293	88,383	27,322	87,509
Cash flows from investing activities					
Purchase of property, plant & equipment		-	(88)	-	(88)
Net change in financial investments		(43,293)	(40,445)	(43,293)	(40,445)
Net cash flows from investing activities		(43,293)	(40,533)	(43,293)	(40,533)
Net increase in cash and cash equivalents		**(17,000)**	**47,850**	**(15,971)**	**46,976**
Cash and cash equivalents at the beginning of the year	15	77,482	29,632	76,188	29,212
Net increase in cash and cash equivalents		(17,000)	47,850	(15,971)	46,976
Cash and cash equivalents at the end of the year	**15**	**60,482**	**77,482**	**60,217**	**76,188**

The accompanying notes on pages 36 to 70 form an integral part of these consolidated financial statements.

Notes to the Financial Statements

1. Material accounting policies

Basis of preparation

The Motor Insurers' Bureau Group, hereinafter referred to as "MIB", or the "Group", also referred to as the "Bureau", and the Parent Company have elected to prepare their financial statements under the historical cost convention, as modified for the revaluation of certain assets, and in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

Items included in the financial statements of the Group are measured in the currency of the primary economic environment in which that entity operates (the functional currency). The functional currency is pounds sterling.

The financial statements and accompanying notes are presented in thousands of Pounds (£'000).

In respect of IAS 19, the Group has elected to disclose comparative information of the present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan, from adoption of IFRS.

The Directors have prepared forecasts, for a period of at least 12 months from the date of approval of the financial statements take into account an assessment of the impact of current sanctions and inflation rates and have concluded that it continues to be appropriate to prepare the financial statements on a going concern basis.

Standards issued but not yet effective

All new standards, interpretations and amendments to published standards that have been issued and endorsed by the UK Endorsement Board, have been considered. The following new and amended standards that came into effect in the year have been adopted by the Company during the period as appropriate:

- IAS 1 amendments: Classification of liabilities as current or non-current – January 2024.
- IAS 1 amendments: Non-current liabilities with covenants – January 2024.
- IAS 7 and IFRS 7 amendments: Supplier Finance Arrangements – January 2024.
- IFRS 16 amendments: Lease liability in a sale and leaseback – January 2024.

No adjustments to classification, recognition or measurement were required to be made to the financial statements of the company as a result of adopting these new accounting standards.

The following is a list of standards that are required to be applied for future annual reporting periods beginning after 1 January 2024, together with their effective date of application to the Company and have not been early adopted by the Company:

- IAS 21 amendments: Lack of Exchangeability – January 2025.
- IFRS 9 and IFRS 7 amendments: Classification and Measurement of Financial Instruments – January 2026.
- IFRS 13 Presentation and Disclosure in Financial Statements – January 2027.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures – January 2027.

The standards effective from 2025 have been reviewed and are not expected to have a material impact on the Company. The implications of the remaining standards are under review. The material accounting policies adopted are listed below. These policies have been consistently applied to all years presented, unless otherwise stated.

IFRS 17: Insurance contracts

The Group has not applied IFRS 17: Insurance contracts from 1 January 2023. The Group's core activities are delivered in accordance with a contract with the Secretary of State for Transport. Revenue related to those activities is derived from a statutory levy on members and is recognised on the same basis as the Group recognises its obligations under the contract with the Secretary of State. As such based on the definition per IFRS 17, MIB does not issue insurance contracts.

Group status

MIB is a group incorporated in the United Kingdom limited by guarantee and not having a share capital under the control of its Members with a registration number 412787. The Group is domiciled in the United Kingdom and its registered address is Linford Wood House, 6-12 Capital Drive, Linford Wood, Milton Keynes, MK14 6XT, United Kingdom. The liability of the Members is limited to £5 each, in the event of the Group being wound up. The total expenditure of the Group is reimbursed by contributions received and receivable from its Members. The Group therefore makes neither a profit nor does it incur a loss.

Income

Leviable premium income represents contributions receivable from Members during the year plus amounts available for call within 12 months of the statement of financial position date.

The levy uncalled / additional levy represents the increase in case reserves during the year, plus the increase in the estimated value of those claims that are "incurred but not reported", plus the net amount of the other movements in the income statement. This is the amount that can be levied to Members within 12 months of the statement of financial position date but only such sums will be called up in order to discharge liabilities for claims, operating costs and supplementary agreement costs.

Deferred revenue relates to levy income that will be receivable in the following accounting period hence the classification. Levy is accounted for in period that it relates to.

The company incurs expenses on behalf of subsidiary companies within the group. These expenses are recharged to the subsidiaries at zero mark-up and the income is classified as "Fee income from management services". Fee income is also generated from the provision of management services by MIB to third parties who are not part of the MIB group. Management services are also provided to third parties at zero mark-up. Fee income is recognised as expenses are incurred.

All Income is from UK based operations.

Net claims paid

Claims paid comprise all claims and related expenses (including internal management and administrative costs of handling claims) settled during the year less recoveries received/receivable.

Claims Provisions

The Group's outstanding claims provision includes notified claims as well as incurred but not yet reported claims. Provisions are measured at the Company's discounted best estimate of the expenditure required to settle the present obligation under IAS37.

Each notified claim is assessed on a separate, case-by-case basis with due regard to the specific circumstances, information available from the claimant or other sources and past experience with similar claims. The Group rigorously applies standardised policies and procedures around claims assessment.

The ultimate cost of the reported claims may vary as a result of future developments or better information becoming available about the current circumstances. Case estimates are therefore reviewed regularly and updated if new information becomes available.

The claims provision includes an amount for Incurred But Not Yet Reported (IBNR) and Incurred But Not Enough Reported (IBNER).

Claims Incurred But Not Yet Reported (IBNR)

This represents the total provision for unpaid claims that have occurred but have not been reported to the Group at the accounting date. Current and historical data relating to claims, payments and reserves is gathered by accident year up to and including 31 December 2024. The data is used to project the cost of future claims using generally accepted actuarial techniques.

Claims Incurred But Not Enough Reported (IBNER)

This represents an adjustment for the anticipated improvements in known estimates in claims relating to accidents which have been notified before the end of the accounting period.

Consolidation

The following subsidiary undertakings, MIB Management Services Limited, MIB Portal Services Limited, Official Injury Claim Limited and Tracing Services Limited, have continued to be consolidated this year with consolidated Group financial statements being prepared.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Investments in subsidiaries are accounted for at cost less impairment in the Parent Company. Investment in associates are entities that MIB does not have power over and holds between 20-50% of the entity’s shares. Equity accounting is applied for such investments. MIB’s share of the investment’s net assets are recognised in OCI.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Cost comprises purchase price and directly attributable costs.

Depreciation is calculated on a straight-line basis to allocate cost less residual values of the assets over their estimated useful lives as follows:

Fixtures and fittings	5 years
Computers	3 years

The residual values and useful lives are reviewed and adjusted if appropriate at each financial year end.

Land and buildings are measured using the revaluation model. Revaluations are carried out triennially to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. All changes to the property's value shall be recognised in other comprehensive income. Items recognised in other comprehensive income are transferred to the Leviable Premiums, hence the total other comprehensive income will be nil.

Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

Intangible assets

Database development costs are capitalised as intangible fixed assets at cost. These costs arise from internal projects during the development stage and meet the criteria for capitalisation as set out in IAS 38.57. They are amortised to the statement of comprehensive income over their estimated economic life.

Development expenditure	5 years straight line

Leases

For any new contracts entered into on or after 1 January 2019, in accordance to IFRS 16, the Group considers whether a contract is or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

1) the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;

2) the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and

3) the Group has the right to direct the use of the identified asset throughout the period of use.

The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use including leases entered into before 1 January 2019.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right- of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

Right-of-use leases assets	2-5 years straight line

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any modification, or if there are changes in in-substance fixed payments.

Taxation

Current tax represents the expected tax payable (or recoverable) on the taxable income for the year using tax rates enacted or substantively enacted at the statement of financial position date and taking into account any adjustments arising from prior years.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that, at the time of the transaction, affects neither accounting nor taxable income nor expenditure.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilised.

Retirement benefit obligations

The Group operates a defined benefit scheme and a number of defined contribution schemes.

Contributions to defined contribution pension plans are charged to the statement of comprehensive income as incurred. MIB has no further payment obligations once these contributions have been paid.

For the defined benefit pension scheme, the assets are measured at their market value at the statement of financial position date and the liabilities of those schemes are measured using the projected unit credit method. The discount rate used is the current rate of return on an AA corporate bond of equivalent term and currency to the liabilities. The extent to which the scheme's assets exceed or fall short of their liabilities is shown as a surplus or deficit in the statement of financial position to the extent that a surplus is recoverable by MIB or that a deficit represents an obligation of MIB. Where plan assets include qualifying insurance policies that match benefits payable under the plan the fair value of these policies is deemed to be equal to the present value of those benefits.

The current service cost and gains and losses on settlements and curtailments are included within operating expenses in the statement of comprehensive income. The expected return on pension assets and the interest on pension liabilities are included in the finance costs in the statement of comprehensive income. Actuarial gains and losses are recognised in full in the statement of other comprehensive income in the period in which they occur, see Note 9.

Investments

Management have opted to measure investments at Fair Value through the Statement of Other Comprehensive Income (FVOCI). Investments are valued at current market rates and interest receivable is accounted for on an accruals basis. Debt investments have been designated at FVOCI as they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest. Equity investments are not held for trading and have also been designated at FVOCI to align with the Group's long-term investment strategy. These investments are primarily held to achieve long-term capital appreciation and are not expected to be sold in the short term. These designations are consistent with the Group's objectives for managing liquidity and investment risk.

Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and in hand, deposits held on call with banks and other short-term deposits with less than three months maturity from the date of acquisition.

Segmental reporting

Management consider that MIB has one reportable segment being to reduce the level and impact of uninsured and untraced driving which includes the provision of associated data asset management services. As such the financial statements disclose all available information required.

Significant estimates and judgements

In preparing the annual financial statements, management is required to make estimates and judgements that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

Significant estimates and judgements include:

i) **Claims provisions**
The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the statement of financial position date, including incurred claims that are not reported (IBNR) together with related claims settlement costs. Significant judgements are applied when the provision is discounted at each reporting date to show the present value of the obligation as well as when applying risk adjustment for uncertainties related to provisions. Delays can be experienced in the notification and settlement of claims, and the nature of claims is both complex and requires subjective assessment. Accordingly, the ultimate cost and date of future settlement of such claims cannot be known with certainty at the statement of financial position date. Any resultant under- or over-provision for claims is recognised in the period in which the under- or over- provision is discovered, either on final settlement of the claim or on re-estimation of its ultimate cost. In addition to the above there is uncertainty as to the amount of any backlog in Lewis v Tindale claims. Within the IBNR an explicit adjustment in respect of Lewis v Tindale claims has been included totaling £19.5m (2023: £25.3m).

The provisions carried in MIB's financial statements are similar in nature to those dealt with by insurers, and the approach and methods used in the measurement of those liabilities by MIB are consistent with the approaches and methods generally used by insurers.

Accordingly, the basis of valuation of the provisions is as follows:

- Projections are made using standard actuarial techniques and independent actuaries are appointed for this purpose. The approach uses information relating to the Group's historical claims payment and reserves files for each type of claim incurred up to the statement of financial position date. Projections are undertaken using the Chainladder method for each type of claim by accident year. The main assumption underlying this technique is that a Group's past claims development experience will be appropriate to project future claims development.
- The projections include allocated costs such as legal expenses.
- The provisions are discounted. The longer-term Periodical Payment Orders are individually discounted on a case-by-case basis taking an appropriate annuity factor corresponding to the assumed life expectancy.
- MIB estimates the future expected cash flows for non-Periodical Payment Orders using actuarial techniques, and discounts these at the risk-free rate published by the PRA for regulatory purposes.
- Future claims experience is likely to deviate from the projections. Among other reasons, this is because the ultimate claim amount will be affected by future external events, for example, the size of court awards, changes in standards of liability and the attitudes of claimants towards settlement of their claims.

ii) Levy

The MIB levy call for the year is based on an actuarial estimation carried out by independent actuaries of the likely expenditure in the year on the settlement of claims and business running costs, net of expected investment returns.

Going concern

The Directors have modelled stressed future scenarios to assess the sustainability of the Company's cash position and ability to continue to meet all obligations as they fall due in the normal course of business. Those stressed scenarios reflect judgements as to the impact of current sanctions and inflation rates on the economic environment in which the company and its members operate. See Directors report and basis of preparation for detail.

2. Employee costs and numbers – within Administrative Expenses

Particulars of employee costs (including Executive Directors) were as follows:	Consolidated and Company	
	2024 **£'000**	**2023** **£'000**
Wages and salaries	24,525	24,176
Social security costs	2,875	2,760
Pension contributions – Defined benefit	-	-
– Defined contributions	2,002	1,808
Other staff costs	(11)	129
	29,391	**28,873**

Average number of employees (including Executive Directors) were:	**No.**	**No.**
MIB claims operations	167	149
MID & Data services (inc IFB)	138	110
MIB / MID support	132	153
	437	**412**

	Consolidated and Company	
Directors' remuneration	**2024** **£'000**	**2023** **£'000**
The remuneration of the Directors was as follows:		
Emoluments (including benefits in kind)	3,072	2,085
Pension contributions	66	26
	3,138	**2,111**
Highest paid Director:		
Emoluments	1,540	1,577

The number of Directors who were members of the Group's defined benefit scheme at the statement of financial position date was as follows:	**No.**	**No.**
Defined benefit	0	0

Key management personnel

Apart from the Executive Directors, there are a number of senior executives who form the Executive Committee and whose roles influence the ability of the Group to meet its strategic objectives. The remuneration of the Executive Committee, excluding the Executive Directors, was as follows:

	Consolidated and Company	
	2024 £'000	**2023 £'000**
Emoluments (including benefits in kind)	1,719	2,351
Pension contributions	195	111
	1,914	**2,462**
Number of executives at the statement of financial position date	**5**	**5**

3. Leviable premium

	Consolidated		**Company**	
	2024 £'000	**2023 £'000**	**2024 £'000**	**2023 £'000**
Levy called	506,636	530,244	500,711	523,342
Movement in uncalled levy	(222,580)	(168,254)	(222,580)	(168,254)
Leviable premium	**284,056**	**361,990**	**278,131**	**355,088**

Movement in uncalled levy

	Consolidated and Company	
	2024	**2023**
	£'000	**£'000**
(Decrease) in outstanding claims provision	(370,565)	(157,841)
Other movements	147,985	(10,413)
Movement in uncalled levy	**(222,580)**	**(168,254)**

Other movements is the over- or under-collection of the levy vs MIB's outgoings.

