



PASPV Limited

Report and Financial Statements

For the year ended 31 December 2016

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Directors, Officers and Advisers

For the year ended 31 December 2016

Directors & Officers

Directors

DL Richardson, FIA, CFA
S O'Hara

Company Secretary

Simon O'Hara

Registered Office

5th Floor
110 Bishopsgate
London
EC2N 4AY

Independent Advisers and Consultants

Auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Bankers

Lloyds Banking Group plc

Solicitors

Clyde & Co LLP

Strategic Report

For the year ended 31 December 2016

Principal activity and review of the business

The Company was incorporated on 20 December 2012. The principal activity of the Company since incorporation was facilitating commodity trade finance. The Company ceased facilitating such activities from September 2014 and as at 31 December 2016 the Company has redeemed all its investments.

The Directors are considering the future purpose and activities of the Company.

Results and dividend

The Company made a loss for the year of £3,000 (2015 profit: £6,000) as set out in the Statement of Comprehensive Income on page 6. The Directors do not recommend the payment of a dividend (2015: £nil).

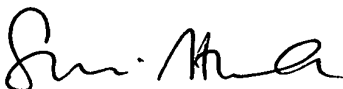
Principal risks and uncertainties

The Company's exposure to, and management, of principal risks and uncertainties is set out in note 8.

Key performance indicators

The key performance indicators used by the Directors to manage the Company's operations include the operating profit before tax and profit before tax on an IFRS basis.

Approved by the Board and signed on its behalf by:



Simon O'Hara

Company Secretary
110 Bishopsgate
London
EC2N 4AY
25 September 2017

Directors' Report

For the year ended 31 December 2016

The Directors present their Annual Report and the audited Financial Statements for the year ended 31 December 2016.

Directors

The current Directors are listed on page 1. Directors who served the PASPV Limited (the "Company") during 2016 and up to the date of this report were:

DL Richardson, FIA, CFA
S O'Hara
AS Veys (Resigned 31/11/2016)

Directors' interests

The Directors had no interests in the share capital of the Company at 31 December 2016 (2015: £nil).

Directors' indemnities

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for Directors and Officers of the Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the Company.

Directors' and Officers' liability insurance cover is in place in respect of all of the Company's Directors.

Charitable and political donations

Charitable donations made by the Company during the year ended 31 December 2016 were £nil (2015: £nil). No political contributions were made during the year ended 31 December 2016 (2015: £nil).

Going concern

As stated in the Strategic Report, the Company ceased holding any investments during the year. As the directors are still considering the future purposes and activities of the Company, the financial statements have not been prepared on a going concern basis. The Company has a letter of support from Partnership Life Assurance Company Limited to ensure it can continue to meet liabilities as they fall due.

Auditor

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 auditor is unaware; and
- The Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

On 11 November 2016 the Company's auditor, Deloitte LLP resigned. Subsequently the Company appointed KPMG LLP as auditor.

Statement of Directors' Responsibilities

For the year ended 31 December 2016

The Directors are responsible for preparing the Annual 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 International Financial Reporting Standards (IFRS) as adopted by the European Union. 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, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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.

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

Approved by the Board and signed on its behalf by:



Simon O'Hara

Company Secretary
110 Bishopsgate
London
EC2N 4AY
25 September 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PASPV LIMITED

We have audited the financial statements of PASPV Limited for the year ended 31 December 2016 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £3,000 during the year ended 31 December 2016 and, at that date, the company's current liabilities exceeded its total assets by £3,000 and it had net current liabilities of £3,000. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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.



Ben Priestley (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

25 September 2017

Statement of Comprehensive Income

For the year ended 31 December 2016

	Note	2016 £000's	2015 £000's
Investment income	2	283	290
Total income		283	290
Investment expenses and charges		-	2
Interest payable		(283)	(289)
		(283)	(287)
Profit from operations before tax	3	-	3
Income tax (charge)/credit	4	(3)	3
(Loss)/Profit for the year		(3)	6
Other comprehensive income			
Foreign currency movements		-	(6)
Total comprehensive loss for the year		(3)	-

The results for both 2016 and 2015 were entirely attributable to equity.

The notes on pages 10 to 14 are an integral part of these Financial Statements.

