

Company number: 02511421

LEGAL & GENERAL ESTATE AGENCIES LIMITED

FINANCIAL STATEMENTS

2018

MONDAY



A84E6AEJ

A08

29/04/2019

#54

COMPANIES HOUSE

LEGAL & GENERAL ESTATE AGENCIES LIMITED

CONTENTS

Page

- 2 Directors' Report
- 4 Independent Auditor's Report
- 6 Income Statement
- 6 Statement of Comprehensive Income
- 7 Statement of Financial Position
- 8 Statement of Changes in Equity
- 9 Notes to Financial Statements

Registered Office:
One Coleman Street
London EC2R 5AA

Registered in England & Wales No. 02511421

LEGAL & GENERAL ESTATE AGENCIES LIMITED

DIRECTORS' REPORT

The directors present their annual report together with the audited financial statements of Legal & General Estate Agencies Limited (the "Company") for the year ended 31 December 2018.

The Company has taken advantage of the exemption from preparing a Strategic Report under paragraph 414(b) of the Companies Act 2006.

Principal activities

The Company's principal activity is to act as a holding company for its subsidiaries.

Three of the Company's subsidiaries, Adam Kennedy Estate Agents Limited, William Parker & Son (Reading) Limited and Whitegates (Tyne & Wear) Limited were placed into Members' Voluntary Liquidation on 19 January 2017 and the liquidations were closed during January and March 2018. The companies were dissolved from the register of companies in April and June 2018.

The Company's remaining subsidiary, Whitegates (Holdings) Limited, was placed into Members solvent liquidation on 25 September 2018 and the liquidation is expected to be closed during 2019. As such that company is expected to be dissolved from the register of companies in 2019.

Following the dissolution of Whitegates (Holdings) Limited the Company's principal activity will be the managing out of remaining dilapidations liabilities.

Result for the year and dividend

The results of the Company are set out on page 6. The directors do not recommend the payment of a dividend (2017: £Nil).

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements are shown below:

K. W. Webb

V. White

Directors' Insurance

The ultimate parent company, Legal & General Group Plc, maintains an appropriate level of Directors' and Officers' liability insurance which is reviewed annually.

Legal & General Group Plc and its global subsidiaries ("Legal & General") recognise that companies have an obligation to ensure that their business and supporting supply chains are slavery free.

Legal & General's full modern slavery statement can be found at <https://www.legalandgeneralgroup.com/>.

Going concern

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

Financial Risk Management

The Company's exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for an assessment of the Company's assets, liabilities, financial position or profit. No further information has therefore been provided.

LEGAL & GENERAL ESTATE AGENCIES LIMITED

DIRECTORS' REPORT (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, the 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

Disclosure of information to auditor

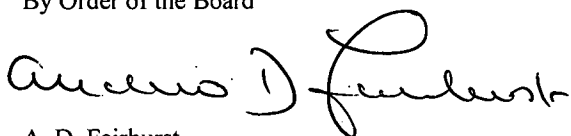
Each of the directors, who held office at the date the Directors' Report is approved, confirms that:

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

Independent auditor

Following a tender process in 2017, KPMG LLP was appointed as the Company's external auditor commencing with the 2018 financial year and its appointment was approved by the Company's shareholders. In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the Company is to be proposed at the forthcoming Legal & General Group Plc Annual General Meeting.

By Order of the Board



A. D. Fairhurst

For and on behalf of Legal & General Co Sec Limited
Company Secretary

16 April 2019

LEGAL & GENERAL ESTATE AGENCIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEGAL & GENERAL ESTATE AGENCIES LIMITED

Opinion

We have audited the financial statements of Legal & General Estate Agencies Limited ("the company") for the year ended 31 December 2018 which comprise the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or if there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

LEGAL & GENERAL ESTATE AGENCIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEGAL & GENERAL ESTATE AGENCIES LIMITED (continued)

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at:
www.frc.org.uk/auditors-responsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.


