

Company Registration No. 00239726 (England and Wales)

CAPITA TRUST COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

TUESDAY



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CAPITA TRUST COMPANY LIMITED

COMPANY INFORMATION

Directors	S P Martin H A Montagu C A Benford D J Osborne B M Douglas S E Lawrence P C Corrigan (Appointed 30 July 2013)
Secretary	Capita Group Secretary Limited
Company number	00239726
Registered office	The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Auditors	KPMG Audit Plc 15 Canada Square London E14 5GL
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Solicitors	Herbert Smith Freehills Exchange House Primrose Street London EC2A 2HS

CAPITA TRUST COMPANY LIMITED

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CAPITA TRUST COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present the strategic report and financial statements for the year ended 31 December 2013.

Review of the business

The company is a wholly owned subsidiary of Capita plc (indirectly held) and operates within the group's Asset Services division (formerly Investor & Banking division).

The principal activity of the company continued to be that of corporate trustees and the provision of trust and corporate administration services. There have not been any significant changes in the company's principal activities in the year under review.

On 8 May 2013, the company sold the entire share capital of Capita Trust Company (Ireland) Limited to Capita Fiduciary (UK Holding) Limited for a consideration of £27,719. The transaction was settled via intercompany.

On 8 May 2013, the company sold the entire share capital of Capita Asset Services (Ireland) Limited to Capita Fiduciary (UK Holding) Limited for a consideration of £8,071,457. The transaction was settled via intercompany.

On 10 May 2013, the company sold the entire share capital of Capita Asset Services GmbH to Capita Fiduciary (UK Holding) Limited for a consideration of £388,493. The transaction was settled via intercompany.

On 28 March 2013, the company sold the entire share capital of Capita Fiduciary Group BV to Capita Fiduciary (UK Holding) Limited for a consideration of £7,037,502. The transaction was settled via intercompany.

On 8 August 2013, the entire share capital of the company was acquired by Capita Fiduciary (UK Holding) Limited for a consideration of £17,311,859. The transaction was settled via intercompany. Capita Fiduciary (UK Holding) Limited changed its name to Capita Asset Services (UK Holding) Limited on 11 July 2014.

The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

As shown in the company's profit and loss account on page 5, the company's turnover has increased from £8,448,658 to £9,123,965 in the current year. Operating profit has decreased from £2,126,234 to £1,556,896 in the same period.

The balance sheet on page 6 of the financial statements shows the company's financial position at the year end. The company is party to a group banking arrangement under which it does not earn interest on any positive cash balances. Net assets have decreased from £15,733,273 to £13,517,083. Details of amounts owed by/to its parent company and fellow subsidiary undertakings are shown in notes 10 and 11 to the financial statements.

Key performance indicators used by Capita plc are operating margins, free cash flow, capital expenditure and return on capital employed. Capita plc and its subsidiaries manage their operations on a divisional basis and as a consequence, some of these indicators are monitored only at a divisional level. The performance of the Asset Services division of Capita plc is discussed in the group's annual report which does not form part of this report.

Systems and procedures are in place to identify, assess and mitigate major business risks that could impact the company. Monitoring exposure to risk and uncertainty is an integral part of the company's structured management processes. The principal risks that the company faces are operational risk, contract pricing, competition, regulatory and legislative impacts, recruitment and retention of staff and maintenance of reputation and strong supplier and customer relationships.

Group risks are discussed in the group's annual report which does not form part of this report.



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D J Osborne

Director

30 September 2014

CAPITA TRUST COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and financial statements for the year ended 31 December 2013.

Results and dividends

The results for the year are set out on page 5.

A final ordinary dividend of £3,400,000 was paid during the year (2012: £2,100,000).

Environment

Capita plc recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies, which are described in the group's annual report which does not form part of this report. Initiatives designed to minimise the company's impact on the environment include safe disposal of waste, recycling and reducing energy consumption.