Statement of Changes in Equity

For the year ended 31 December 2016

	Share capital	Currency translation reserve	Retained profit/ (loss)	Total
	£000's	£000's	£000's	£000's
At 1 January 2015	-	30	(30)	-
Currency translation between functional and reporting currency	-	(6)	-	(6)
Profit for the year	-	-	6	6
At 31 December 2015	-	24	(24)	-

	Share capital	Currency translation reserve	Retained loss	Total
	£000's	£000's	£000's	£000's
At 1 January 2016	-	24	(24)	-
Loss for the year	-	-	(3)	(3)
At 31 December 2016	-	24	(27)	(3)

The results for both 2016 and 2015 were entirely attributable to equity.

The notes on pages 10 to 14 are an integral part of these Financial Statements.

Statement of Financial Position

As at 31 December 2016

	Note	2016 £000's	2015 £000's
Assets			
Financial assets	5	-	92
Receivables	6	-	680
Total assets		-	772
Equity			
Currency translation between functional and reporting currency		24	24
Retained loss		(27)	(24)
Total equity and reserves		(3)	-
Current liabilities			
Payables	7	3	772
Total liabilities		3	772
Total equity and liabilities		-	772

The notes on pages 10 to 14 are an integral part of these Financial Statements.

The Financial Statements of the Company were approved by the Board of Directors and authorised for issue on 25 September 2017.

They were signed on its behalf by:



DL Richardson
Director

Company registered Number: 08338094

Cash Flow Statement

For the year ended 31 December 2016

	Note	2016 £000's	2015 £000's
Profit from operations before tax		-	3
Adjustment for:			
Decrease in financial assets	5	92	1,544
Decrease/(increase) in amounts due from parent undertaking	6	680	(680)
Decrease in payables	7	(772)	(861)
Net generated used in operating activities		-	6
Net increase in cash and cash equivalents		-	6
Cash and cash equivalents at beginning of the period		-	-
Effect of exchange rate changes on cash and cash equivalents		-	(6)
Cash and cash equivalents at end of period		-	-

The notes on pages 10 to 14 are an integral part of these Financial Statements.

Notes to the Financial Statements

For the year ended 31 December 2016

1 Significant accounting policies

General information

The principal activity and review of the business on page 2 outlines the Company's activities and performance. Note 8 to the Financial Statements sets out the Company's policies and procedures for managing risk. The Company's parent undertaking, Partnership Life Assurance Company Limited ("PLACL"), has indicated that its current intention is to continue to provide support as necessary to enable the Company to meet its liabilities as they fall due.

Basis of preparation

These Financial Statements are prepared in accordance with IFRS, as adopted by the European Union, and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial information has been prepared in accordance with applicable accounting standards and under the historical cost convention.

The Company ceased holding any investments during the year. As the directors are still considering the future purposes and activities of the Company, the financial statements have not been prepared on a going concern basis.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial information in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

Investment income & expenses

Investment income comprises interest received on financial assets, realised investment gains and losses and movements in unrealised gains and losses. Expenses and charges are included on an accruals basis.

Realised gains and losses on investments are calculated as the difference between net sales proceeds less costs of sale and original cost. Unrealised gains and losses on investments represent the difference between the valuation at the balance sheet date and their purchase price or if they have been previously valued their valuation at the last balance sheet date. The movement in unrealised gains and losses recognised in the year also includes the reversal of unrealised gains and losses recognised in earlier accounting periods in respect of investment disposals in the current period.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held on call with banks and other short term highly liquid investments with original maturities of 90 days or less. Bank overdrafts are included in cash and cash equivalents.

Current taxation

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited to equity if it relates to items that are credited or charged directly to equity.

Provision is made for taxation on taxable profits for the year, using tax rates enacted or substantially enacted at the balance sheet date together with adjustments to tax payable in respect of previous years.

Foreign exchange

The Company's functional currency is US dollars, reflecting the currency of the majority of the Company's loan transactions. Amounts denominated in other currencies are translated into the functional currency and gains and losses on translation are reported in the Statement of Comprehensive Income as a component of profit for the period. The presentation currency of these Financial Statements is sterling to match the presentation currency of the other subsidiaries of the group. These Financial Statements are translated from the functional currency to the presentation currency with any differences arising reported in Other Comprehensive Income and reflected in the currency translation reserve as equity.

Deferred taxation

Provision is made for taxation on taxable profits for the year using tax rates enacted or substantively enacted at the balance sheet date.

