

CANADA LIFE (U.K.) LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**



CANADA LIFE (U.K.) LIMITED

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CANADA LIFE (U.K.) LIMITED

Directors and Advisers

Directors

K L Bateman
D A Brown
A M Kewney

Registered Office

Canada Life Place
High Street
Potters Bar
Hertfordshire
EN6 5BA

Registered Number

01165737

Auditor

Deloitte LLP
Bristol

CANADA LIFE (U.K.) LIMITED

Strategic Report for the year ended 31 December 2018

Canada Life (U.K.) Limited ("the Company") is the parent company of a group of companies whose principal activity during the year was the provision of fund management and management services to other group companies. The directors continue to review the operations of the Company with a view to its future development.

On 28 November 2013, the Company invested £10m in Open-ended Investment Company ("OEIC") investments. During the year the Company recognised unrealised losses of £907k (2017: £849k gain) relating to its OEIC holding. The Company did not receive any dividends from its subsidiary undertakings during the year (2017: £nil).

The immediate parent company is Canada Life Limited. The Company is a wholly owned subsidiary of Canada Life Financial Corporation ("CLFC"), incorporated in Canada. CLFC manages its operations on a divisional basis.

The performance of the European division of CLFC, which includes the Company, is discussed in the 2018 Management's Discussion and Analysis report of CLFC which does not form part of this report. The complete Management's Discussion and Analysis report of CLFC is available at www.canadalifefinancial.com.

The directors believe that an understanding of the development, performance and position of the business is more useful when viewed on the same basis as that used to manage operations, and reference should be made to key performance data included within the Annual Report of CLFC.

Results and dividends

The Company's loss after taxation amounted to £657k (2017: £1,121k profit). No dividend was paid during the year (2017: £nil) and the directors do not propose a payment of a dividend. Retained profits carried forward are £22,858k (2017: £23,515k).

These are the Key Performance Indicators for The Company for the year.

Principal risks, uncertainties and financial instruments

Financial risks are the principal risks of the Company.

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The Company is exposed to credit risk as a result of its OEIC holding. To mitigate credit risk the holding is in a regulated vehicle with strong client protections. Investing in a diverse portfolio reduces the impact from individual holdings defaulting.

Market risk is the risk of loss arising from changes in the values of, or income from, assets or in interest or exchange rates. A risk of loss also arises from changes in the volatility of asset prices, interest rates or exchange rates. The Company is exposed to price risk as a result of its holdings in OEIC investments however it operates mitigation techniques in respect of this risk. The OEIC holding, which is a portfolio of other funds, has a defined investment policy and allocation to underlying funds. This allocation is monitored in order to ensure compliance with exposure limits and in addition there are daily controls over the holdings of the underlying investment funds held by the OEIC.

Following the extension of Article 50, the impact of exiting the European Union ("EU") ("Brexit") continues to remain uncertain as withdrawal transitional negotiations continue. It is anticipated that the uncertainty from Brexit will continue, at least, for the remainder of 2019. Given the nature of the Company's business, the overall impact from Brexit, aside from any economic implications, is considered to be low. However, the Company continues to endeavour to work closely with its key stakeholders over the transition period.

CANADA LIFE (U.K.) LIMITED

Strategic Report for the year ended 31 December 2018 (continued)

The Financial Statements for the year ended 31 December 2018 have been prepared in accordance with the Financial Reporting Standards 102.

The Company does not use derivative financial instruments.

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'A. Kewney', written over a horizontal line.

Director A KEWNEY

Canada Life Place, High Street, Potters Bar, Hertfordshire, EN6 5BA

Date: 12 SEPTEMBER 2019

CANADA LIFE (U.K.) LIMITED

Directors' Report for the year ended 31 December 2018

The directors of Canada Life (U.K.) Limited present their annual report together with the audited financial statements for the year ended 31 December 2018.

Principal activity and future developments

Canada Life (U.K.) Limited is the parent company of a group of companies whose principal activity during the year was the provision of fund management and management services to other group companies. The directors continue to review the operations of the Company with a view to its future development.