In order to write UK motor insurance business, insurers must become a member of MIB and adhere to the terms and conditions laid out in its Memorandum and Articles of Association. The terms require each Member to pay a levy to MIB, calculated on the basis of the volume and class of business written over each financial period. The majority of the levy is collected by monthly direct debit with a right to charge interest for any late payment. Ultimately, should an insurer default or become bankrupt or insolvent, the debt can be passed to the general market for reimbursement. Therefore, non-payment of levy from a Member presents a negligible risk to the Group.

The Group has the right to call an additional levy from Members should it wish to do so. The additional levy receivable shown in Note 13 of £2,713 million (2023: £2,951 million) represents the estimated value of all current and IBNR claims which can be called upon within 12 months of the statement of financial position date. While this represents a significant amount within the statement of financial position, the risk of non-payment is considered unlikely given that the overall premium income generated by the motor insurance market in 2024 was £22 billion (2023: £19 billion) and all members have to be well capitalised for regulatory purposes. Therefore, a risk would only be presented if the entire motor insurance market were to fail.

4. Other operating income

	Consolidated		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
General enquiries	764	838	764	838
Additional levy	4	(34)	4	(34)
Electronic vehicle licence fees	47	46	47	46
Third party MID enquiries	2,475	2,072	2,475	2,072
CUE/MIAFTR/Other	1,728	2,089	1,728	2,089
Fees for management services	7,341	7,780	9,698	11,060
Other operating income	**12,359**	**12,791**	**14,716**	**16,071**

5. Provisions

Claims provision and expenditure

	Consolidated and Company	
	2024 £'000	2023 £'000
Claims provision at 31 December	(2,998,950)	(3,208,941)
Claims provision at 01 January	3,208,941	3,241,945
Net movement in claims after discounting	209,991	33,004

Claims reconciliation	2024 £'000	2023 £'000
Claims provision at 01 January	3,208,941	3,241,945
Movement in claims provision before discounting:		
Claims incurred	63,142	186,530
Claims paid less recoveries	(433,707)	(344,371)
Movement in claims provision (Note 3)	(370,565)	(157,841)
Discount unwinding (Note 8)	160,574	124,837
Claims provision at 31 December	2,998,950	3,208,941

Claims provision at 31 December – non current	2,468,650	2,702,341
Claims provision at 31 December – current	530,300	506,600
	2,998,950	**3,208,941**

The Group recognises that claims reserving for personal injury claims arising from motor vehicle accidents is subject to a substantial degree of uncertainty. There is a range of provision estimates around the best estimate included in these accounts that, on an actuarial basis, could be considered reasonable. The Group has over time, developed a methodology that is aimed at establishing provisions that have a reasonable likelihood of being adequate to settle all of its obligations.

A risk adjustment is applied in accordance with the requirements of IAS 37 to reflect the uncertainties arising from variability of claims settlement outcomes. The Group reports the present value of its provisions in the financial statements. The unwinding of the discount rate on claims provisions is disclosed as a financial expense in the statement of comprehensive income. In 2024 that financial expense was £161 million (2023: £125 million).

Process used to determine significant assumptions:

Claim provisions

The Group's outstanding claims liability includes notified claims as well as incurred but not yet reported claims.

Notified claims

Each notified claim is assessed on a separate, case-by-case basis with due regard to the specific circumstances, information available from the claimant or other sources and past experience with similar claims. The Group rigorously applies standardised policies and procedures around claims assessment.

The ultimate cost of the reported claims may vary as a result of future developments or better information becoming available about the current circumstances. Case estimates are therefore reviewed regularly and updated if new information becomes available. The total amount of case reserves for notified claims, including Periodic Payment Order claims, held by MIB as at 31 December 2024 is £3,105.0 million (2023: £3,106.8 million).

Claims Incurred But Not Yet Reported (IBNR)

The IBNR provision as at 31 December 2024 is £363.2 million (2023: £442.6 million).

Claims Incurred But Not Enough Reported (IBNER)

The negative IBNER provision as at 31 December 2024 is (£437.5 million) (2023: (£349.6 million)). This arises due to claims estimations being overstated based on historic and current trends.

Claims handling provision and additional reserves

The claims handling provision and additional reserves as at 31 December 2024 are £11.4 million (2023: £9.2 million) and £6.3 million (2023: £nil). The additional reserves of £6.3 million in 2024 related to two cases upon which liability was settled in 2024, but payment not made until 2025.

Ogden discount rate

The Civil Liability Act 2018 introduced a new framework for setting the personal injury discount rate, requiring the government to reset the discount rate by reference to low risk rather than very low or zero risk investments. Following a government review, as dictated by the terms of the Civil Liability Act 2018, on 2nd December 2024 the Lord Chancellor announced a new Ogden discount rate of +0.5% to take effect from 11th January 2025 (a movement from -0.25%). The next review of the Ogden discount rate will start no later than July 2029 with a maximum review period of 180 days so we will see the outcome of the review no later than January 2030. Following the implementation of the new discount rate MIB claims has reviewed all its claims case estimates impacted by the discount rate movement and made appropriate adjustments.

The Group will continue to exercise judgement around the Ogden rate used in its reserves allowing for the possibility for it to change in the future. The Group considers that uncertainties around the legal framework and its implications in practice as being significant but, will continue to provision at the legally required current rate of 0.5% (2023: -0.25%) per annum with no additional allowance for further movements.

Discounting

A number of high-value claims are settled by way of Periodic Payments Orders (PPO). These are long-term structured settlements agreed by the claimant and the Group whereby, in addition to a lump sum amount, the claimant receives on going annual payments, largely towards future care costs for the entirety of his or her life. Each PPO includes the provision for future increases in the annual payments linked either to the Retail Price Index (RPI) or one of the indexes in the Annual Survey of Hourly Earnings (ASHE), usually the care workers' index ASHE 6115.

The projected cash flows for claims are adjusted using the relevant inflation index applicable to each claim and any step changes in payments as mandated by court rulings. This method ensures that the projected cash flows accurately represent the present value of future obligations, considering both inflation and judicial mandates. The yield curve to discount these cash flows is constructed based on MIB's estimate of future inflation rates.

Additionally, a 35-basis point increase is applied to account for the step changes in structured settlements. The yield curve reflects the nature of the inflation-indexed cash flows.

Non-PPO claim cash flows have been calculated using standard actuarial techniques. These cash flows have been discounted using the risk-free rate in line with the accounting policy.

