

THE LAW DEBENTURE PENSION TRUST CORPORATION P.L.C.
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

REGISTERED NUMBER: 03267461



The Law Debenture Pension Trust Corporation p.l.c.

Strategic report

The Directors present to the members the Strategic report of The Law Debenture Pension Trust Corporation p.l.c. ("the Company") for the year ended 31 December 2021.

Business model, objective, key performance indicators (KPI's)

The Company is engaged in providing pension trustee services.

The Company is a public company, but its shares are not publicly traded. It is a wholly owned subsidiary of The Law Debenture Corporation p.l.c. ("LDC"). References to Group within this report means LDC and its subsidiaries.

The Company's performance indicators are turnover, profit on ordinary activities before taxation and distributable reserves, which are detailed below in the 'Results, dividend and reserves' section.

Business review

Revenue grew by 9.5% from £9,828,009 in 2020 to £10,761,234 in 2021. This was achieved by investment in staff, and during the year appointments were made in legal and restructuring expertise.

Currently the UK is the world's third largest pensions market and there is significant momentum to drive the professionalisation of the governance of pension schemes in the UK.

The increasing governance burden for UK pension schemes means that there are more opportunities for providing independent professional support to schemes of all sizes. For example:

- The Pensions Act 2021 contains more powers for the Regulator which introduces new duties for those sponsoring and running pension schemes;
- Schemes moving towards full de-risking solutions; and
- Trustees face new reporting requirements intended to improve the quality of governance and reporting as they address climate-related risks and opportunities.

We see opportunities for working with new clients who will be appointing their first ever professional trustee as well as other schemes who will be looking to add further professional expertise to their existing board.

Results, dividend and reserves

The Company's profit on ordinary activities before taxation for the year was £2,291,261 (2020: £1,548,542). The increase from 2020 was driven by revenue growth (as noted above) and a reduction in admin expenses.

Costs for the Group are incurred by the Group's management company, L.D.C. Trust Management Limited and recharged across the Group, based on contribution to group revenue and headcount, to the extent that the recharge will not result in the Company making a loss.

During the year 2021, the Company paid a final dividend in relation to the year ended December 2020 of £1,550,000 (2020: £5,500,000). No dividend was proposed for the year by the Directors. There are £2,359,845 (2020: £1,618,584) accumulated reserves carried forward at 31 December 2021.

Future developments

The Directors are not aware at the date of the report of any likely changes in the Company's activities in the next year. The Directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future and have therefore used the going concern basis in preparing the financial statements.

The Law Debenture Pension Trust Corporation p.l.c.
Strategic report (continued)

Going concern

In assessing the going concern status of the Company, the Directors have taken note of the financial performance and position during the year and up to the date of this report, and in particular the profitability, sales pipeline, net assets, net current assets, and available cash resources of the Company.

The Directors believe the Company has, at the date of this report, sufficient existing finances available for its estimated requirements for the next twelve months. This, together with its proven ability to generate cash from operations and recoverability of receivables recorded, provides the directors with the confidence that the Company is well placed to manage its business risks successfully. The Directors have specifically considered the recoverability of receivables due from other group companies in the next twelve months. To satisfy themselves that such receivables will be repaid when necessary to ensure sufficient liquidity, the Directors have obtained formal confirmation from The Law Debenture Corporation p.l.c. of its willingness to provide financial support should it be required for twelve months from the date of signing the financial statements.

The Directors have also reviewed the net assets and liquidity of the Company's parent in order to confirm its ability to provide such support. The parent's assets consist of cash and securities that are readily realisable, providing confidence around the Company's ability to service liabilities as they fall due.

The Directors have further considered the ongoing impact of Covid-19 and the Russian - Ukraine war and have concluded that there is no impact of either development the Company's ability to operate as a going concern.

Having considered the above factors, the Directors are satisfied that the Company can continue on a going concern basis for at least twelve months from the date of these financial statements.

Principal risks and uncertainties

The principal risks the Company is exposed to remains largely unchanged from 2020 and are:

Risks	Mitigating activities
Governance In its role as independent trustee the Company contributes to the deliberations and responsibilities of pensions trustee boards. There is a risk that if this contribution was made negligently then claims could arise. Material claims may result in significant financial loss.	The Directors ensure that proper professional training is in place for all staff working for the Company under L.D.C. Trust Management Limited, which acts as the employing company for the Group, and ensure there is appropriate consultation and where necessary external legal, actuarial and financial advice is taken.
Strategic A strategic risk arises that the current business model becomes obsolete due to a lack of technical or commercial innovation, market disruption, product obsolesce or regulatory or legislative change.	To mitigate this strategic risk, there has been significant investment in people and technology to support the Company strategy and this will continue to be monitored along with the three year financial budgeting and planning which forms part of the Group's longer-term viability statement. There are also regular Group board meetings where the strategy of the business is discussed with the Business Heads and the Executive Leadership team.

