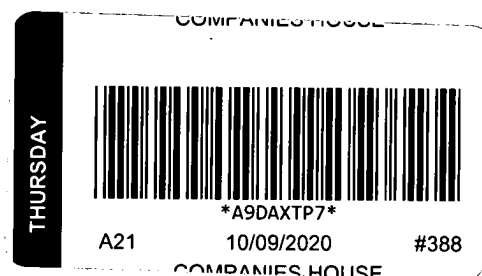


**Report of the Directors and
Financial Statements for the Year Ended 31st December 2019**
for
**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED**



**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED**

**Contents of the Financial Statements
for the Year Ended 31st December 2019**

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**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED**

**Company Information
for the Year Ended 31st December 2019**

DIRECTORS: M P Morrissey
N Marshall
D J Marsh
W H Moore

SECRETARY: Ms J L Oakley

REGISTERED OFFICE: 68 South Lambeth Road
Vauxhall
London
SW8 1RL

REGISTERED NUMBER: 00892077 (England and Wales)

AUDITORS: Knox Cropper LLP
Chartered Accountants and Statutory Auditors
Office Suite 1
Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED**

**Report of the Directors
for the Year Ended 31st December 2019**

The directors present their report with the financial statements of the company for the year ended 31st December 2019.

DIRECTORS

M P Morrissey has held office during the whole of the period from 1st January 2019 to the date of this report.

Other changes in directors holding office are as follows:

E D J Goodchild - resigned 28th August 2019
Sir G W Berragan - resigned 28th August 2019
N Marshall - appointed 1st January 2019
D J Marsh - appointed 3rd September 2019
W H Moore - appointed 28th August 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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;

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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

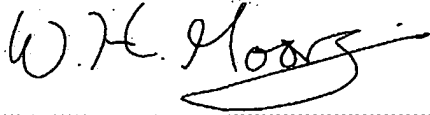
The auditors, Knox Cropper LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED**

**Report of the Directors
for the Year Ended 31st December 2019**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'W.H. Moore', with a long horizontal flourish extending to the right.

WH Moore CBE - Director

Date:7th May 2020.....

**Report of the Independent Auditors to the Members of
The Forces Pension Society Investment
Company Limited**

Opinion

We have audited the financial statements of The Forces Pension Society Investment Company Limited (the 'company') for the year ended 31st December 2019 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the Report of the Directors.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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.

Auditors' 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 a Report of the Auditors 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 Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of
The Forces Pension Society Investment
Company Limited**

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 a Report of the Auditors 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.



Greg Stevenson (Senior Statutory Auditor)
for and on behalf of Knox Cropper LLP
Chartered Accountants and Statutory Auditors
Office Suite 1
Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

Date: 13th May 2020

**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED**

**Income Statement
for the Year Ended 31st December 2019**

	2019		2018	
	£	£	£	£
TURNOVER		57,050		68,405
Administrative expenses		<u>2,840</u>		<u>11,342</u>
OPERATING PROFIT		54,210		57,063
Income from fixed asset investments	12,638		13,380	
Interest receivable and similar income	<u>41</u>		<u>24</u>	
		<u>12,679</u>		<u>13,404</u>
		66,889		70,467
Gain/loss on revaluation of investments		<u>19,144</u>		<u>(46,797)</u>
PROFIT BEFORE TAXATION		86,033		23,670
Tax on profit		<u>4,303</u>		<u>2,678</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>81,730</u></u>		<u><u>20,992</u></u>

The notes form part of these financial statements

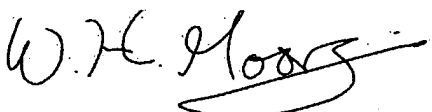
**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED (REGISTERED NUMBER: 00892077)**

**Balance Sheet
31st December 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	4	950,000	950,000
Investments	5	<u>598,806</u>	<u>517,876</u>
		1,548,806	1,467,876
CURRENT ASSETS			
Debtors	6	39,398	4,680
Cash at bank		<u>33,616</u>	<u>70,130</u>
		73,014	74,810
CREDITORS			
Amounts falling due within one year	7	<u>488,879</u>	<u>495,778</u>
NET CURRENT LIABILITIES		(415,865)	(420,968)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,132,941	1,046,908
PROVISIONS FOR LIABILITIES		<u>12,635</u>	<u>8,332</u>
NET ASSETS		<u>1,120,306</u>	<u>1,038,576</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Revaluation reserve	8	365,745	365,745
Retained earnings		<u>754,461</u>	<u>672,731</u>
		<u>1,120,306</u>	<u>1,038,576</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on5 May 2020..... and were signed on its behalf by:



WH Moore CBE - Director

The notes form part of these financial statements

**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED**

**Notes to the Financial Statements
for the Year Ended 31st December 2019**

1. STATUTORY INFORMATION

The Forces Pension Society Investment Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Critical accounting judgements and key sources of estimation uncertainty

- Fair value of tangible fixed assets

Land and buildings are measured at each reporting date at fair value less accumulated depreciation. The directors assess the fair value based on recent market values and periodically obtain an appraisal from a professionally qualified valuer. In determining fair value on this basis. The valuation remains sensitive to fluctuations in the property market.

- Depreciation of tangible fixed assets

Under the terms of the lease, the company is required to contribute to the costs of maintaining the building, which contains its leasehold property, in a good standard of repair. The directors consider that such maintenance of the building's condition means that the residual value of the property is not less than its book value, the appropriateness of which is reviewed annually, and as such no depreciation charge is necessary.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2019**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3. EMPLOYEES

The average number of employees during the year was NIL (2018 - NIL).

4. TANGIBLE FIXED ASSETS

	Land and buildings £
COST OR VALUATION	
At 1st January 2019 and 31st December 2019	<u>950,000</u>
NET BOOK VALUE	
At 31st December 2019	<u>950,000</u>
At 31st December 2018	<u>950,000</u>

Land and buildings were valued on a fair value basis on 13th January 2018 by Cluttons LLP.

The historical cost of land and buildings at 31 December 2019 was £570,176 (2018 - £570,176).

If land and buildings had not been revalued they would have been included at the following historical cost

	2019 £	2018 £
Cost	570,176	570,176
Accumulated depreciation	<u>-</u>	<u>-</u>
Carrying value	<u>570,176</u>	<u>570,176</u>

**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2019**

5. FIXED ASSET INVESTMENTS

	Other investments £
COST OR VALUATION	
At 1st January 2019	517,876
Additions	605,124
Disposals	(543,338)
Revaluations	<u>19,144</u>
At 31st December 2019	<u>598,806</u>
NET BOOK VALUE	
At 31st December 2019	<u>598,806</u>
At 31st December 2018	<u>517,876</u>

The historical cost of investments at 31 December 2019 was £596,376 (2018 - £459,750).

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	5,020	-
Other debtors	<u>34,378</u>	<u>4,680</u>
	<u>39,398</u>	<u>4,680</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Amounts owed to group undertakings	486,353	484,841
Taxation and social security	-	8,465
Other creditors	<u>2,526</u>	<u>2,472</u>
	<u>488,879</u>	<u>495,778</u>

8. RESERVES

	Revaluation reserve £
At 1st January 2019 and 31st December 2019	<u>365,745</u>

9. EVENT AFTER THE END OF THE REPORTING PERIOD

Since the year end, the company's investment portfolio has suffered a material decline in value. This is a non-adjusting event.

**THE FORCES PENSION SOCIETY INVESTMENT
COMPANY LIMITED**

**Detailed Profit and Loss Account
for the Year Ended 31st December 2019**

	2019		2018	
	£	£	£	£
Turnover				
Commissions receivable		57,050		68,405
Other income				
Dividends receivable	12,638		13,380	
Deposit account interest	<u>41</u>		<u>24</u>	
		<u>12,679</u>		<u>13,404</u>
		69,729		81,809
Expenditure				
Professional fees	66		7,379	
Office costs	13		-	
Governance, travel & entertainment	104		-	
Financial & bank charges	131		1,381	
Auditors' remuneration	<u>2,526</u>		<u>2,472</u>	
		<u>2,840</u>		<u>11,232</u>
		66,889		70,577
Finance costs				
Bank and other finance charges		-		<u>110</u>
		66,889		70,467
Gain/loss on revaluation of assets				
Gain/loss on revaluation of investments		<u>19,144</u>		<u>(46,797)</u>
NET PROFIT		<u>86,033</u>		<u>23,670</u>

This page does not form part of the statutory financial statements