Exposure to claims

The Group recognises the exposure and risk to fraudulent claims. This is reviewed as part of the ongoing risk analysis undertaken by MIB management. The Group is committed to ensuring the risk in this area is minimised and has invested in resources and technology to reduce the overall exposure.

All settled claims are referred to the Recoveries team at MIB to assess the feasibility of recovering losses. Where recovery is possible, the Group will work with appointed recovery agents to agree a settlement structure with the uninsured driver or other responsible party.

6. Administrative expenses

	Consolidated		**Company**	
	2024	**2023**	**2024**	**2023**
	£'000	**£'000**	**£'000**	**£'000**
Claims related fees	1,188	1,310	1,188	1,310
BAU Operational Expenses	78,867	69,083	75,332	65,496
Operating lease costs	42	4	42	4
Depreciation	551	551	551	551
Revaluation of property	-	-	-	-
Amortisation – leases	110	76	110	76
Auditors' remuneration	140	132	107	97
Council of Bureaux fees	46	133	46	133
	80,944	**71,289**	**77,376**	**67,667**

Auditors' remuneration is disclosed before VAT. The cost incurred by MIB in connection with the International Council of Bureaux is the contribution paid on behalf of the United Kingdom.

BAU operational expenses comprises the following costs: IT expenditure (software, hardware, hosting etc), staff expenditure, professional fees, building costs and other BAU expenditure including project work.

Since 2019, MIB have taken responsibility for compensating victims of terrorism where a vehicle is used. MIB purchases reinsurance on behalf of the motor insurance industry to cover this risk. The cost of this reinsurance was £8,400,000 in 2024 (2023: £8,400,000).

7. Financial income

	Consolidated and Company	
	2024	**2023**
	£'000	**£'000**
Bank deposit interest	3,782	2,790
Investment interest	5,032	3,534
Realised gains	-	1,784
Pension credit – IAS 19	13	-
	8,827	**8,108**

8. Finance expenses

	Consolidated and Company	
	2024	**2023**
	£'000	**£'000**
Pension costs – IAS 19	-	87
Discount unwinding on claims provision (Note 5)	160,574	124,837
Lease finance cost	42	4
Guarantee funding charges	157	142
Realised loss	383	-
	161,156	**125,070**

9. Taxation

	Consolidated		Company	
	2024	2023	2024	2023
Current tax expense	£'000	£'000	£'000	£'000
UK corporation tax at 25% (2023: 23.52%)	-	-	-	-
Adjustment in respect of prior years	-	-	-	-
R&D tax claim	-	-	-	-
Total current tax	-	-	-	-
Factors affecting the tax charge for the period				
(Loss) / profit before tax	-	-	-	-
Tax expense using the UK corporation tax rate of 25% (2023: 23.52%)	-	-	-	-
Non-deductible expenses	3	3	3	3
Fixed asset difference	79	-	79	-
Deferred tax not recognised	(83)	(7)	(83)	(7)
Remeasurement of deferred tax for changes in tax rates	-	1	-	1
Other differences	1	3	1	3
	-	-	-	-

The Group has a deferred tax asset of approximately £411,000 (2023: £494,000) which is not recognised on the grounds that there is insufficient evidence that the asset will be recoverable against suitable taxable income.

10. Retirement benefit obligations

The Group operates a defined benefit pension scheme based on final pensionable earnings. The funds are administered by the trustee and are independent of the Group's finances. The scheme was closed to new employees on 1 January 2004. An alternative stakeholder scheme is in operation for all new employees to join. During the year a buy-in occurred and the scheme asset is now materially an insurance policy.

In March 2024 the Trustees entered into an insurance contract under which the insurer will pay the scheme liabilities. The premium for the insurance policy was paid by the scheme assets as at the date of the transaction and as such the scheme asset is now the amounts recoverable under the insurance contract which are equal to the liabilities.

The scheme is subject to a triennial valuation carried out by Mercer Limited, the scheme's independent actuaries, the most recent being as at 1 January 2021 on the projected unit basis. This valuation has been updated by the independent actuaries for the purposes of IAS 19 in order to assess the assets and liabilities of the scheme as at 31 December 2024. Contributions to the scheme are made on the advice of the actuaries with the objective that the benefits be fully funded during the scheme members' average working lives. The current valuation indicates that the scheme is 100.4% funded. The current estimated value of the scheme's assets at 31 December 2024 was £25,573,000 (2023: £30,503,000).
The pension cost for the year was £13,000 (2023: £87,000).

As at 1 April 2024 the continuing contribution was ceased due to the buy-in activities (2023: £3,300,000). The principal assumptions used in setting the valuation are set out below:

	2024 **% pa**	**2023** **% pa**	**2022** **% pa**	**2021** **% pa**	**2020** **% pa**
Discount rate	5.6	4.6	4.9	1.9	1.5
Expected rate of future salary increases	-	-	-	-	-
Expected rate of future pension increases	3.2	3.1	3.2	3.2	2.9

The market value of assets in the scheme as at 31 December 2024 were £25,573,000 (2023: £30,503,000; 2022: £26,911,000; 2021: £41,425,000; 2020: £33,139,000).

The derivation of the overall expected return on assets reflects the actual asset allocation at the measurement date combined with an expected return for each asset class. The bond return is based on the prevailing return available on fixed interest gilts. The return on equities and property is based on a number of factors including:

- The income yield at the measurement date;
- The long-term growth prospects for the economy in general;
- The long-term relationship between each asset class and bond returns; and
- The movement in market indices since the previous measurement date.

The categories of scheme assets and their expected long-term rates of return, measured in accordance with the requirements of IAS 19 are as follows:

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Equities	-	-	1,788	5,719	5,957
Bonds	-	3,864	6,404	13,074	17,995
Property	-	-	1,257	2,683	541
Other	25,574	26,639	17,462	19,950	8,646
Fair value of assets	25,574	30,503	26,911	41,426	33,139
Present value of liabilities	(25,459)	(30,217)	(30,346)	(49,843)	(46,074)
	115	**286**	**(3,434)**	**(8,417)**	**(12,935)**
Net pension (liability) – Non Current	-	-	(134)	(5,117)	(10,435)
Net pension asset / (liability) – Current	115	286	(3,300)	(3,300)	(2,500)
	115	**286**	**(3,434)**	**(8,417)**	**(12,935)**

The classification between current and non-current portions of the net pension liability is based on anticipated costs for the next year. Also, the other category in 2024 represents an insurance policy following the buy-in. The Other Asset above is made up of Qualifying Insurance Policy Plan Asset £25,459k and Cash in the Trust amounting to £115k.