Strategic report (continued)

Principal risks and uncertainties (continued)

Risks	Mitigating activities
Financial Financial risk arises if the company is not able to scale up and deliver on its growth plans to generate revenue growth, profitability, cost savings and react to any changes in market conditions.	To mitigate the financial risks, monthly management information is provided to the CEO and Business Heads to monitor and assess business performance.

Section 172 statement

The Board is responsible for the overall strategy and management of the Company and ensuring that it is acting in accordance with its legal obligations. In discharging its responsibilities, and in addition to acting in the best interests of the Company, the Board takes into account the Group's strategy, purpose, value and culture and acts with the due skill and care that is most likely to promote the success of the Company and to maintain high standards of business conduct.

As part of its deliberations and decision-making process, the Board specifically considers the (i) likely consequences of any decision in the long-term; (ii) maintaining its reputation for high standards of business conduct; and (iii) the impact of any of its decisions on the clients serviced by the business it operates. The impact of the Company's operations on suppliers, the community and the environment is minimal given the nature of the business and the fact that it has no employees. The impact is also considered on a Group basis. Details of the Group's approach to its stakeholders can be found in its 2021 Annual Report and Accounts on pages 44-47.

It is the Board's view that the Company's main stakeholders are its clients, its parent and other entities within the Group. There is a high level of engagement between the business managed by the Company and the other business areas within the Group to ensure that any decisions made are in the best interests of the Company and its main stakeholders.

Stakeholders	Engagement
Clients	Continued focus on its role as a trusted advisor to its clients and obtaining regular feedback on its services. Facilitating hybrid client events and meetings following the continuation of the global pandemic. A return to in person client events and formal meetings following the relaxation of Covid-19 lockdown restrictions. Increased social media presence.
Parent company	Periodic attendance by representatives of the business at Group board meetings to discuss the Company's performance and provide general updates. Reporting to the Group's Executive Risk Committee, where appropriate.
Other entities within the Group	Regular meetings with business heads of other business areas within the Group to discuss operational, performance and business development updates and opportunities.

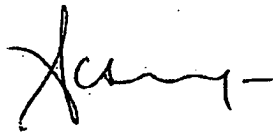
The Law Debenture Pension Trust Corporation p.l.c.

Strategic report (continued)

Section 172 statement (continued)

Depending on the nature of the issue in question, the relevance of each stakeholder group may differ and, as such, as part of the Company's engagement with stakeholders, the Board seeks to understand the relative interests and priorities of each group and to have regard to these, as appropriate, in its decision-making. The Board acknowledges however, that not every decision it makes will necessarily result in a positive outcome for all stakeholders.

By order of the Board



Law Debenture Corporate Services Limited
Secretary
25 October 2022

The Law Debenture Pension Trust Corporation p.l.c.

Directors' report

The Directors present their annual report on the affairs of Law Debenture Pension Trust Corporation p.l.c. ('the Company'), together with the financial statements and auditor's report, for the year ended 31 December 2021.

Registered office

The registered office of the Company is 8th Floor 100 Bishopsgate, London, United Kingdom, EC2N 4AG.

Directors and Secretary

The Directors of the Company during the financial year and up to the signing of these financial statements were as follows:

M.H. Ashworth	E.G. Levy
A. Baker	S. Mahalingham (Appointed 11 October 2021)
D.W.D. Barlow	S. Minchella
E. J. Beverley	C.P. Morgan (Resigned 30 June 2021)
S.A. Burnard	V.C. Paramour
M.A. Chatterton	S.L. Pitt
A. Creed	L. Porkolab (Appointed 1 December 2021)
D.F.E. Curtis	J. Rickards (Appointed 1 April 2022)
A.A. Eagles	K. Scott
A.W. Harrison	R.H. Thomas
E.A. Hartree (Appointed on 6 December 2021)	V.H. Trayhurn
M.I. Jaffe	N.M. Winterfrost
D.P. Kidd	

The Secretary is Law Debenture Corporate Services Limited.

