

RL Corporate Pension Services Limited

Annual report and financial statements

for the year ended 31 December 2018

Registered Number 5817049

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RL Corporate Pension Services Limited

Annual report and financial statements

for the year ended 31 December 2018

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RL Corporate Pension Services Limited

Directors for the year ended 31 December 2018

Directors

Robert Regan
Ewan Smith
James Smith

Company Secretary

Royal London Management Services Limited

Registered Office

55 Gracechurch Street
London
EC3V 0RL

Registered in England and Wales

Private limited company – limited by shares

Registered Number

5817049

RL Corporate Pension Services Limited

Strategic report for the year ended 31 December 2018

Review of the business

The company provides professional consulting services and pension administration services to third party companies.

Total comprehensive income for the year was £1,070,000 (2017: £1,002,000). A dividend of £4,750,000 has been paid during the year (2017: £nil) and, accordingly, £3,680,000 was transferred from reserves (2017: £1,002,000 transferred to reserves).

The net assets of the company are £495,000 (2017: £4,175,000).

Share capital reduction

In December 2018 a special resolution was passed to reduce the issued share capital of the company from 750,000 issued ordinary fully paid-up shares of £1 each to 1 issued ordinary fully paid-up share of £1 in accordance with Sections 641 to 644 of the Companies Act 2006. The reduction in the shares was transferred to the company's profit and loss reserve at nominal value.

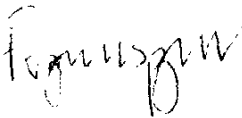
Principal risks and uncertainties

The principal risks and uncertainties facing the company are integrated with those facing the Group and are not managed separately. The company operates within the risk management policies and procedures maintained by its ultimate parent company, The Royal London Mutual Insurance Society Limited, which are discussed within the risk management note in the Group's annual report and accounts.

Key performance indicators (KPIs)

The directors are of the opinion that an analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

By order of the Board



Fergus Speight
For and on behalf of Royal London Management Services Limited
Company Secretary
18 March 2019

RL Corporate Pension Services Limited

Directors' report for the year ended 31 December 2018

The directors present their annual report and unaudited financial statements for the year ended 31 December 2018.

Directors

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

Robert Regan
Ewan Smith
James Smith

Directors' indemnities

The directors have the benefit of a qualifying third party indemnity provision (as defined in section 234 of the Companies Act 2006). This provision was in force throughout the financial year and as at the date of approval of the financial statements. The company's ultimate parent undertaking, The Royal London Mutual Insurance Society Limited, also maintains Directors' and Officers' liability insurance in respect of the company and its directors.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

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, including FRS 101 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 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.

Dividends

A dividend of £4,750,000 has been paid in the year (2017: £nil).

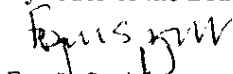
Future outlook

The company is currently looking at the possibility of selling the business externally and will continue to explore opportunities going forward.

Subsidiary audit exemption

For the current year the company has taken advantage of the exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

By order of the Board


Fergus Speight

For and on behalf of Royal London Management Services Limited
Company Secretary
18 March 2019

RL Corporate Pension Services Limited

Statement of comprehensive income for the year ended 31 December 2018

	Note	2018 £000	2017 £000
Turnover		2,289	2,234
Administrative expenses	2	(969)	(994)
Profit on ordinary activities before tax		1,320	1,240
Tax on profit on ordinary activities	3	(250)	(238)
Profit for the financial year		1,070	1,002
Other comprehensive income, net of tax		-	-
Total comprehensive income for the financial year		1,070	1,002

The accounting policies and notes on pages 7 to 10 form an integral part of these financial statements.

RL Corporate Pension Services Limited

Balance sheet as at 31 December 2018

	Note	2018 £000	2017 £000
Current assets			
Deferred tax asset: amounts due after more than one year	3(iii)	15	18
Debtors	4	306	412
Cash at bank and in hand		552	4,379
		873	4,809
Creditors: amounts falling due within one year	5	(378)	(634)
Net current assets		495	4,175
Total assets less current liabilities		495	4,175
Capital and reserves			
Called up share capital	6	-	750
Profit and loss account		495	3,425
Total shareholders' funds		495	4,175

For the year ending 31 December 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- The directors acknowledge responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 4 to 10 were approved by the board of directors on 18 March 2019 and signed on its behalf by:



Robert Regan
Director
RL Corporate Pension Services Limited
Registered Number: 5817049

The accounting policies and notes on pages 7 to 10 form an integral part of these financial statements.