The movement in the deficit over the period is as follows:

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Surplus /(Deficit) at 1 January	286	(3,434)	(8,417)	(12,935)	(9,789)
Current service cost	-	-	-	-	(112)
Contributions	5,732	3,300	4,367	6,224	1,385
Other finance credit / (cost)	13	(88)	(131)	(147)	(231)
Actuarial gain / (loss)	(5,916)	508	747	(1,559)	(4,188)
Past service costs	-	-	-	-	-
Surplus / (Deficit) at 31 December	**115**	**286**	**(3,434)**	**(8,417)**	**(12,935)**

Analysis of the amount charged to administrative expenses:

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Current service cost	-	-	-	-	112
Past service cost	-	-	-	-	-
Total operating charge	**-**	**-**	**-**	**-**	**112**

Analysis of the amount charged / (credited) to other finance costs:

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Interest income on plan assets	(1,383)	(1,362)	(822)	(538)	(631)
Administration costs (excl. asset management costs)	-		-	-	38
Interest on liabilities	1,370	1,450	953	685	824
Other finance (income) / costs	(13)	88	131	147	231
Total charge for year	**(13)**	**88**	**131**	**147**	**343**

The Group has recognised actuarial gains and losses through the statement of other comprehensive income.

The following analysis has been recognised in the statement of other comprehensive income:

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Return on plan assets less interest income on plan assets	(11,180)	(46)	(19,038)	2,176	2,076
Experience gains and (losses) arising on liabilities	1,007	(273)	(2,063)	(1,946)	18
Changes in assumptions underlying the present value of the liabilities	4,257	827	21,848	(1,789)	(6,282)
Total actuarial gain / (loss)	**(5,916)**	**508**	**747**	**(1,559)**	**(4,188)**

Amounts recognised in the statement of financial position:

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Present value of funded obligations	(25,459)	(30,217)	(30,345)	(49,843)	(46,074)
Fair value of assets	25,574	30,503	26,911	41,426	33,139
Net asset / (liability) recognised in the statement of financial position	**115**	**286**	**(3,434)**	**(8,417)**	**(12,935)**

Change in assets during the year	**2024 £'000**	**2023 £'000**
Opening asset	30,503	26,911
Interest income on assets	1,383	1,363
Return on assets excluding interest income	(11,180)	(46)
Employer contributions	5,732	3,300
Benefits paid	(864)	(1,025)
Administration costs	-	-
Closing assets	**25,574**	**30,503**

Change in liabilities during the period	**2024 £'000**	**2023 £'000**
Opening liabilities	30,217	30,346
Current service cost	-	-
Interest cost on defined benefit obligation	1,370	1,450
Benefits paid	(865)	(1,025)
Actuarial (gain)/loss on changes in financial assumptions	(4,203)	921
Actuarial gain on changes in demographic assumptions	(53)	(1,748)
Experience (gain) / loss on liabilities	(1,007)	273
Closing liabilities	**25,459**	**30,217**

Sensitivity Analysis

Assumption	**Plus**	**Estimated increase/ (decrease) to obligation £'000**	**Minus**	**Estimated increase/ (decrease) to obligation £'000**
Discount rate	0.1%	(400)	0.1%	300
Inflation	0.1%	300	0.1%	(400)
Life expectancy	1 year	700	1 year	(800)

These movements have been calculated assuming that changes in the inflation assumption have a knock-on effect on the pension increase (i.e. the "real" increase rates are maintained) there have been no changes to the assumptions made this year. Due to the change in the pension arrangements in 2024 the bottom line impact of these are minimal.

Major assumptions for the IAS 19 valuation are:

	2024	**2023**
Discount rate	5.60%	4.60%
RPI Inflation	3.30%	3.20%
CPI Inflation	2.70%	2.55%
Pension increases in payment:		
• RPI inflation capped at 5.0% p.a.	3.15%	3.05%
• CPI inflation capped at 3.0% p.a.	2.15%	2.10%
Deferred revaluation:		
• RPI inflation capped at 2.5% p.a.	2.5%	2.50%
• CPI inflation capped at 5.0% p.a.	2.7%	2.55%

The liabilities at 31 December 2024 have been calculated using the projected unit method by rolling forward the preliminary results of the triennial funding valuation as at 31 December 2020. These rolled-forward results have then been adjusted to reflect the IAS 19 financial and demographic assumptions applicable at 31 December 2024.

11. Intangible assets – Consolidated and Company

	Intangible assets	**Total**
	£'000	**£'000**
Cost		
At 1 January 2024	3,591	3,591
Additions	-	-
Disposals	-	-
At 31 December 2024	3,591	3,591
Amortisation		
At 1 January 2024	3,591	3,591
Impairment	-	-
At 31 December 2024	3,591	3,591
Net book value		
At 31 December 2024	**-**	**-**
At 31 December 2023	**-**	**-**

Intangible assets comprise of expenditure incurred in the development of databases created from internal projects undertaken by MIB. During 2023, the Navigate programme was redefined into two phases, with the incremental future economic benefit now planned for delivery in the second phase, resulting in the costs for phase one (the re-platforming of MID) was fully impaired in 2023 with a view to being written off in 2025 post phase 2.

12. Property, plant and equipment – Consolidated and Company

	Land and Buildings £'000	Fixtures & Fittings £'000	Right-of-use asset £'000	Total £'000
Cost				
At 1 January 2024	4,000	2,754	605	7,359
Revaluations	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2024	4,000	2,754	605	7,359
Depreciation				
At 1 January 2024	-	918	-	918
Charge for year	-	551	110	661
Disposals	-	-	-	-
At 31 December 2024	-	1,469	110	1,579
Net book value				
At 31 December 2024	**4,000**	**1,285**	**495**	**5,780**
At 31 December 2023	**4,000**	**1,836**	**605**	**6,441**

A revaluation of property was undertaken by an independent valuer effective 31 December 2022. If the property were to be carried under the cost model, the value would be £3,725,000. See Note 18 for Right of use asset details.

The carrying amount in accordance with the latest revaluation, does not differ materially from that which would be determined using fair value at the end of the reporting period. The property is a level 2 valuation using the current market environment and last revaluation amount as the basis for the current fair value amount. There have been no changes to the valuation method from 2023.

13. Trade and other receivables

	Consolidated		Company	
	2024	**2023**	**2024**	**2023**
	£'000	**£'000**	**£'000**	**£'000**
Additional levy receivable	2,713,111	2,951,360	2,713,111	2,951,360
Intercompany receivables	-	-	237	521
Other trade receivables	47,722	45,468	47,233	45,677
Prepayments	1,947	1,862	1,910	1,388
Other receivables	559	644	559	644
	2,763,339	**2,999,334**	**2,763,050**	**2,999,590**

Other trade receivables consist of sales ledger balances due from members and recoveries receivable (amounts due from the recovery agents) less bad debt provisions.

14. Financial investments – Consolidated and Company

	2024	**2023**
	£'000	**£'000**
Corporate Bonds	84,781	133,697
Gilts	35,870	32,991
Equity	115,053	26,078
	235,704	**192,766**

	2024	**2023**
	£'000	**£'000**
Level 1 investments	130,719	123,913
Level 2 investments	104,985	68,853
Level 3 investments	-	-
	235,704	**192,766**

During the year, MIB held investments in Corporate Bonds, Government Gilts and Equity. The carrying amounts of these assets approximate to their fair value as at 31 December at bid market price for Equity holdings and all in price for all other holdings. All investments are measured at fair value though other comprehensive income. These are level 1 and 2 investments due to their price being index linked. See note 21 for Credit risk. Additionally, the company owns £1 investment in each of its four subsidiaries. See Note 19 for details.