Directors' indemnities

During the year and up to the date of this report, the Group maintained liability insurance for the benefit of Directors and other officers.

Directors' interests

No Director, nor the Secretary, has a beneficial interest in the share capital of the Company.

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2020 £nil).

Events after the balance sheet date

Details of significant events since the balance sheet date are contained in note 18 to the financial statements.

Financial risk management objectives and policies

Financial instruments

The Company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with providing professional services under 30-day credit terms which it manages through credit control procedures. The nature of its financial instruments means that they are not subject to price risk or liquidity risk.

The Law Debenture Pension Trust Corporation p.l.c.

Directors' report (continued)

Financial risk management objectives and policies (continued)

Liquidity risk

The Company maintains sufficient cash and liquid resources. Forecasts are reviewed on a regular basis to determine whether the Company has sufficient resources to meet obligations under financial liabilities as and when they fall due.

Currency risk

Foreign currency risk is the risk that the value of a financial instrument will vary with respect to foreign currency fluctuations. The Company has minimal currency risk exposure since most of its assets and transactions are denominated in sterling.

Credit risk

The Company is exposed to the usual credit risk and cash flow risk associated with selling on credit. The Company manages this through credit control procedures.

Strategic information

Future developments, COVID-19 and principal business risks and uncertainties have been disclosed in the Strategic report, as permitted by section 414C of the Companies Act 2006.

Auditors

BDO Limited resigned as auditors during the year. Following a competitive audit tender process overseen by the Parent Company's Audit and Risk Committee, Deloitte LLP were engaged as the Company's and wider Group's new external auditor in October 2021. A resolution to reappoint Deloitte LLP as auditors of the Company will be proposed at the forthcoming AGM.

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

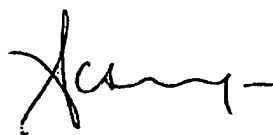
- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Stakeholder engagement

It is the Board's view that the Company's main stakeholders are its clients, its parent and other entities within the Group. There is a high level of engagement between the business managed by the Company and the other businesses in the Group to ensure that any decisions made are in the best interests of the Company, the clients serviced by the Company's operations and the Group as a whole. This includes periodic attendance by representatives of the business at Group board meetings and regular senior management meetings.

By order of the Board



Law Debenture Corporate Services Limited

Secretary

25 October 2022

Directors' report (continued)

Statement of Directors' responsibilities

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

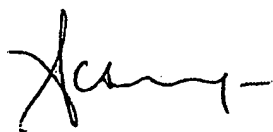
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), comprising FRS 101 'Reduced Disclosure Framework' and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



Law Debenture Corporate Services Limited
Secretary
25 October 2022

The Law Debenture Pension Trust Corporation p.l.c.

Independent auditor's report to the members of The Law Debenture Pension Trust Corporation p.l.c.

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Safecall Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 17.

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

Basis for opinion

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

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

Conclusions relating to going concern

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

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

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

The Law Debenture Pension Trust Corporation p.l.c.

Independent auditor's report to the members of The Law Debenture Pension Trust Corporation p.l.c. (continued)

Other information

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

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Independent auditor's report to the members of The Law Debenture Pension Trust Corporation p.l.c. (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

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

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

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act 2006, relevant accounting standards and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included pension legislation and anti-money laundering regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

Recognition of pension income

Pension income consists of revenue charged to pension schemes based on the number of billable hours recorded at a contracted chargeable rate. Such revenue is processed manually and is dependent on the accuracy of invoices and timesheet submissions. Due to the manual processes in place, there is a risk that management record revenue incorrectly. In response to this risk, we agreed amounts recorded to signed client contracts, invoices and subsequent cash receipts.

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

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

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

The Law Debenture Pension Trust Corporation p.l.c.

Independent auditor's report to the members of The Law Debenture Pension Trust Corporation p.l.c. (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

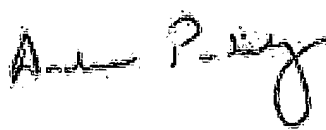
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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



.....
Andrew Partridge (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom

27 October 2022

The Law Debenture Pension Trust Corporation p.l.c.