Details of principal risks, uncertainties, dividends and financial instruments are included in the Strategic Report and form part of this report by cross-reference.

Directors

The names of the persons who were directors during the year and up to the date of this report are set out below.

K L Bateman	Appointed 22 February 2019
D A Brown	
A M Kewney	
H C Snow	Resigned 1 February 2019

Political Contributions

During the year the company made political contributions of £nil (2017: £nil).

Auditor

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

- (1) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (2) the 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 auditor is aware of that information.

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

Deloitte LLP have expressed their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



Director A KEWNEY

Canada Life Place, High Street, Potters Bar, Hertfordshire, EN6 5BA

Date: 12 SEPTEMBER 2019

CANADA LIFE (U.K.) LIMITED

Directors' responsibilities statement

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments 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; 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.

CANADA LIFE (U.K.) LIMITED

Independent auditor's report to the members of Canada Life (U.K.) Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Canada Life (U.K.) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Canada Life (U.K.) Limited (the 'company') which comprise:

- the income statement;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 15.

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).

Basis for opinion

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

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

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

CANADA LIFE (U.K.) LIMITED

Independent auditor's report to the members of Canada Life (U.K.) Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 respect of these matters.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

CANADA LIFE (U.K.) LIMITED

Independent auditor's report to the members of Canada Life (U.K.) Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

Use of our report

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



Andrew Holland FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Bristol, United Kingdom

12 Sept

2019

CANADA LIFE (U.K.) LIMITED

Income Statement for the year ended 31 December 2018

	Notes	2018 £'000	2017 £'000
Investment (expense)/income	7	(635)	1,126
Gross (loss) / profit		(635)	1,126
Administrative expenses		(4)	(3)
Other operating income		4	22
(Loss) / Profit before taxation	4	(635)	1,145
Tax on (loss)/profit	8	(22)	(24)
(Loss) / Profit for the financial year		(657)	1,121

All amounts derive from continuing operations.

The notes on pages 13 to 19 form an integral part of these financial statements.

The Company has no recognised gains or losses other than as stated in the Income Statement for the current or preceding year and hence no statement of other comprehensive income is presented.

CANADA LIFE (U.K.) LIMITED

Statement of Financial Position As at 31 December 2018

	Notes	2018 £'000	2017 £'000
Fixed Assets			
Investments			
Investments in subsidiary undertakings	9	741	741
Other financial investments	10	12,861	13,559
Current Assets			
Debtors			
- due within one year	11	94	102
- due after one year	11	47	51
Cash at bank and in hand		9,115	9,066
		<u>9,256</u>	<u>9,219</u>
Creditors: Amounts falling due within one year	12	-	4
Net current assets		<u>9,256</u>	<u>9,215</u>
Total assets less current liabilities		<u>22,858</u>	<u>23,515</u>
Net Assets		<u>22,858</u>	<u>23,515</u>
Capital and Reserves			
Called up share capital	13	-	-
Profit and loss account		22,858	23,515
Shareholders' funds – equity interests		<u>22,858</u>	<u>23,515</u>

The notes on pages 13 to 19 form an integral part of these financial statements.

The financial statements of Canada Life (U.K.) Limited (registered number 01165737) were approved and authorised for issue by the Board of Directors and were signed on its behalf by:



Director A KEWNEY

Date: 12 SEPTEMBER

2019

CANADA LIFE (U.K.) LIMITED

Statement of Change in Equity For the year ended 31 December 2018

	Ordinary share capital £'000	Profit and loss account £'000	Total £'000
Balance at 1 January 2017	0	22,394	22,394
Profit and total comprehensive income attributable to shareholders	-	1,121	1,121
Balance at 31 December 2017	0	23,515	23,515
Balance at 1 January 2018	0	23,515	23,515
Profit and total comprehensive income attributable to shareholders	-	(657)	(657)
Balance at 31 December 2018	0	22,858	22,858

CANADA LIFE (U.K.) LIMITED

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

1 Principal accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year. No significant judgements have been made in applying the accounting policies and no material estimates have been made within the financial statements.