All MIB's investments fall within stage 1 of IFRS 9, MIB's investments are deemed low risk with Capital preservation as a key requirement along with low-income volatility and liquidity and they must have long term ratings of BBB or higher. Due to the low-risk nature of MIB's investments, and based on current and forecast future market performance, no net losses are expected in the next 12 months and as such Management have deemed that no additional provision is required within the financial statements.

15. Cash and cash equivalents

	Consolidated		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Cash at bank and in hand	60,482	77,482	60,217	76,188
	60,482	**77,482**	**60,217**	**76,188**

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less.

16. Trade and other payables

	Consolidated		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade payables	611	1,220	611	1,220
Accrued expenses	16,600	17,929	16,460	17,359
Deferred Revenue	46,104	45,840	46,104	45,840
Other payables – tax and other	2,818	1,966	2,404	1,498
	66,133	**66,955**	**65,579**	**65,917**

Accrued expenses consist entirely of business accruals (operating costs) and current year lease liabilities, non current lease liabilities are included within Creditors > 1 year. In 2023 and 2024, all trade and other payables were classified as current, and were settled within one year.

17. Reconciliation of operating profit to net cash inflow from operating activities

	Consolidated		Company	
	2024	2023	2024	2023
Inflows from operating activities	£'000	£'000	£'000	£'000
Operating gain	152,329	116,962	152,329	116,962
Depreciation of property, plant and equipment	551	551	551	551
Unwinding of discount	(160,574)	(124,837)	(160,574)	(124,837)
Intangible impairment	-	3,270	-	3,270
IAS 19 gain	5,916	(508)	5,916	(508)
Right-of-use asset	110	76	110	76
Pension deficit top up	(5,732)	(3,300)	(5,732)	(3,300)
Accrued interest	-	180	-	180
Decrease / (increase) in trade and other receivables	236,165	129,847	236,711	128,408
(Decrease) / increase in trade and other payables	(897)	(3,620)	(414)	(2,483)
(Decrease) / increase in provisions and other liabilities	(209,991)	(36,152)	(209,991)	(36,724)
	17,877	**82,469**	**18,906**	**81,595**

18. Operating lease commitments

The group has elected not to recognise a right-of-use asset for short term leases (leases of expected term of 12 months or less) or for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	Consolidated and Company	
	2024	2023
	£'000	£'000
Within 1 year	23	44
Later than 1 year and less than 5 years	-	473
Total operating lease commitments	**23**	**517**

Lease liabilities

Operating leases recognised as lease liabilities all relate to property rental and are classified as right of use assets within fixed assets, details of the carrying amounts which can be seen in Note 11. These items are depreciated over a period of 2 – 5 years according to the length of the lease.

Lease liabilities are presented in the statement of financial position as follows:

	Consolidated and Company	
	2024	**2023**
	£'000	**£'000**
Within 1 year	130	103
Later than 1 year and less than 5 years	336	414
Total operating lease liabilities	**466**	**517**

Note: these amounts are included within accrued expenses (see note 16) in Trade and other payables and Creditors > 1 year.

The following are the amounts recognised in the statement of comprehensive income:

	Consolidated and Company	
	2024	**2022**
	£'000	**£'000**
Depreciation expense of right-of-use assets	110	76
Interest expense on lease liabilities	23	4
Expense relating to short-term leases of low value assets (included in operating expenses)	23	-
Total amount recognised in the statement of comprehensive income	**156**	**80**

The Group had total cashflows for leases of £362,980 (2023: £376,500). There are no leases currently in place which have not started.

19. Subsidiaries

Details of the Parent Company's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation	Ownership	Net assets £	Net profit after tax
Tracing Services Limited	Provision of administration services	England and Wales	100%	1	-
MIB Portal Services Limited	Holding Company	England and Wales	100%	1	-
Official Injury Claim Limited	Managing OICL website	England and Wales	100%	1	-
MIB Management Services Limited	Provision of administration services	England and Wales	100%	1	-

The registered office of the above companies is Linford Wood House, 6-12 Capital Drive, Linford Wood, Milton Keynes, MK14 6XT, United Kingdom.

Name of related entity	Principal activity	Place of incorporation	Ownership	Net assets £	Net profit after tax
Claims Portal Limited	Maintenance of Portal database	England and Wales	50%	2	-

The Group owns 50% of Claims Portal Limited which it classifies as an associated company but MIB does not have any control over its financial and operating decisions, these are fully managed by the Claims Portal Board with no input from MIB; therefore, Claims Portal Limited has not been consolidated in these financial statements but the investment of £1 held by the dormant company MIB Portal Services Ltd is shown within investments. Based on the business model of Claims Portal Ltd, it operates on a net nil basis and therefore there are no profits/ losses to be accounted for under equity accounting.

The registered office of Claims Portal Limited is 6-12 Capital Drive, Linford Wood, Milton Keynes, MK14 6XT, United Kingdom.

20. Related parties

Balances and transactions between the company and its subsidiaries, which are related parties to the Group, have been eliminated on consolidation and are not disclosed in this note. Details of other transactions between the Group and other related parties are disclosed below.

The MIB Board comprises three Executive Directors from the Group and a majority of Non-Executive Directors who are senior members of the motor insurance industry. The Non-Executive Directors do not receive any form of remuneration for the services they provide in their capacity as Board members. There are no other transactions between the Non-Executive Directors and the Group. There was no involvement from the Non-Executive Directors over the claims and reserving function.

From time to time, MIB, during its general course of business, may engage in Members' services. These services, including the provision of insurance and reinsurance, are undertaken on an arm's length basis.

There are no further related party transactions to note.

21. Key and Principal Risks - Financial risk management

The Group has exposure to the following key and principal risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Reserving and foreign exchange risk

The Group has a risk management function that manages and continuously monitors the financial risks relating to the Group's operations. The Group's senior management meets regularly to review and, if appropriate, approve the implementation of optimal strategies for effective management of financial risk. The process includes documentation of policies, including limits, controls and reporting structures.

The Audit and Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. Outputs from regular and ad-hoc reviews are reported to the Board of Directors which assumes overall responsibility for the establishment and oversight of the Group's risk management framework.

Credit risk

The Group is exposed to credit risk if an insurer or counterparty to a financial instrument fails to meet its contractual obligations, resulting in financial loss to the Group. Credit risk relates to mainly cash deposits, cash equivalents, trade receivables and the right to call additional amounts from the motor insurance market.

An Investment Committee is in place to recommend strategies and monitor the investment policies and practices of MIB and report to the Board. All new placements of funds are either placed through cash deposits with institutions agreed in accordance with an approved counterparty list that have a credit rating of at least F1 from Fitch and within absolute counterparty limits, or in the third party managed investment portfolio within which all securities must have long term ratings of BBB (S&P), BBB (Fitch), Baa2 (Moody's) or higher. These are level 2 investments due to their price being index linked.