RL Corporate Pension Services Limited

Notes to the financial statements for the year ended 31 December 2018 (continued)

1 Accounting policies

(iv) Taxation (continued)

Deferred tax is provided, with no discounting, using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided for is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(v) Cash at bank and in hand

Cash at bank and in hand comprises cash balances and deposits with a maturity date of three months or less from the acquisition date, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(vi) Debtors / creditors

Debtors and creditors are recognised initially at fair value and subsequently measured at amortised cost. The company has no financial assets or financial liabilities measured at fair value as they all are held in order to collect contractual cash flows and are solely payments of principal and interest on the principal amount outstanding. Trade receivables are stated after allowances for bad and doubtful debts on management's assessment of creditworthiness.

(vii) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2 Administrative expenses

Administrative expenses of £969,000 (2017: £994,000) include charges for the provision of services made under a management services agreement by Royal London Management Services Limited.

The company has no employees (2017: none).

The directors received no remuneration in respect of their services to the company (2017: £nil).

As the company has taken advantage of the audit exemption, the remuneration of the auditors, PricewaterhouseCoopers LLP for the year was £nil in respect of the audit of the company's annual financial statements.

3 Tax on profit on ordinary activities

	2018 £000	2017 £000
(i) Tax charged in the statement of comprehensive income		
UK corporation tax charge at 19% (2017: 19.25%) on the profit for the year	247	234
Tax charge before deferred taxation	247	234
Deferred tax charge (note 3 (iii))	3	4
Tax charge on profit on ordinary activities	250	238

RL Corporate Pension Services Limited

Notes to the financial statements for the year ended 31 December 2018

1 Accounting policies

(i) General information

RL Corporate Pension Services Limited is a company that provides professional consulting services and pension administration services to third party companies, operating in the United Kingdom (UK). The company is a private limited company and is incorporated and domiciled in the UK. The address of its registered office is 55 Gracechurch Street, London, EC3V 0RL.

(ii) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and Financial Reporting Standard (FRS) 101, 'Reduced Disclosure Framework'.

FRS 101 permits the use of IFRS as adopted for use in the European Union but with certain exemptions, as described below.

In accordance with FRS 101, the company has taken the exemptions not to present the following items required by EU adopted IFRS:

- Comparative information for the reconciliation of the number of shares outstanding at the beginning and end of the period.
- Capital management disclosures.
- A cash flow statement and related disclosures.
- Information on new IFRSs that have been issued but which are not yet effective.
- Key management compensation.
- Related party transactions between members of the group provided that any subsidiary that is party to the transaction is wholly owned by the group.

The company has taken advantage of the exemptions within IFRS 8 (Operating Segments) not to provide segmental information as it does not have, and is not in the process of issuing, debt or equity instruments that are traded in a public market.

The following new and amended standards have been adopted for the first time in these financial statements. There is no impact on the classification or measurement of the financial assets or liabilities held by the company and accordingly no restatement of the prior year figures is required.

- IFRS 9, 'Financial Instruments' covering the classification and measurement of financial instruments; and
- IFRS 15, 'Revenue from contracts with customers' which concerns recognition of revenue when control of a good or service transfers to a customer.

The principal accounting policies, which have been applied consistently to all periods in these financial statements, are set out below.

(iii) Turnover

Turnover consists of fees earned in the United Kingdom through the provision of third party administration and professional consulting services. All turnover is accounted for net of VAT and is recognised as services are provided.

(iv) Taxation

Income tax on the profit for the financial year comprises current and deferred tax and is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised directly in equity.