Notes to the Financial Statements (continued)

To the Members of PASPV Limited for the year ended 31 December 2016

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the Financial Statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

Financial assets

Financial assets comprise investments in Commodity Trade Finance Funds ("CTF Funds") which are initially and subsequently recognised at fair value, with changes in fair value included in the Statement of Comprehensive Income. The fair value of these investments is not based on observable market data.

Adoption of new and revised standards

The following new accounting standards, interpretations and amendments to existing accounting standards in issue, but not yet effective or endorsed by the EU, have not been early adopted by the Company. Unless stated, the new and amended standards and interpretations are being assessed but are not expected to have a significant impact on the Company's financial statements:

- IFRS 9, Financial instruments (effective 1 January 2018, not yet endorsed) and amendment to IFRS 4, Insurance contracts (effective 1 January 2018, not yet endorsed).

IFRS 9 includes comprehensive requirements relating to the classification and measurement of financial instruments. In 2016 the IASB amended IFRS 4, the existing Insurance Contracts standard, to allow entities that issue insurance contracts to defer application of IFRS 9 until accounting periods beginning on or after 1 January 2021. This is intended to align with the expected effective date of IFRS 17, the forthcoming Insurance Contracts standard. This option, which the Company intends to adopt, is subject to meeting criteria relating to the predominance of insurance activity. It is expected that the amendment of the insurance standard will have a significant impact on the presentation of future cash flows within the financial statements, which will be formally assessed once the standard has been finalised.

- IFRS 16, Leases (effective 1 January 2019, not yet endorsed).

IFRS 16 specifies how to recognise, measure, present and disclose leases. The standard provides a single accounting model, requiring lessees to recognise assets and liabilities for leases unless the term is 12 months or less or the underlying asset has a low value.

- Amendments to IAS 1 – Disclosure initiative (effective 1 January 2016, not yet endorsed).

The amendments clarify guidance on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

- Amendment to IAS 12, Income taxes (effective 1 January 2017, not yet endorsed).

The amendments clarify the recognition of deferred tax assets for unrealised losses on debt instruments, and provide guidance on estimates for future taxable profits and the assessment of multiple deferred tax assets in combination.

- Amendment to IAS 7, Statement of cash flows (effective 1 January 2017, not yet endorsed).

The amendments require additional disclosures that will allow users to understand changes in liabilities arising from financing activities, including changes arising from cash flows, such as drawdowns and repayments of borrowings, and non-cash changes, such as acquisitions, disposals and unrealised exchange differences.

2 Investment income

	2016	2015
	£000's	£000's
Unrealised gains on financial assets	-	340
Realised gains/(losses) on financial assets and liabilities	283	(50)
Investment income in the year	283	290

Notes to the Financial Statements (continued)

To the Members of PASPV Limited for the year ended 31 December 2016

The shareholder fund of PLACL provided loans in prior years to back CTF Fund investments. Realised gains/ losses on financial assets and liabilities include realised FX gains/ losses on the loans provided by PLACL.

3 Profit from operations before tax

The Company has no employees. Directors are remunerated for services to the group, Just Group plc as a whole. Auditor remuneration of £4,120 (2015: £4,120) in respect of the audit of the Company's Financial Statements was incurred by Partnership Services Limited, a fellow subsidiary undertaking.

4 Income tax

The actual tax charge is computed by applying the average UK corporation tax rate of 20% (2015: 20.25%) as follows:

	2016 £000's	2015 £000's
Current taxation charge	-	1
Adjustment in respect of prior years	3	(4)
Total tax charge for the year	3	(3)

Factors affecting the tax charge	2016 £000's	2015 £000's
Profit from operations before tax	-	3
Current taxation charge at 20% (2015: 20.25%)	-	1
Adjustment in respect of prior years	3	(4)
Income tax charge/(credit) in the year	3	(3)

The Company did not have a deferred tax asset or liability at the beginning or the end of the year (2015: nil).

5 Financial assets and accrued income

	2016 £000's	2015 £000's
Amounts falling due within one year:		
CTF Funds	-	92
Total financial assets and accrued income	-	92

Financial assets consist of investments in CTF Funds. Financial assets are classified as financial instruments at fair value through profit and loss. In accordance with IFRS 13 "Fair value measurement" financial assets are classified as Level 3 - Modelled valuation for which inputs are not based on observable market data.