Shaun Gealy (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX
16 April 2019

LEGAL & GENERAL ESTATE AGENCIES LIMITED

INCOME STATEMENT

For the year ended 31 December 2018

		2018 £	2017 £
	Note		
Administrative credits		66,858	131,123
Operating profit		66,858	131,123
Finance income	3	76,144	25,840
Finance costs	4	(4)	(3)
Finance income - net		76,140	25,837
Profit before income tax	5	142,998	156,960
Income tax expense	10	(27,112)	(30,215)
Profit for the year		115,886	126,745

STATEMENT OF COMPREHENSIVE INCOME

Profit for the year	115,886	126,745
Distribution on liquidation of subsidiary	0	368,951
Total comprehensive income for the period	115,886	495,696

The notes on pages 9 to 14 form an integral part of these financial statements.

LEGAL & GENERAL ESTATE AGENCIES LIMITED
STATEMENT OF FINANCIAL POSITION

Company number: 02511421

As at 31 December 2018

		2018 £	2017 £
	Note		
Assets			
Current assets			
Trade and other receivables	9	21,455,231	20,873,007
Cash and cash equivalents		13,408	23,795
Total current assets		<u>21,468,639</u>	<u>20,896,802</u>
Total assets		<u>21,468,639</u>	<u>20,896,802</u>
Liabilities			
Non-current liabilities			
Provisions	12	<u>(175,581)</u>	<u>(246,307)</u>
Total non-current liabilities		<u>(175,581)</u>	<u>(246,307)</u>
Current liabilities			
Trade and other payables	11	(963,820)	(434,098)
Current tax liabilities		<u>(27,170)</u>	<u>(30,215)</u>
Total current liabilities		<u>(990,990)</u>	<u>(464,313)</u>
Total liabilities		<u>(1,166,571)</u>	<u>(710,620)</u>
Net assets		<u>20,302,068</u>	<u>20,186,182</u>
Equity			
Share capital and share premium	13	48,096,234	48,096,234
Accumulated losses		<u>(27,794,166)</u>	<u>(27,910,052)</u>
Total equity		<u>20,302,068</u>	<u>20,186,182</u>

The notes on pages 9 to 14 form an integral part of these financial statements.

The financial statements on pages 6 to 14 were authorised for issue by the board of directors on 16 April 2019 and were signed on its behalf by



V White, Director

Registered in England & Wales No: 02511421

LEGAL & GENERAL ESTATE AGENCIES LIMITED
STATEMENT OF CHANGES IN EQUITY

Company number: 02511421

As at 31 December 2018

For the year ended 31 December 2018	Share Capital £	Share Premium £	Retained Earnings £	Total £
As at 1 January 2018	22,176,000	25,920,234	(27,910,052)	20,186,182
Profit for the year	-	-	115,886	115,886
Total comprehensive income for the year	-	-	115,886	115,886
As at 31 December 2018	22,176,000	25,920,234	(27,794,166)	20,302,068

For the year ended 31 December 2017

For the year ended 31 December 2017	Share Capital £	Share Premium £	Retained Earnings £	Total £
As at 1 January 2017	22,176,000	25,920,234	(28,405,748)	19,690,486
Profit for the year	-	-	126,745	126,745
Distribution on liquidation of subsidiary	-	-	368,951	368,951
Total comprehensive income for the year	-	-	495,696	495,696
As at 31 December 2017	22,176,000	25,920,234	(27,910,052)	20,186,182

1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

The financial statements of Legal & General Estate Agencies Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS101). The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS101:

- Paragraphs 10(d) and 111 of IAS 1, 'Presentation of financial statements' and IAS 7 'Statement of cash flows' in respect of presenting a cash flow statement.

- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

The directors of the Company had no material transactions with the Company or any other group undertakings.

(b) Going Concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

(c) Investments in subsidiaries

Shares in trading vehicles are carried at cost less provision for impairment and are considered for impairment at each reporting date.

(d) Consolidation

The Company is a wholly owned subsidiary of Legal & General Group Plc and is included in the consolidated financial statements of Legal & General Group Plc which are publicly available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

(e) Current and deferred income tax

The tax expense for the period comprises current 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 shareholders' funds. In this case, tax is also recognised in other comprehensive income or directly in shareholders' funds respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

LEGAL & GENERAL ESTATE AGENCIES LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1 Summary of significant accounting policies (continued)

(e) Current and deferred income tax (continued)

Deferred income tax is recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting or taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balance on a net basis.