Employees

Details of the number of employees and related costs can be found in note 18 to the financial statements.

Directors

The following directors have held office since 1 January 2013:

S P Martin
H A Montagu
C A Benford
D J Osborne
B M Douglas
S E Lawrence
P C Corrigan

(Appointed 30 July 2013)

Auditors

KPMG Audit Plc have notified the company that they are not seeking re-appointment to facilitate the orderly wind down of the business of KPMG Audit Plc. It is proposed that the parent entity, KPMG LLP, are appointed as auditors of the company.

CAPITA TRUST COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

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 elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 UK Accounting Standards 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the company's auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she might reasonably be expected to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Qualifying 3rd party indemnity provisions

The company has granted an indemnity to the directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

On behalf of the board



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D J Osborne

Director

30 September 2014

CAPITA TRUST COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CAPITA TRUST COMPANY LIMITED

We have audited the financial statements of Capita Trust Company Limited for the year ended 31 December 2013 set out on pages 5 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). 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, 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 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

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.



Peter Lomax (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

30/1/14

CAPITA TRUST COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Turnover	2	9,123,965	8,448,658
Administrative expenses		(7,238,718)	(6,618,522)
Other operating (expense)/income		(328,351)	296,098
Operating profit	3	1,556,896	2,126,234
Other interest receivable and similar income	4	-	159
Interest payable and similar charges	5	(42)	-
Profit on ordinary activities before taxation		1,556,854	2,126,393
Tax on profit on ordinary activities	6	(373,044)	(521,909)
Profit for the year	15	1,183,810	1,604,484

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

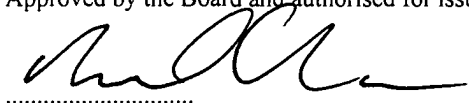
CAPITA TRUST COMPANY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	8	619,959	606,070
Investments	9	4	15,525,175
		<u>619,963</u>	<u>16,131,245</u>
Current assets			
Debtors	10	30,446,896	17,044,034
Cash at bank and in hand		4,556,911	5,133,777
		<u>35,003,807</u>	<u>22,177,811</u>
Creditors: amounts falling due within one year	11	(22,103,917)	(22,477,703)
Net current assets/(liabilities)		<u>12,899,890</u>	<u>(299,892)</u>
Total assets less current liabilities		<u>13,519,853</u>	<u>15,831,353</u>
Provisions for liabilities	12	(2,770)	(98,080)
		<u>13,517,083</u>	<u>15,733,273</u>
Capital and reserves			
Called up share capital	14	8,975,001	8,975,001
Share premium account	15	999,999	999,999
Profit and loss account	15	3,542,083	5,758,273
Shareholders' funds	16	<u>13,517,083</u>	<u>15,733,273</u>

Approved by the Board and authorised for issue on 30 September 2014



D J Osborne
Director

Company Registration No. 00239726

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has sufficient financial resources together with long standing relationships with clients and suppliers. As a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The company has not produced a cashflow statement on the basis that the ultimate parent undertaking, Capita plc, has prepared a group cashflow statement in accordance with FRS1 (revised).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Turnover comprises fee and commission income and is accounted for on the basis of when the income is earned.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Over the period of the lease
Computer equipment	3 years

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for any impairment.

1.7 Pensions

The company maintains a number of contracted-out defined contribution schemes and contributions are charged to the profit and loss account in the year in which they are due. These schemes are funded and the payment of contributions is made to separately administered trust funds. The assets of these schemes are held separately from the company. The company remits monthly pension contributions to Capita Business Services Limited, a fellow subsidiary undertaking, which pays the group liability centrally. Any unpaid contributions at the year end have been accrued in the accounts of that company.

The company also makes contributions to multi-employer defined benefit schemes operated by the group. However, the company is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent basis. Consequently, in accordance with FRS 17, the company accounts for contributions to the schemes as if they were defined contribution schemes.