Current tax is the expected tax payable on the taxable profit for the financial year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

RL Corporate Pension Services Limited

Notes to the financial statements for the year ended 31 December 2018 (continued)

1 Accounting policies

(iv) Taxation (continued)

Deferred tax is provided, with no discounting, using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided for is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(v) Cash at bank and in hand

Cash at bank and in hand comprises cash balances and deposits with a maturity date of three months or less from the acquisition date, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(vi) Debtors / creditors

Debtors and creditors are recognised initially at fair value and subsequently measured at amortised cost. The company has no financial assets or financial liabilities measured at fair value as they all are held in order to collect contractual cash flows and are solely payments of principal and interest on the principal amount outstanding. Trade receivables are stated after allowances for bad and doubtful debts on management's assessment of creditworthiness.

(vii) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2 Administrative expenses

Administrative expenses of £969,000 (2017: £994,000) include charges for the provision of services made under a management services agreement by Royal London Management Services Limited.

The company has no employees (2017: none).

The directors received no remuneration in respect of their services to the company (2017: £nil).

As the company has taken advantage of the audit exemption, the remuneration of the auditors, PricewaterhouseCoopers LLP for the year was £nil in respect of the audit of the company's annual financial statements.

3 Tax on profit on ordinary activities

	2018 £000	2017 £000
(i) Tax charged in the statement of comprehensive income		
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RL Corporate Pension Services Limited

Notes to the financial statements for the year ended 31 December 2018 (continued)

3 Tax on profit on ordinary activities (continued)

(ii) Factors affecting the tax charge

The tax assessed for the year is different from the standard rate of corporation tax in the UK of 19% (2017: 19.25%) applied to the profit before tax. The differences are explained below:

	2018 £000	2017 £000
Profit on ordinary activities before tax	1,320	1,240
Profit multiplied by the standard rate of UK corporation tax of 19% (2017: 19.25%)	251	239
Effects of:		
Interest imputed for tax purposes and other adjustments	(1)	(1)
Total tax charge for the year	250	238

The tax rate will reduce to 17% from 1 April 2020; this change was substantively enacted on 15 September 2016 and, therefore is recognised in these financial statements for the purposes of calculating deferred tax.

(iii) Deferred taxation

	Recognised		Unrecognised	
	2018 £000	2017 £000	2018 £000	2017 £000
Accelerated capital allowances	15	18	-	-
Deferred tax asset	15	18	-	-

The tax provision has been calculated using a corporation tax rate of 17% (2017: 17%).

The movement in the deferred tax asset in the year is shown below.

	2018 £000	2017 £000
At 1 January	18	22
Deferred tax charge in the profit and loss account (note 3(i))	(3)	(4)
At 31 December	15	18

The directors consider that there is sufficient certainty there will be taxable profits in the future to utilise the deferred tax asset of £15,000 (2017: £18,000) shown above, and therefore the asset has been recognised in these financial statements. There is no unrecognised deferred tax asset in the company (2017: £nil).

4 Debtors

	2018 £000	2017 £000
Trade debtors	245	412
Prepayments and accrued income	61	-
	306	412

Trade debtors are carried at amortised cost which approximates fair value and are stated after provisions for impairment of £19,000 (2017: £24,000).

RL Corporate Pension Services Limited

Notes to the financial statements for the year ended 31 December 2018 (continued)

5 Creditors: amounts falling due within one year

	2018	2017
	£000	£000
Amounts owed to Group undertakings	177	81
Group relief payable	111	100
Deferred income	42	55
VAT	48	398
	378	634

The amounts owed to Group undertakings are repayable on demand, do not bear any interest and are unsecured.

6 Called up share capital

	2018	2017
	£000	£000
Issued and fully paid		
1 (2017: 750,000) ordinary share of £1	-	750

7 Ultimate parent undertaking and controlling party

The Royal London Mutual Insurance Society Limited (RLMIS), a company registered in England and Wales, is the immediate and ultimate parent undertaking and controlling party.

RLMIS is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements. Copies of the financial statements of RLMIS are available from the company's registered office.

8 Events after the end of the reporting period

The company is currently looking at the possibility of selling the business externally and will continue to explore opportunities going forward.