A General information

Canada Life (U.K.) Limited ("the Company") is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is Canada Life Place, Potters Bar, Hertfordshire EN6 5BA. The Company is a wholly owned subsidiary of Canada Life Financial Corporation (incorporated in Canada).

The principal activity during the year was the provision of fund management and management services to other group companies. The directors continue to review the operations of the Company with a view to its future development.

2 Statement of Compliance

The Financial Statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, and the Companies Act 2006.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to presentation of cash flow statement and intra-group transactions.

3 Principal accounting information

Summary of significant accounting policies applied in the preparation of these Financial Statements are set below. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of preparation

The financial statements are prepared in accordance with the historical cost convention as modified by financial instruments recognised at fair value and in accordance with applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102. The particular accounting policies adopted by the directors are described below.

Basis of consolidation

The financial statements present information about the Company as an individual undertaking as it is exempt from the obligation to prepare consolidated financial statements under section 401 of the Companies Act 2006. The Company's results are included in the consolidated financial statements of The Canada Life Assurance Company, a company incorporated in Canada.

Going concern

The Strategic Report outlines the Company's activities, performance, principal risks, uncertainties and financial risk management objectives. Having regard to the Company's financial position, its expected performance in the future, and having made appropriate 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 financial statements.

CANADA LIFE (U.K.) LIMITED

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

Cash flow statement

Advantage has been taken of the exemption under FRS 102 1.12(b), Cash Flow Statements, not to present a cash flow statement as the Company is 100% controlled within the Great-West Lifeco Inc group of companies. The consolidated financial statements in which the subsidiary undertakings are included are publicly available (see note 15).

Transactions with related parties

Advantage has been taken under FRS102 33 1.A, Related Party Disclosures, not to disclose transactions between entities, 100% of whose voting rights are controlled within the Great-West Lifeco Inc group of companies (see note 14).

B. Investment income

Investment income comprises unrealised gains, dividend income and interest income relating to the Company's investments and ordinary share dividends received from subsidiary undertakings.

C. Investment in subsidiary undertakings

Investments in subsidiary undertakings are included in the balance sheet at cost less accumulated impairment.

D. Other financial investments

Other financial investments is comprised of units in an Open-ended Investment Company ("OEIC") valued at fair value through profit and loss.

Purchases and sales of financial assets are recognised on the trade date, i.e. the date the Company commits to purchase or sell the asset. Purchases or sales of financial assets require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

A financial asset is derecognised when the contractual right to receive cash flows expires or when the asset, together with substantially all the risks and rewards of ownership, has been transferred.

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liability simultaneously. Income and expenses will not be offset in the profit and loss account unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Company.

Unrealised investment gains and losses are calculated as the difference between the valuation at the balance sheet date and their valuation at the last balance sheet date or purchase price, if acquired during the year. Unrealised gains and losses include adjustments in respect of unrealised gains and losses recorded in prior years, which have been realised during the year and are reported as realised gains and losses in the current profit and loss account. All investment gains and losses arising in relation to other financial investments are recognised in the profit and loss account.

No "Other financial investments" of the Company are considered impaired.

E. Current taxation

Current tax expense is based on the taxable profits for the year, at rates that have been enacted at the balance sheet date after any adjustments in respect of prior years. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

CANADA LIFE (U.K.) LIMITED

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

F. Deferred taxation

Deferred tax is recognised in respect of temporary 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, tax, but 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 temporary differences can be deducted. Deferred tax is measured at the tax rates that are expected to apply in the periods in which temporary differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

4 Operating profit

Operating profit is after charging:

	2018 £'000 £	2017 £'000 £
Auditor's remuneration in respect of fees payable for the audit of the Company's annual accounts	<u>3</u>	<u>3</u>

5 Employee information

There were no persons (including directors) employed by the Company during the year (2017: none). All staff employment contracts are with CLFIS (U.K.) Limited ("CLFIS"), a fellow subsidiary of The Canada Life Group (U.K.) Limited ("CLG"). The associated costs are recharged back to the Company, where appropriate.