Profit and loss account

For the year ended 31 December

	Note	2021 £	2020 £
Turnover	5	10,761,234	9,828,009
Cost of sales		<u>(126,408)</u>	<u>(101,626)</u>
Gross profit		10,634,826	9,726,383
Administrative expenses	6 & 7	<u>(8,343,565)</u>	<u>(8,177,841)</u>
Operating profit		2,291,261	1,548,542
Bank interest receivable		<u>-</u>	<u>9,771</u>
Profit before taxation		2,291,261	1,558,313
Tax on profit or loss	8	-	-
Profit for the financial year		<u>2,291,261</u>	<u>1,558,313</u>

There are no other comprehensive income/expense items in the current or prior years, therefore the profit for these years represents the comprehensive income.

All amounts relate to continuing operations.

The annexed notes form part of these financial statements.

The Law Debenture Pension Trust Corporation p.l.c.

Balance Sheet As at 31 December	Note	2021 £	2020 £
Fixed assets			
Investments	10	<u>250,231</u>	<u>250,231</u>
Current assets			
Debtors: amounts falling due within one year	11	36,792,902	6,827,858
Short term cash deposits & cash at bank and in hand		<u>367,280</u>	<u>598,421</u>
		37,160,182	7,426,279
Creditors: amounts falling due within one year	12	<u>(30,050,568)</u>	<u>(1,057,926)</u>
Net current assets		<u>7,109,614</u>	<u>6,368,353</u>
Net assets		<u><u>7,359,845</u></u>	<u><u>6,618,584</u></u>
Equity			
Called up share capital	13	5,000,000	5,000,000
Profit and loss account	13	<u>2,359,845</u>	<u>1,618,584</u>
Total shareholders' funds		<u><u>7,359,845</u></u>	<u><u>6,618,584</u></u>

Approved and authorised for issue by the Board on 25 October 2022 and signed on its behalf by:



V.C. Paramour
Director

The annexed notes form part of these financial statements.

The Law Debenture Pension Trust Corporation p.l.c.

Statement of changes in equity

For the year ended 31 December

	Called up share capital £	Profit and loss account £	Total £
Balance as at 1 January 2020	5,000,000	5,560,271	10,560,271
Profit for the year	-	1,558,313	1,558,313
Dividend relating to 2019	-	(5,500,000)	(5,500,000)
Balance as at 31 December 2020	5,000,000	1,618,584	6,618,584
Balance as at 1 January 2021	5,000,000	1,618,584	6,618,584
Profit for the year	-	2,291,261	2,291,261
Dividend relating to 2020	-	(1,550,000)	(1,550,000)
Balance as at 31 December 2021	5,000,000	2,359,845	7,359,845

The annexed notes form part of these financial statements.

The Law Debenture Pension Trust Corporation p.l.c.

Notes to the financial statements for the year-ended 31 December 2021

1. General Information

The Law Debenture Pension Trust Corporation p.l.c. ("the Company") is a public company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is shown on page 5.

The nature of the Company's operations and its principal activities are set out in the Strategic report on pages 1 to 4.

2. New standards, amendments, IFRIC interpretations and new relevant disclosure requirements

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2021 that have a material impact on the company's financial statements.

3. Significant accounting policies

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

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on a historical cost basis, and in accordance with the Companies Act 2006. These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates.

Summary of disclosure exemptions

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

- Certain comparative information as required by paragraph 38 of IAS 1, 'Presentation of financial statements';
- Certain disclosures regarding the Company's capital;
- IAS 7, 'Statement of cash flows';
- The effect of future accounting standards not yet adopted as required by IAS 8, 'Accounting policies, changes in accounting estimates and errors';
- The disclosure of the remuneration of key management personnel required by IAS 24, 'Related party disclosures'; and
- Disclosure of related party transactions with other wholly owned members of the group headed by The Law Debenture Corporation p.l.c as required by IAS 24, 'Related party disclosures'.

Notes to the financial statements for the year-ended 31 December 2021 (continued)

3. Significant accounting policies (continued)

Summary of disclosure exemptions (continued)

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosure is included in the consolidated financial statements of The Law Debenture Corporation p.l.c. These financial statements do not include certain disclosures in respect of:

- IFRS 7, 'Financial instruments';
- IFRS 15, 'Revenue from Contracts with Customers'; and
- IAS 36, 'Impairment of assets'.

Basis of consolidation

The company is a wholly owned subsidiary of within The Law Debenture Corporation p.l.c group. It is included in the consolidated financial statements of The Law Debenture Corporation p.l.c group, which are publicly available. Therefore, the company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements. The address of the ultimate parent's registered office is 8th Floor, 100 Bishopsgate, London EC2N 4AG.