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

(Continued)

1.8 Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, taxation, with the following exceptions:

- Provision is made for taxation on gains arising from the revaluation (and similar fair value adjustments) of fixed assets and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to taxation only where the replacement assets are sold;

- Deferred taxation assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred taxation is measured on an undiscounted basis at the taxation rates that are expected to apply in the periods in which timing differences reverse, based on taxation rates and laws enacted or substantively enacted at the balance sheet date.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Capita plc, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

1.11 Related party transactions

The company has taken advantage of the exemption under FRS 8: Related Party Disclosures not to disclose transactions entered into between two or more members of Capita plc, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

(Continued)

1.12 Share based payments

The company participates in various share option and sharesave schemes operated by Capita plc, the ultimate parent undertaking. Details of these schemes are contained in the group's annual report.

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined using an option pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions).

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions, the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense, attributable to the company, since the previous balance sheet date is recognised in the profit and loss account and settled with Capita plc, the ultimate parent undertaking.

In accordance with FRS 20, share option awards of the ultimate parent company's equity instruments in respect of settling grants to employees of the company are disclosed as a charge to the profit and loss account and a credit to equity. The company's policy is to reimburse its ultimate parent company through the inter company account for charges that are made to it. Hence the credit to equity has been eliminated, rather reflecting a credit to inter-company which better describes the underlying nature of the transaction.

1.13 Financial instruments: disclosure and presentation

The company has taken advantage of the exemption allowed by paragraph 2D (a) of FRS 29 not to make these disclosures in its own financial statements as the publicly available consolidated financial statements of Capita plc include the required disclosures for the group.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

3	Operating profit	2013 £	2012 £
	Operating profit is stated after charging:		
	Amortisation of intangible assets	-	12,355
	Depreciation of tangible assets	71,728	98,819
	Loss on foreign exchange transactions	328,351	-
	Operating lease rentals		
	- Plant and machinery	-	55
	- Other assets	-	211,588
	and after crediting:		
	Profit on foreign exchange transactions	-	(296,098)
		<u> </u>	<u> </u>

Audit fees are borne by the ultimate parent undertaking, Capita plc. The audit fee for the current period was £1,000 (2012: £1,000). The company has taken advantage of the exemption provided by regulation 6(2)(b) of The Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 not to provide information in respect of fees for other (non-audit) services as this information is required to be given in the group accounts of the ultimate parent undertaking, which it is required to prepare in accordance with the Companies Act 2006.

4	Investment income	2013 £	2012 £
	Bank interest	-	159
		<u> </u>	<u> </u>
		-	159
		<u> </u>	<u> </u>
5	Interest payable	2013 £	2012 £
	On bank loans and overdrafts	42	-
		<u> </u>	<u> </u>

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

6	Taxation	2013 £	2012 £
	Domestic current year tax		
	U.K. corporation tax	363,846	505,649
	Adjustment for prior years	(6,775)	(5,020)
	Total current tax	<u>357,071</u>	<u>500,629</u>
	Deferred tax		
	Deferred tax charge/credit current year	9,663	22,345
	Deferred tax adjust re previous year	6,310	(1,065)
		<u>15,973</u>	<u>21,280</u>
		<u>373,044</u>	<u>521,909</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>1,556,854</u>	<u>2,126,393</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.25% (2012 - 24.50%)	<u>361,969</u>	<u>520,966</u>
	Effects of:		
	Expenses not deductible for tax purposes	12,065	5,456
	Capital allowances in excess of depreciation	(10,188)	(8,915)
	Adjustments to previous periods	(6,775)	(5,020)
	Other timing differences	-	(11,858)
		<u>(4,898)</u>	<u>(20,337)</u>
	Current tax charge for the year	<u>357,071</u>	<u>500,629</u>

The UK corporation tax rate decreased from 23% to 21% from 1 April 2014 and will decrease from 21% to 20% from 1 April 2015. The deferred tax balance has been adjusted in the current year to reflect the reduction to 20% (as these changes were enacted as at the balance sheet date) resulting in a rate change credit to the profit and loss account of £415 which is included in the current year deferred tax charge.