Due to the short-term nature of the assets, the fair values of these instruments are estimated as the principal amount borrowed/ invested plus accrued interest from the date of acquisition, adjusted for incurred and expected defaults.

The table below reconciles the opening and closing recorded amount of Level 3 financial liabilities and financial assets which are stated at fair value.

Notes to the Financial Statements (continued)

To the Members of PASPV Limited for the year ended 31 December 2016

Level 3 asset reconciliation for the year ended 31 December 2016		CTF Funds £000's
At 1 January 2016		92
Gains and losses		153
Redemptions received		(245)
At 31 December 2016		-

Level 3 asset reconciliation for the year ended 31 December 2015		CTF Funds £000's
At 1 January 2015		1,637
Gains and losses		79
Redemptions received		(1,624)
At 31 December 2015		92

Gains and losses are included within net investment income in the Statement of Comprehensive Income.

	Current fair value £000's	Reasonably possible alternative assumptions	
		Increase in fair value £000's	Decrease in fair value £000's
At 31 December 2016			
Funds	-	-	-

	Current fair value £000's	Reasonably possible alternative assumptions	
		Increase in fair value £000's	Decrease in fair value £000's
At 31 December 2015			
Funds	92	-	(92)

All CTF funds were redeemed in the year and no further investments were made so that the Company held no investments at 31 December 2016.

6 Receivables

	2016 £000's	2015 £000's
Amounts falling due within one year:		
Amounts due from parent undertaking	-	676
Corporation tax recoverable	-	4
At 31 December	-	680

7 Payables

	2016 £000's	2015 £000's
Amounts falling due within one year:		
Amounts due to parent undertaking	-	772
Corporation tax payable	3	-
At 31 December	3	772

The shareholder fund of PLACL provided loans to the Company to finance commodity trade finance investments. Interest accrued on these loans (less expenses incurred) accrued to PLACL. Interest rates on these loans varied between six and eleven percent. The Company repaid all loans due to PLACL during the year so that no loans were outstanding at 31 December 2016.

8 Principal risks, uncertainties and financial instruments

The Company held no financial assets at 31 December 2016.

Notes to the Financial Statements (continued)

To the Members of PASPV Limited for the year ended 31 December 2016

a) Credit risk

The Company was exposed to credit risk through its investments. The Company engaged third party investment managers to undertake CTF investments on its behalf. There was a risk that investments did not perform as expected and ultimately default, which may have endangered the payment of accrued interest, fees and principal that were due to the Company. Investment management agreements carefully identified the types of investments that the managers could pursue, the risk mitigation mechanisms that they should implement and how they should report on investments to the Company. If investments underperformed, the investment team reported this to the PLACL Group Executive Investment Management Committee and worked with the investment managers to understand the actions taken to remedy the underperformance. If the underperformance continued and there appeared to be a prospect of less than 100% recovery, the Company may have impaired the underperforming investment.

The maximum exposure of the Company to credit risk was the value of assets presented on the Statement of Financial Position. All investments were unrated.

b) Liquidity Risk

The Company's parent, PLACL, provided funds to the Company in advance of the investment managers entering into CTF Fund investments on the Company's behalf. The Company's payables to its parent undertaking were all due in less than 12 months.

The Company and its parent are subsidiary undertakings of Just Group plc and the cash requirements of the Company are monitored on a daily basis and managed accordingly.

c) Currency Risk

Currency risk arises from fluctuations in the value of, or income from, assets denominated in foreign currencies, from relative or absolute changes in foreign exchange rates or in the volatility of exchange rates.

Exposure to currency risk could arise from the Company's investment in non-sterling denominated assets.

9 Related party transactions

Trading transactions

During the year the Company did not incur any fees in respect of services provided by Partnership Services Limited, a subsidiary undertaking, in respect of management services (2015: £nil).

The Company repaid all loans due to PLACL, £529,910, during the year so that no loans were outstanding at 31 December 2016. Interest charged in the year for amounts payable is £282,898 (2015: £289,202).

Remuneration of key management personnel

The Company does not employ any staff. The remuneration of the Directors, who are the key management personnel of the Company, is paid by Partnership Services Limited, a fellow group undertaking and subsidiary of the immediate parent undertaking. No emoluments are paid to Directors in relation to their services provided to the Company.

10 Ultimate parent company

The Company's immediate parent company is PLACL, registered in England and Wales, and ultimate parent company is Just Group plc, registered in England and Wales.