The financial statements of The Law Debenture Corporation p.l.c. can be obtained as described in note 16.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 1 to 4 along with principal risks and uncertainties. In assessing the going concern status, the directors have taken into account the above factors, including the financial position of the Company and in particular the profitability, sales pipeline, net assets, net current assets, and available cash resources.

In assessing the going concern status of the Company, the Directors have taken note of the financial performance and position during the year and up to the date of this report, and in particular the profitability, sales pipeline, net assets, net current assets, and available cash resources of the Company.

The Directors believe the Company has, at the date of this report, sufficient existing finances available for its estimated requirements for the next twelve months. This, together with its proven ability to generate cash from operations and recoverability of receivables recorded, provides the directors with the confidence that the Company is well placed to manage its business risks successfully. The Directors have specifically considered the recoverability of receivables due from other group companies in the next twelve months. To satisfy themselves that such receivables will be repaid when necessary to ensure sufficient liquidity, the Directors have obtained formal confirmation from The Law Debenture Corporation p.l.c. of its willingness to provide financial support should it be required for twelve months from the date of signing the financial statements.

The Directors have also reviewed the net assets and liquidity of the Company's parent in order to confirm its ability to provide such support. The parent's assets consist of cash and securities that are readily realisable, providing confidence around the Company's ability to service liabilities as they fall due.

3. Significant accounting policies (continued)

Going concern (continued)

The Directors have further considered the ongoing impact of Covid-19 and the Russian - Ukraine war and have concluded that there is no impact of either development the Company's ability to operate as a going concern.

Having considered the above factors, the Directors are satisfied that the Company can continue on a going concern basis for at least twelve months from the date of these financial statements.

Revenue recognition

The Company recognises revenue from the following major sources:

Annual income

Annual income is derived from the provision of annual trustee services rendered net of any value added tax based on a contracted fee amount. The performance obligations are services provided in the creation of the trust or the structure and the obligations set out in the trust deed or service agreement. The timing of the transfer of goods and services is over time based on the period of service. Revenue is recognised over the period of service where amounts which are not recognised in the financial period are deferred. Amounts are mostly billed and paid on a monthly basis.

Pension income

Pension income is the total revenue charged to schemes based on the number of billable hours recorded at a contracted chargeable rate. The performance obligations are to provide the time of professional trustees to the pension trust and the timing of transfer of goods and services are at that point in time. The revenue is recognised in the accounting period in which the time has been recorded with amounts mostly billed and paid on a quarterly basis.

Acceptance fee income

Revenues are derived from acceptance of new business based on the fee charged, which is considered to be the transaction price. The timing of transfer of goods and services is at that point of time, with revenue recognised in the accounting period the transaction occurs net of any value added tax. Amounts are billed and paid on a quarterly basis.

Recoverable expenses

Where expenses are recoverable from third parties, the recoveries and expenses are included in both the turnover and cost of sales line within the income statement.

Investments

Investments are held at cost. Provision is made where there has been a permanent impairment in value.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders.

Notes to the financial statements for the year-ended 31 December 2021 (continued)

3. Significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initial recognition

Financial assets and financial liabilities are measured initially at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Classification and subsequent measurement

Trade receivables

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost less any provision for impairment and expected credit losses, to ensure that amounts recognised represent the recoverable amount.

Impairment of financial assets

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses trade receivables are grouped based on similar risk characteristics including business area and ageing.

The expected loss rates are based on the Company's historical credit losses experienced over a three-year period prior to the year end. The historical loss rates are adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Group has identified gross domestic product (GDP) and unemployment trends act as key economic indicators which may impact our customers' future ability to pay debt.

Trade payables

Trade payables are recognised at fair value and subsequently measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks and other short-term highly liquid investments with original maturities of three months or less, subject to insignificant changes in fair value.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Notes to the financial statements for the year-ended 31 December 2021 (continued)

3. Significant accounting policies (continued)

Financial instruments (continued)

Derecognition of financial assets (continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

Share capital

Ordinary shares are classified as equity.

Taxation

Current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense which are either never taxable or deductible or are taxable or deductible in other periods. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the year end date.

Notes to the financial statements for the year-ended 31 December 2021 (continued)

4. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates; examples include any provisions, impairments and estimated useful lives. It also requires the Company's Directors to exercise judgements and estimates in preparing the financial statements. The estimates, judgements and policies of the Directors are discussed below.