(f) Provisions

Provision is made for known expenses of empty leased properties and for rental gaps on sublet properties (the "closed branch provision"). The timing of future payments is uncertain. Future costs are discounted at a rate of 1.52% (2017: 1.60%). Property rentals paid under operating leases that relate to properties that are sublet or empty, net of rental income received, are charged to the provision as incurred.

(g) Investment income

Investment income includes interest. Interest is recognised on an accruals basis.

(h) Administrative credits/(expenses)

Administrative credits and expenses relate to income and expenses recognised on an accruals basis. Included are adjustments in respect of movements in the closed branch provision.

(i) Impairment

For assets held at amortised cost the Company reviews the carrying value of its assets at each balance sheet date. Where there has been an indication that impairment has occurred, the carrying value is reduced through a charge to the income statement.

(j) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits held at call with banks.

2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

The calculation of the provision for known expenses of empty leased properties and rental gaps on sublet sublet properties ("closed branch provision") involves assumptions around the timing and amounts of future payments.

LEGAL & GENERAL ESTATE AGENCIES LIMITED

NOTES TO FINANCIAL STATEMENTS (continued)

3 Finance income	2018	2017
	£	£
Interest receivable from group undertakings	76,110	25,829
Other interest	34	11
	<u>76,144</u>	<u>25,840</u>

4 Finance costs	2016	2017
	£	£
Interest payable to group undertakings	-	-
Other interest	4	3
	<u>4</u>	<u>3</u>

5 Profit before income tax

Profit before income tax is stated after charging/(crediting) :

	2018	2017
	£	£
Audit fees payable to the Company's auditor	1,000	1,032
Net decrease in closed branch provision (note 12)	<u>(70,726)</u>	<u>(121,559)</u>

6 Directors' emoluments

No emoluments were paid to any director nor were any direct pension contributions paid in respect of services to this Company (2017: £Nil).

The directors are paid by a fellow group company.

7 Pensions

The Company has no employees and hence makes no contributions towards retirement benefits (2017: £Nil).

LEGAL & GENERAL ESTATE AGENCIES LIMITED

NOTES TO FINANCIAL STATEMENTS (continued)

8 Subsidiary undertakings

The subsidiary undertaking of Legal & General Estate Agencies Limited is listed below. This undertaking operates only in its country of incorporation and has only one class of issued ordinary shares, unless stated otherwise.

	Nature of business	Incorporated in
<i>Held directly by the Company</i>		
Whitegates (Holdings) Limited	Holding company	England & Wales

Whitegates (Holdings) Limited is 100% owned and has a 31 December financial year end.

Adam Kennedy Estate Agents Limited, William Parker & Son (Reading) Limited and Whitegates (Tyne & Wear) Limited were placed into Members solvent liquidation on 19 January 2017 and the liquidations were closed during January 2018 and March 2018. The companies were dissolved from the register of companies in April 2018 and June 2018.

Whitegates (Holdings) Limited was placed into Members solvent liquidation on 25 September 2018 and the liquidation is expected to be closed during 2019. As such that company is expected to be dissolved from the register of companies in 2019.

9 Trade and other receivables

	2018 £	2018 £
Amounts owed by group undertakings	21,455,231	20,868,405
Other debtors	-	4,602
	<u>21,455,231</u>	<u>20,873,007</u>

The amounts owed by group undertakings are unsecured and have no fixed date of repayment and certain balances accrue interest at the average daily base rate.

10 Income tax expense

	2018 £	2017 £
Current tax		
UK corporation tax at 19% (2017: 19.25%)		
- Current tax on profits for the year	27,170	30,215
- Adjustments in respect of prior years	(58)	-
Total current tax charge	<u>27,112</u>	<u>30,215</u>
Tax charge on profit on ordinary activities	<u>27,112</u>	<u>30,215</u>

LEGAL & GENERAL ESTATE AGENCIES LIMITED

NOTES TO FINANCIAL STATEMENTS (continued)

10 Income tax expense (continued)

The tax attributable to equity holders differs from the tax calculated at the standard UK Corporation Tax rate as follows:

	2018 £	2017 £
Profit before tax attributable to equity holders	<u>142,998</u>	<u>525,911</u>
Tax at 19% (2017: 19.25%)	27,170	101,238
Adjustments in respect of prior years	(58)	-
Effects of:		
Income not subject to tax	-	(71,023)
Tax attributable to equity holders	<u>27,112</u>	<u>30,215</u>

Tax

Current tax

Current tax comprises tax payable on current period profits, adjusted for non-tax deductible or non-taxable items, and any adjustments to tax payable in respect of previous periods. Current tax is recognised in the income statement unless it relates to items which are recognised directly to equity or other comprehensive income.