6 Directors' emoluments

The directors of this Company have served during the year as directors of fellow subsidiaries and their remuneration was incurred by CLFIS, a fellow subsidiary of CLG. The duties of the directors in relation to this Company consist principally of attending board meetings and hence the total remuneration apportioned to this Company is £nil. Accordingly the whole remuneration for the year is disclosed in the accounts of CLFIS.

7 Investment income

	2018 £'000	2017 £'000
Unrealised (losses)/gains from financial assets held at fair value through profit and loss	(907)	849
Divided income from financial assets	154	153
Interest income from financial assets	118	124
Dividends received from subsidiary	-	-
	<u>(635)</u>	<u>1,126</u>

CANADA LIFE (U.K.) LIMITED

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

8 Tax on profit on ordinary activities

i) Analysis of tax (charge) / credit on ordinary activities

	2018 £'000	2017 £'000
Current tax		
UK corporation tax (charge) / credit for the period	(18)	-
Prior period adjustment	-	-
	<u>(18)</u>	<u>-</u>
Deferred tax		
Adjustments to the estimated recoverable amounts of deferred tax assets	(4)	(24)
	<u>(4)</u>	<u>(24)</u>
Total tax charge for the period	<u><u>(22)</u></u>	<u><u>(24)</u></u>

ii) Factors affecting tax (charge) / credit for the current period

The tax assessed for the period is higher (2017: lower) than that resulting from applying the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are explained below:

	2018 £'000	2017 £'000
(Loss) / profit on ordinary activities before tax	<u>(635)</u>	<u>1,145</u>
Tax credit / (charge) at 19% (2017: 19.25%) thereon:	121	(220)
Effects of:		
Non-taxable dividend income	29	29
Unrealised gain sheltered by unrecognised deferred tax asset brought forward	(172)	164
Rate change impact on utilisation of recognised deferred tax losses	-	3
	<u>(22)</u>	<u>(24)</u>

The rate of corporation tax reduced from 20% to 19% from 1 April 2017, and will reduce from 19% to 17% from 1 April 2020.

The Company has unutilised capital losses of £17,200k as at the end of the year (2017: £17,200k) which arose in respect of a prior year disposal of an investment in a subsidiary undertaking to a related company within the Power Financial Corporation Group ("Power Corp"). The capital loss may be utilised against a gain on the disposal of certain types of investment to that same related company. The maximum potential deferred tax asset in relation to this item is £2,924k (2017: £2,924k).

CANADA LIFE (U.K.) LIMITED

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

8 Tax on profit on ordinary activities (continued)

The Company's accounts have been prepared on the basis that any unrealised gain on financial assets recognised in the profit and loss during the year will be capable of offset against the realised tax losses brought forward at the point of the eventual disposal of these financial assets. In 2018, the Company has an unrealised loss of £907k (2017: gain of £849k).

The Company therefore has not recognised deferred tax assets of £2,599k in relation to the connected party capital loss (2017: £2,445k), after taking into consideration its accumulated unrealised gains of £1,910k (2017: £2,817k). The tax expense in future years as a percentage of pre-tax profits is expected to reflect the availability of these tax losses against future recognised gains on these and other financial assets.

The Company has a further £3,352k of unutilised capital losses (2017: £3,352k) resulting from a connected party disposal which preceded the Company becoming a member of the Canada Life group of companies. Given the nature of the losses and the applicable UK tax law, there is no realistic possibility of the Company utilising these brought forward amounts, so the Company has not recognised any deferred tax asset on the £3,352k losses.