In applying the Company's accounting policies, which are described in note 3, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis and are continually evaluated based on historical experience and other factors. However, actual results may differ from these estimates. There are no material estimates or critical judgements made. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5. Turnover

Turnover represents fees for services provided entirely within the United Kingdom and in the following class of business.

	2021	2020
	£	£
Annual income	2,067,246	1,842,468
Pension income	8,578,277	7,883,916
Special fee income	115,711	101,626
	<u>10,761,234</u>	<u>9,828,010</u>

6. Administrative expenses

Resources necessary for the administration of the Company are provided by a Law Debenture group company (L.D.C. Trust Management Limited) for which it has been charged a management fee of £8,504,787 (2020: £8,006,504). In 2021 the Group revised its approach to management fees whereby fees are allocated according to costs relevant to the specific entity and incorporate an allocation of costs incurred for central support functions. Audit fees paid during the year amounted to £26,000 (2020: £19,000).

Non-audit fees paid to the auditors during the year amounted to £Nil (2020: £Nil).

7. Employee information and Directors' emoluments

There were no employees during the year (2020: Nil).

The Directors received no emoluments in respect of their services to the Company during the year (2020: £Nil), but they were remunerated for their services to the Group as a whole by L.D.C. Trust Management Limited, which acts as the employing company for the Group.

The Law Debenture Pension Trust Corporation p.l.c.

Notes to the financial statements for the year-ended 31 December 2021 (continued)

8. Taxation

	2021 £	2020 £
(a) Analysis of taxation charge		
Current tax:		
UK corporation tax	-	-
Total tax (Note (b))	<u>-</u>	<u>-</u>

(b) Factors affecting the tax charge for the year

The standard rate of corporation tax applied to reported profit is 19 per cent (2020: 19 per cent).

The applicable rate has changed following the substantive enactment of the Finance Act 2022.

The charge for the year can be reconciled to the profit before tax as follows:

	2021 £	2020 £
Profit on ordinary activities before tax	2,291,261	1,558,313
Profit on ordinary activities multiplied by the standard rate of UK corporation tax at 19.00% (2020: 19.00%)	435,340	296,079
Effects of:		
IFRS 9 ECL provision	(29,490)	28,853
Group relief	(405,849)	(324,932)
Tax charge for year (Note (a))	<u>-</u>	<u>-</u>

(c) Factors that may affect future tax charges

The Company's future effective tax rate will depend on the extent to which there is group relief available to claim from other group companies.

9. Dividend

	2021 £	2020 £
Dividend per ordinary share comprises the following:		
A dividend of 31p per share is approved for 2021	<u>(1,550,000)</u>	<u>(5,500,000)</u>

Notes to the financial statements for the year-ended 31 December 2021 (continued)

10. Investments

	2021	2020
	£	£
(a) Subsidiary companies		
as at 1 January and 31 December	<u>250,205</u>	<u>250,205</u>

The investments comprise £250,000 in Syngenta Pensions Trustee Ltd, £100 in Henderson Administration Trustees Limited, £3 in Charter Pensions Trustee Limited, £1 in Law Debenture Trust for Charities, €1 in The Law Debenture Corporation (Deutschland) Limited and £100 in ICI Specialty Chemicals Pensions Trustee Limited. The Directors believe these investments are worth at least the current carrying value in the financial statements.

All subsidiaries are incorporated and have their registered office in the United Kingdom at 8th Floor, 100 Bishopsgate, London EC2N 4AG.

These holdings constitute 100% of the nominal share capital of each company. Each company is a subsidiary and is incorporated in England and Wales and their principal activities are to act as pension trustee companies.

	2021	2020
	£	£
(b) Other		
As at 1 January	<u>26</u>	<u>26</u>
As at 31 December	<u>26</u>	<u>26</u>

The investment comprises 26% in Exel Trustees Limited which is a pension trustee company.

	2021	2020
	£	£
(c) Total investments		
As at 1 January	<u>250,231</u>	<u>250,231</u>
As at 31 December	<u>250,231</u>	<u>250,231</u>

No additions or disposals were made in the period and no impairment has ever been recognised on these investments.