7	Dividends	2013 £	2012 £
	Ordinary final paid	<u>3,400,000</u>	<u>2,100,000</u>

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

8 Tangible fixed assets

	Leasehold improvements £	Computer equipment £	Total £
Cost			
At 1 January 2013	383,237	683,011	1,066,248
Additions	75,000	10,617	85,617
At 31 December 2013	458,237	693,628	1,151,865
Depreciation			
At 1 January 2013	247,549	212,629	460,178
Charge for the year	39,714	32,014	71,728
At 31 December 2013	287,263	244,643	531,906
Net book value			
At 31 December 2013	170,974	448,985	619,959
At 31 December 2012	135,688	470,382	606,070

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

9 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2013	15,525,175
Disposals	(15,525,171)
At 31 December 2013	4
Net book value	
At 31 December 2013	4
At 31 December 2012	15,525,175

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%	Principal activity
Subsidiary undertakings				
Capita Pension Trustees Limited	England	Ordinary	100.00	Dormant
Capita ATL Pension Trustees Limited	England	Ordinary	100.00	Dormant

The above only reflects the significant investments of the company.

On 8 May 2013, the company sold the entire share capital of Capita Trust Company (Ireland) Limited to Capita Fiduciary (UK Holding) Limited for a consideration of £27,719. The transaction was settled via intercompany.

On 8 May 2013, the company sold the entire share capital of Capita Asset Services (Ireland) Limited to Capita Fiduciary (UK Holding) Limited for a consideration of £8,071,457. The transaction was settled via intercompany.

On 10 May 2013, the company sold the entire share capital of Capita Asset Services GmbH to Capita Fiduciary (UK Holding) Limited for a consideration of £388,493. The transaction was settled via intercompany.

On 29 March 2013, the company sold the entire share capital of Capita Fiduciary Group BV to Capita Fiduciary (UK Holding) Limited for a consideration of £7,037,502. The transaction was settled via intercompany.

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

10 Debtors	2013 £	2012 £
Trade debtors	1,266,220	1,538,231
Amounts owed by parent and fellow subsidiary undertakings	27,881,060	13,905,605
Other debtors	581,392	667,712
Prepayments and accrued income	718,224	919,283
Deferred tax asset (see note 12)	-	13,203
	<u>30,446,896</u>	<u>17,044,034</u>

Amounts falling due after more than one year and included in the debtors above are:

	2013 £	2012 £
Other debtors	<u>463,968</u>	<u>512,840</u>

11 Creditors: amounts falling due within one year	2013 £	2012 £
Trade creditors	51,371	4,168
Amounts owed to parent and fellow subsidiary undertakings	18,567,673	19,674,509
Corporation tax	363,846	496,648
Other taxes and social security costs	334,375	382,350
Other creditors	1,447	1,431
Accruals and deferred income	2,785,205	1,918,597
	<u>22,103,917</u>	<u>22,477,703</u>

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

12 Provisions for liabilities

	Deferred tax liability £	Other £	Total £
Balance at 1 January 2013	(13,203)	98,080	84,877
Profit and loss account	15,973	(98,080)	(82,107)
Balance at 31 December 2013	<u>2,770</u>	<u>-</u>	<u>2,770</u>

The property provision represents a dilapidation provision. The company is required to perform repairs on leased properties prior to the properties being vacated at the end of their lease term. Dilapidation provisions for such costs are where a legal obligation is identified and the liability can be reasonably quantified.

The deferred tax liability is made up as follows:

	2013 £	2012 £
Accelerated/(decelerated) capital allowances	2,770	(6,817)
Other timing differences	-	(6,386)
	<u>2,770</u>	<u>(13,203)</u>

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

13 Pension and other post-retirement benefit commitments

The company offers both defined benefit and defined contribution pension schemes.