The Company has unutilised management expenses of £276k as at the end of the year (2017: £300k). Management expenses can be carried forward and relieved against total profits in future accounting periods. The Company has recognised a deferred tax asset of £47k (2017: £51k) in relation to this item. The tax asset has been provided on the basis that the Company will have future taxable profits emerging from its investment in the financial assets.

9 Investments in subsidiary undertakings

During the year the Company owned the whole of the issued ordinary share capital of the following undertakings, all of which are incorporated in the United Kingdom and registered in England and Wales.

The registered office of all subsidiaries is Canada Life Place, Potters Bar, Hertfordshire, EN6 5BA.

Company

Albany Life Assurance Company Limited
Canada Life Fund Managers (U.K.) Limited
Canada Life Services (U.K.) Limited
Canada Life Holdings (U.K.) Limited
Canada Life Management (U.K.) Limited
Canada Life Group Services (U.K.) Limited

Business type

Dormant
Fund management
Dormant
Dormant
Dormant
Management Services

The investment in subsidiary undertakings is as follows:

		£'000
Cost :	At 1 January 2018	145,637
	Additions	-
	At 31 December 2018	<u>145,637</u>
Provision :	At 1 January 2018	144,896
	Provision for the year	-
	At 31 December 2018	<u>144,896</u>
Net Book Value:	At 31 December 2018	<u>741</u>
Net Book Value:	At 31 December 2017	<u>741</u>

CANADA LIFE (U.K.) LIMITED

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

10 Other financial investments

	2018 £'000	2017 £'000
Financial assets designated at fair value through profit and loss on initial recognition – shares and other variable yield securities and units in unit trusts	12,861	13,559
	<u>12,861</u>	<u>13,559</u>

For units in unit trusts and shares in open ended investment companies, fair value is by reference to published bid-values.

11 Debtors

	2018 £'000	2017 £'000
Due in less than one year		
Corporation tax	44	102
Amounts due from group undertakings	50	-
	<u>94</u>	<u>102</u>

	2018 £'000	2017 £'000
Due in more than one year		
Deferred tax asset	47	51
	<u>47</u>	<u>51</u>

Analysis of deferred tax asset:

	2018 £'000	2017 £'000
Deferred tax on unrealised gains	(325)	(479)
Off set against unrecognised deferred tax asset on capital losses	325	479
Deferred tax relief on unrelieved management expenses	47	51
Deferred tax asset	<u>47</u>	<u>51</u>

12 Creditors: Amounts falling due within one year

	2018 £'000	2017 £'000
Amounts owed to group undertakings	-	4
	<u>-</u>	<u>4</u>

CANADA LIFE (U.K.) LIMITED

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

13 Called up share capital

	2018 £'000	2017 £'000
Allotted, called up and fully paid:		
100 ordinary shares of £1 each	-	-
Called up share capital	-	-

14 Related party transactions

No contracts of significance existed at any time during the year in which a director or key manager was materially interested or which requires disclosure as a related party transaction as defined under FRS 102 section 33 Related Party Disclosures. No other contracts of significance existed at any time during the year between the Company and other related parties that similarly require disclosure under FRS 102 section 33. Advantage has been taken under FRS 102 33.1A, Related Party Disclosures, not to disclose transactions between entities, 100% of whose voting rights are controlled within the Great-West Lifeco Inc group of companies.

15 Parent undertaking and controlling party

As at the balance sheet date the immediate parent company is The Canada Life Group (U.K.) Limited a company incorporated in the UK. The ultimate parent company, which is also the parent company of the largest group of companies for which consolidated financial statements are drawn up and of which the Company is a member, Power Corp, is incorporated in Canada. The parent company of the smallest group for which consolidated financial statements are drawn up and of which the Company is a member, The Canada Life Assurance Company, is incorporated in Canada.

Copies of the group financial statements for both The Canada Life Assurance Company (330 University Avenue, Toronto, Ontario, Canada, M5G 1R8) and Power Corporation of Canada (751 Victoria Square Montréal, Québec, Canada, H2Y 2J3) can be obtained from the Company's registered office.