11. Debtors

	2021	2020
	£	£
Amounts due from group undertakings	32,691,515	2,564,464
Trade and other receivables	1,253,827	2,003,028
Contract assets	2,847,560	2,260,366
	<u>36,792,902</u>	<u>6,827,858</u>

The carrying value represents trade and other receivables which are not impaired. The Directors consider that the carrying value approximates to the fair value. Contract assets arise from when the Company enters into contracts with clients that can take more than one year to complete. Amounts due from group undertakings represent intercompany loans which are unsecured, interest-free and repayable on demand.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses trade receivables are grouped based on similar risk characteristics including business area and ageing.

Notes to the financial statements for the year-ended 31 December 2021 (continued)

11. Debtors (continued)

The expected loss rates are based on the Company's historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified gross domestic product (GDP) and unemployment trends act as key economic indicators which may impact our customers' future ability to pay debt.

At 31 December 2021 the provision in relation to IFRS 9 resulting from credit loss rates is £52,653 (2020: £207,866). The total specific and IFRS 9 credit loss provision at 31 December 2021 is £54,528 (2020: £209,741). Specific provisions relate to balances 91+ days overdue.

12. Creditors	2021	2020
	£	£
Amounts due to group undertakings	29,606,159	555,058
Trade and other payables	442,436	486,275
Contract liabilities	1,973	16,593
	<u>30,050,568</u>	<u>1,057,926</u>

The Directors consider that the carrying value of trade and other payables approximates to their fair value, due to their age. Amounts due to group undertakings represent intercompany loans which are unsecured, interest-free and repayable on demand.

13. Share capital	2021	2020
	£	£
Authorised, issued and fully paid share capital: 5,000,000 ordinary shares of £1	<u>5,000,000</u>	<u>5,000,000</u>

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held. No shares were reclassified during the year (2020: no reclassifications).

14. Financial instruments

At 31 December the Company held the following categories of financial assets and liabilities:

	2021	2020
	£	£
Financial assets held at amortised cost		
Amounts due from group undertakings	32,691,515	2,564,464
Trade and other receivables	1,253,827	2,003,028
Cash and cash equivalents	367,280	598,421
Financial liabilities measured at amortised cost		
Amounts due to group undertakings	29,606,159	555,058
Trade and other payables	442,436	486,275

A description of the principal risk relating to financial instruments are their relevance to the Company and how they are managed is given in the Strategic report.

Notes to the financial statements for the year-ended 31 December 2021 (continued)

15. Ultimate controlling party

All the issued share capital of the Company is owned by The Law Debenture Corporation p.l.c., a company registered in England and Wales (and which is the ultimate controlling party), other than one share which is held by Law Debenture Corporate Services Limited as a nominee. Copies of the Group financial statements of The Law Debenture Corporation p.l.c. can be obtained from The Secretary, Law Debenture Corporate Services Limited, 8th Floor, 100 Bishopsgate, London EC2N 4AG.

16. Related party transactions

As a wholly owned subsidiary of The Law Debenture Corporation p.l.c. the Company has taken advantage of the exemption under paragraph 8(k) of FRS101, not to disclose transactions with other wholly owned members of the Group.

17. Post balance sheet events

There were no post balance sheet events.

The Law Debenture Pension Trust Corporation p.l.c.

Directors

M.H. Ashworth
A. Baker
D.W.D. Barlow
E.J. Beverley
S.A. Burnard
M.A. Chatterton
A. Creed
D.F.E. Curtis
A.A. Eagles
A.W. Harrison
E.A. Hartree
M.I. Jaffe
D.P. Kidd
E.G. Levy
S. Mahalingham
S. Minchella
V.C. Paramour
S.L. Pitt
J. Rickards
K. Scott
R.H. Thomas
V.H. Trayhurn
N.M. Winterfrost

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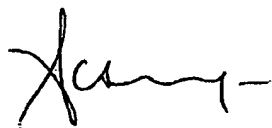
Notice of Meeting

Notice is hereby given that the twenty-third annual general meeting of The Law Debenture Pension Trust Corporation p.l.c. ("the Company") will be held on 25 October 2022 at 8th Floor, 100 Bishopsgate, London EC2N 4AG for the following purposes:

1. To consider and approve the report of the Directors, the strategic report and the audited financial statements for the year ended 31 December 2021.
2. To appoint Deloitte LLP as the Corporation's auditors and to authorise the Directors to determine their remuneration.

A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member. Any instrument appointing a proxy must be received at the registered office before the time fixed for the meeting.

By order of the Board



Law Debenture Corporate Services Limited

Secretary

25 October 2022