Contributions in respect of the defined contribution schemes payable by the company during the year amounted to £169,287 (2012: £125,322).

The company is a member of The Capita Pension and Life Assurance Scheme (Capita scheme), a defined benefit scheme. The pension costs for the defined benefit scheme are determined with the advice of an independent qualified actuary on the basis of triennial valuations using the projected unit credit method. The independent qualified scheme actuaries carried out the latest full valuation of the Capita scheme as at 6 April 2011 and the valuation was updated to 31 December 2013. Surpluses or deficits on the pension scheme arising from the actuarial valuation are spread over the average service lives of the members on a straight-line basis.

The pension charge for the defined benefit scheme for the year was £80,668 (2012: £100,673). The average employer contribution rate during 2013 across all Capita companies to final salary pension arrangements was approximately 20.4% pa (2012: 17.8%) of pensionable salaries including employee contributions made as part of a salary sacrifice scheme.

The major assumptions for the valuation at 31 December 2013 were as follows: rate of price inflation - RPI/CPI 3.3%/2.3% (2012: 2.9%/2.0%); rate of salary increase - 3.3% (2012 - 3.9%); rate of increase for pensions in payment - 3.2% (2012 - 2.9%); discount rate - 4.5% (2012 - 4.5%). The scheme assets at fair value at 31 December 2013 were (i) equities/hedged funds/absolute returns - £378.3m (2012: £407.3m); (ii) bonds - £216.6m (2012: £111.1m); (iii) property/US High Yield - £50.5m (2012: £92.5m); (iv) insurance contracts - £2.9m (2012: £6.2m); (v) cash/other - £27.9m (2012: £nil), totalling £676.2m (2012: £617.1m). The value of scheme liabilities was £764.3m (2012: £707.4m) indicating that the Capita scheme had a net liability of £88.1m (2012: net liability of £90.3m).

The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent basis. In accordance with FRS 17, the company therefore accounts for contributions to the scheme as if it were a defined contribution scheme. The full disclosure is available in the consolidated accounts of Capita plc.

14 Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
8,975,001 ordinary shares of £1 each	8,975,001	8,975,001

15 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 January 2013	999,999	5,758,273
Profit for the year	-	1,183,810
Dividends paid	-	(3,400,000)
Balance at 31 December 2013	999,999	3,542,083

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

16 Reconciliation of movements in shareholders' funds	2013	2012
	£	£
Profit for the financial year	1,183,810	1,604,484
Dividends	(3,400,000)	(2,100,000)
Contribution in respect of share based payment charge	37,654	2,320
Settlement of share based payment charge by intercompany	(37,654)	(2,320)
Net depletion in shareholders' funds	(2,216,190)	(495,516)
Opening shareholders' funds	15,733,273	16,228,789
Closing shareholders' funds	13,517,083	15,733,273

17 Directors' remuneration	2013	2012
	£	£
Remuneration for qualifying services	722,321	463,053
Company pension contributions to defined contribution schemes	44,556	41,759
	766,877	504,812

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 7 (2012 - 4).

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 3 (2012 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	180,732	130,883
Company pension contributions to defined contribution schemes	358	12,372

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2013 Number	2012 Number
Sales	1	1
Operations	52	48
Administration	21	25
	<u>74</u>	<u>74</u>

Employment costs

	2013 £	2012 £
Wages and salaries	4,346,762	2,741,741
Social security costs	506,449	291,659
Other pension costs	269,860	225,995
Share based payments	37,654	2,320
	<u>5,160,725</u>	<u>3,261,715</u>

19 Control

The company's immediate parent undertaking is Capita Asset Services (UK Holding) Limited (formerly Capita Fiduciary (UK Holding) Limited), a company incorporated in England & Wales. Capita plc was the direct shareholder of the company until 8 August 2013.

The company's ultimate parent undertaking is Capita plc, a company incorporated in England and Wales. The financial statements of Capita plc are available from the registered office at 71 Victoria Street, London SW1H 0XA.