Deferred tax

Deferred tax is calculated on differences between the accounting value of assets and liabilities and their respective tax values. Deferred tax is also recognised in respect of unused tax losses to the extent it is probable that future taxable profits will arise against which the losses can be utilised. Deferred tax is charged or credited to the income statement, except where it relates to items charged or credited directly to equity or other comprehensive income.

Tax rates

Following the 2016 Finance Act, the rate of corporation tax is expected to reduce progressively to 17% by 1 April 2020. The 19% rate will apply from 1st April 2017 and the 17% rate from 1st April 2020 onwards. The enacted rates of 19-17% have been used in the calculation of UK's deferred tax assets and liabilities, depending on which is the rate of corporation tax that is expected to apply when the differences as mentioned above reverse.

To calculate the current tax on profits, the rate of tax used is 19 % (2017: 19.25) which is the average rate of Corporation Tax applicable for the year.

The Company has no unprovided deferred tax assets or liabilities as at 31 December 2018 (2017: £Nil).

11 Trade and other payables

	2018 £	2017 £
Trade creditors	-	7,618
Amounts owed to group undertakings	943,854	404,761
Accruals and deferred income	19,966	21,719
	<u>963,820</u>	<u>434,098</u>

The amounts owed to group undertakings are unsecured, interest free and have no fixed date of repayment.

LEGAL & GENERAL ESTATE AGENCIES LIMITED

NOTES TO FINANCIAL STATEMENTS (continued)

12 Provisions

	Closed branch provision 2018 £
At 1 January 2018	246,307
Utilisation	-
Release of provision during the year	(70,864)
Effects of change in discount rate	138
At 31 December 2018	<u>175,581</u>

Provision is made for known expenses for empty leased properties and for rental gaps on sub-let properties. The timing of future payments is uncertain. Future costs are discounted at a rate of 1.52% (2017: 1.60%).

13 Share capital

	2018 Number of shares	2018 £	2017 Number of shares	2017 £
Authorised share capital				
At 31 December: ordinary shares of £1 each	<u>22,176,000</u>	<u>22,176,000</u>	<u>22,176,000</u>	<u>22,176,000</u>

Issued share capital, fully paid

	Number of shares	Share Capital £	Share Premium £
As at 1 January 2018	22,176,000	22,176,000	25,920,234
As at 31 December 2018	<u>22,176,000</u>	<u>22,176,000</u>	<u>25,920,234</u>

14 Ultimate parent undertaking

The immediate parent company is Legal & General Group Plc.

The ultimate parent company is Legal & General Group Plc, a company incorporated in England & Wales - the controlling party which consolidates the financial statements of the Company. The Company accounts therefore provide information about the Company as an individual undertaking. Copies of the accounts of the ultimate holding company, Legal & General Group Plc, are available on the Group website, www.legalandgeneralgroup.com or from the Company Secretary at the Registered Office, One Coleman Street, London, EC2R 5AA.

15 Segmental disclosure

The pre-tax profit is all attributable to the Company's activities as a holding company and arises wholly in the UK.

16 Cash flow statement

The Company has taken advantage of the exemption under paragraph 8(h) of FRS 101 from the requirements of IAS 7 Statement of Cash Flows, and hence has not presented a cash flow statement.

17 Related party transactions

The Company has taken advantage of the exemption under paragraph 8(j) and (k) of FRS 101 from certain requirements under IAS 24 Related Party Disclosures. These include the requirement to disclose transactions entered into by the Company with other wholly owned members of Legal & General Group Plc, and the requirement to present disclosures on compensation arrangements for key management personnel.