The Group's trade receivables largely consist of levy due from insurers. In order to write motor business, insurers must become a Member of MIB and adhere to the terms and conditions laid out in its Memorandum and Articles of Association. The terms require each Member to pay a levy to MIB, calculated on the basis of the volume and class of business written over each financial period. The majority of the levy is collected by monthly direct debit with a right to charge interest for any late payment. Ultimately, should an insurer default or become bankrupt or insolvent, the debt can be passed to the general market for reimbursement. Therefore, non-payment of levy from a Member presents a negligible risk to the Group. The Group has the right to call an additional levy from Members should it wish to do so. The additional levy receivable shown in Note 13 of £2,713 million (2023: £2,951 million) represents the estimated value of all current and "incurred but not reported" claims, a portion of this amount can be called upon within 12 months of the statement of financial position date. While this represents a significant amount within the statement of financial position, the risk of non-payment is considered unlikely given that the overall premium income generated by the motor insurance market in 2024 was £22 billion (2023: £19 billion) and all members have to be well capitalised for regulatory purposes. Therefore, a risk would only be presented if the entire motor insurance market was to fail which is a very unlikely occurrence.

Liquidity risk

In order to mitigate any liquidity risk, the Group's approach is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risk damage to the Group's reputation.

There are no significant amounts of insurance payables that fall due for payment by MIB other than within one year. Provisions as disclosed on the balance sheet include provisions for outstanding claims, a significant element of which are payable after more than one year.

Gross Outstanding claims – estimated payment profile

Payment period	Note	2024 £000	2024 %	2023 £000	2023 %
Within 1 year		530,300	17.7	506,600	15.8
Between 1 and 5 years		2,121,200	70.7	2,026,400	63.1
Later than 5 years		347,450	11.6	675,941	21.1
Total		2,998,950	100.0	3,208,941	100.0

The levy call for each year is estimated through actuarial techniques carried out by independent actuaries. This involves the analysis of historical data in relation to the volume and type of claims reported and the value of settlements by accident year. Factors such as claims inflation are taken into account to establish trends and projections for future claims payments which, ultimately, decide the levy amount each year.

In addition to this, MIB continued to secure a guaranteed funding line of £100m (2023: £100m) to diversify our cash holdings which was renewed in July 2023 for 3 years.

Cash forecasts identifying the liquidity requirements of the Group are produced and reviewed regularly to ensure sufficient financial headroom exists to meet future obligations. The levy is collected over 12 instalments on the first working day of each month and placed in instant access cash deposits and call accounts. Any surplus amounts left at the end of the month are invested in corporate bonds. Cash deposits are invested for a period no longer than 31 days. Cash deposits are managed such that there is sufficient liquidity each month to meet any unexpected liabilities.

	Consolidated		**Company**	
Cash in hand and bank deposits	**2024 £'000**	**2023 £'000**	**2024 £'000**	**2023 £'000**
Total cash in hand	**60,482**	**77,482**	**60,217**	**76,188**

Market risk

Interest rate risk arises from the Group's cash deposits it holds with banks and investment in corporate bonds.

At the date of the statement of financial position, the Group held cash deposits with banks which were available on demand. The remainder of investments were invested in fixed interest rate corporate bonds. During the year, a number of cash deposits held with banks for a maximum period of 365 days matured and were reinvested in the investment portfolio. The following table illustrates the change in bank deposit interest receivable in a change in interest rate upon inception of +2% and –2% with effect from beginning of the year based on weighted averages.

	2024 Actual £'000	2024 +2% £'000	2024 -2% £'000	2023 Actual £'000	2023 +2% £'000	2023 -2% £'000
Interest receivable	3,783	3,823	3,742	2,233	2,276	2,190

Note: Interest rate capped at -2% from the actual weighted rate or if this produces a negative figure this is taken to be 0%.

The maturity of other payables is disclosed in note 16.

Reserving and foreign exchange risk

Case reserves are estimated based on the available information at any given time. There is a risk that individual case reserves may not be adequately provided for due to the lack of information available. However, reserves are individually reviewed and adjusted accordingly as and when new information is provided to the Group. Regular reviews are performed to ensure case reserves are kept up to date and to minimise any risk in the understating of reserves.

The Group is potentially exposed to currency risk arising from the recording and reporting of accidents occurring outside the UK under the Green Card Agreement. Accidents occurring in an EU participating country are reported to the Group with an estimate of an appropriate reserve in that country's base currency, primarily the Euro. This amount is converted to Sterling at the spot rate at the time of notification and recorded within the Group's reserves. Any notification of a change in reserve thereafter is appropriately adjusted, with the total reserve amount for that claim being converted at the new spot rate. However, there are claims where a reserve is not provided by the participating country. In this instance, a standard reserve amount is set. Claims are eventually settled in the appropriate currency, which is then converted and recorded in Sterling at the spot rate applicable at the date of transaction. Any variances form part of the claims payment made. No foreign exchange variances are physically incurred, all variances will relate to the final amount agreed as payment and the exchange rate at that particular time vs the amount reserved for the case. All variances are shown through the claims payment and reserves sections of the financial statements.

The value of Green Card claims with such exposure is £33.6 million (2023: £34.4 million) of which £1.6 million (2023: £1.0 million) represents cases where a standard reserve amount has been set. Therefore, the maximum potential exposure to currency risk is £32.0 million (2023: £33.3 million), which represents 1.1% (2023: 1.0%) of the overall case reserves. If Sterling was to either strengthen or weaken by 25 basis points against the Euro at the statement of financial position date, the potential impact on reserves would be a reduction of £8.3 million (2023: £9.2 million) or an increase of £5.5 million (2023: £5.9 million), based on a rounded exchange rate of 1.21 (2023: 1.15) Euros to £1 Sterling.

Capital management

MIB remains a group limited by guarantee, without a share capital. The Group does not consider that it has capital or equity under its management as defined by IAS 1. Accordingly, there are no capital management policies.

Climate risk

MIB is moving to a strategy of understanding the impact on the environment and society as well as how robust and transparent its governance is in terms of company leadership, gender parity pay, audits, internal controls and transparency for our members.
ESG allows the business to target different areas of its organisation and implement more sustainable, ethical practices. MIB is considering any impact, but Climate risk is not deemed to be a key MIB risk.

Examples of environmental business practices include:

- reducing energy and using renewable energy sources to become a net zero organisation
- developing greener products and services
- switching to zero-waste products or sustainable packaging using biodegradable materials
- reducing carbon emissions by changing to LED lighting
- encouraging recycling and reducing the amount of waste destined for landfill.

We are looking for ways to positively contribute to fairness in society, investing in fair and equal opportunities and conditions for employees, people working in the supply chain and local communities. Equality and fairness are at the heart of this aspect and examples of social and ethical business practices include:

- ensuring products are safe and customer data is secure
- preventing abuses within the supply chain, such as labour rights, including modern slavery and freedom of association
- providing training and supporting health and safety, and wellbeing
- promoting equality in the workforce with diversity and inclusivity policies
- investing in local community projects, such as funding educational initiatives.

At MIB, governance is more than the processes of decision-making, reporting and the logistics of running a business. It also looks at the business's ethical behaviour and its transparency with members and the market about its activities. It is also linked to the environmental and social aspects of ESG in that it looks at the transparency and decision-making behind them.

Examples of governance practices include:

- accurate reporting to stakeholders on financial performance, business strategy and operations
- ensuring business leaders and managers are accountable for risk and performance management
- undertaking business ethically, such as preventing bribery
- ensuring diversity in any leadership team and being open about executive pay.

Further detail on this area can be found in the Directors' Report. Although considered as part of our review the MIB do not see climate risk as key risk.

22. Post Balance Sheet Event

The Civil Liability Act 2018 introduced a new framework for setting the personal injury discount rate, requiring the government to reset the discount rate by reference to low risk rather than very low or zero risk investments. Following a government review, as dictated by the terms of the Civil Liability Act 2018, on 2nd December 2024 the Lord Chancellor announced a new Ogden discount rate of +0.5% to take effect from 11th January 2025 (a movement from -0.25%).

MIB have restated their reserves based on the new rate of +0.5% with no additional allowance for further movements being made.

Glossary

askCUE PI

The askCUE PI (personal injury) service allows approved solicitor organisations to check their client's records held on the CUE PI database. The service was introduced to meet the requirements of the Pre-Action Protocol for Low Value Personal Injury Claims in Road Traffic Accidents (the RTA Protocol) which states that Claim Notification Forms (CNF) submitted through the Claims Portal from 1 June 2015 must contain an askCUE PI search reference number generated by the service.

askMID.com

Two convenient and easy to use online services are available through www.askMID.com. The first is free and allows anyone to check that their vehicle registration appears on the Motor Insurance Database (MID). The second is a low-cost service for legal professionals and anyone whose property has been damaged in an accident to check the insurance details of the third-party vehicle.

Claims and Underwriting Exchange (CUE)

The Claims and Underwriting Exchange (CUE) is a central database of motor, home, travel and personal injury/industrial illness incidents reported to insurance companies, which may, or may not give rise to a claim.

Claims leakage

Claims leakage is an important financial indicator of quality in the claims settlement process and is the level of money lost as a result of actions such as inefficient processing, improper payment, human error and poor decision-making. MIB refers to it as 'any payment in excess of what a top-quartile experienced claims handler would have obtained with realistic information and available resources by applying best practice principles'.

Claims lifecycle

Every claim goes through a progressive cycle, from the date the claim is notified to the date the claim is closed or settled, this is called the 'lifecycle of a claim'.

Continuous Insurance Enforcement (CIE)

CIE is aimed at overcoming the problem of vehicles, not specifically covered by any insurance policy (even a blanket policy), being used by drivers. This means that vehicles, whether they are being driven or not, will require insurance. The scheme is enforced using the Motor Insurance Database (MID) - the central record of insurance - and vehicles do not need to be seen on the roads before action can be taken. The two main exemptions are where a vehicle has been statutorily declared off road (SORN) or a change of keeper is in the process of being completed by the DVLA.

Green Card

MIB acts as the UK Green Card Bureau and supports motorists making claims after an accident with a foreign vehicle in the UK. It is also the UK Compensation Body and can be contacted if a UK resident has an accident abroad with a foreign vehicle.

Guarantee Fund

MIB's handling of claims is governed by agreements with the Government as well as the Road Traffic Act 1988 and subsequent regulations. MIB awards compensation, where it cannot be claimed from another source, for death, injury and property damage as a result of an accident with a motor vehicle, on a road or a public place. MIB's claims handling experts settled more than 36,000 claims in 2024 for accidents involving uninsured and untraced vehicles and seek to settle the claims fairly and promptly.

Levy

MIB compensates victims of road accidents caused by uninsured or untraced drivers and this work is governed by two documents: the Uninsured and the Untraced Drivers' Agreements. Organisations writing motor insurance are required to become Members of MIB and contribute by means of a levy.

Independent actuaries calculate the annual levy value by estimating the likely cost of settling claims plus business running costs, net of expected investment returns. This becomes the levy call and Members contribute based on the amount and type of business they have written. The bigger the market share a Member has, the higher the amount of levy payable.

The levy uncalled represents the movement in case reserves during the year, plus the estimated value of those claims that are 'incurred but not reported' at the statement of financial position date. This is the amount that can be levied to Members within twelve months of the statement of financial position date and only such sums to discharge liabilities for claims and supplementary agreement costs will be called up. MIB is a not-for-profit group and so the additional levy uncalled is treated as income so as to meet our additional obligations arising from the movement in reserves.

The leviable premium represents the sum of the levy call and the levy uncalled that year.

Motor Insurance Anti-Fraud and Theft Register (MIAFTR)

MIAFTR is a database containing records of written-off and stolen vehicles, as defined by the Code of Practice for the Disposal of Motor Vehicle Salvage. MIAFTR was designed and developed to help monitor vehicles written off for insurance purposes, to help trace and recover stolen vehicles and to help detect fraud.

Motor Insurance Database (MID)

Under the 4th EU Motor Insurance Directive, member countries are required to improve the ease of handling cross-border claims within Europe. To meet its obligations, each country is required to maintain a register of all insured vehicles. The UK's version of such a system is provided through the Motor Insurance Database (MID).

The MID is the only central record of all insured vehicles (40 million) in the UK. The MID is updated daily by all UK insurers, which are required to meet targets for timeliness and accuracy set by the Department for Transport.

The MID is used by the police to identify and seize vehicles being driven without insurance. It is also used by the Driver and Vehicle Licensing Agency to electronically check a vehicle's insurance every time a person applies online or by telephone for vehicle tax.

The MID is becoming the most important tool to reduce the level of uninsured vehicles in the UK. Since 2011, the MID has been used to support the delivery of CIE.

MIB Management Services Limited (MIB MSL)

During the year MIB MSL provided management services including staffing, administration and financial services to the Insurance Fraud Bureau Limited (IFB) and Claims Portal Limited. All costs incurred by MIB are recharged to the IFB and Claims Portal Limited via MIB MSL.

MyLicence

MyLicence went live in December 2014 and is a joint initiative between the Driver and Vehicle Licensing Agency (DVLA), the Department for Transport and the insurance industry which is represented by the Association of British Insurers and MIB. MyLicence gives insurers access to accurate data from the DVLA on motoring entitlements, convictions and penalty points when providing quotes for insurance policies.

No Claims Discount (NCD) Database

The No Claims Discount (NCD) database was completed in June 2015 and allows users to access no claims discount information.

Official Injury Claim service – Civil Liability Act and changes to Civil Procedure Rules

The Ministry of Justice (MoJ) has partnered with MIB to manage the creation of a new service to support low-value personal injury claims, with the primary emphasis on supporting unrepresented claimants. The service went live in June 2021. This forms part of a package of measures being introduced by the Government to reduce the costs related to soft-tissue injury claims arising from road traffic accidents. The service will be a distinct brand from the MoJ and MIB.

Tracing Services Limited (TSL)

TSL provides management services including staffing, administration and financial services to the Employers' Liability Tracing Office (ELTO). All ELTO costs are initially recorded in MIB and are then recharged to ELTO via TSL.