

2821777

**FRIENDS PROVIDENT PENSIONS SERVICES LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2009**

DIRECTORS

E B BOURKE, FIA, MBA
D MONGER, B Soc Sc (Hons), FCIS

SECRETARY

D MONGER, B Soc Sc (Hons), FCIS

WEDNESDAY



PRINCIPAL ACTIVITY

Friends Provident Pensions Services Limited (the Company) is a wholly owned subsidiary of Friends Provident Pensions Limited (FPP), it previously operated as part of the UK Life and Pensions segment of the Friends Provident Group (the Group), which until June 2009 was headed by Friends Provident Limited

Friends Provident Limited (formerly Friends Provident plc) was de-listed in June 2009 as part of a group reorganisation. A new holding company, Friends Provident Group plc, was inserted as the parent company of the Group at the same time. Friends Provident Limited was re-registered as a private company in November 2009.

On 4 November 2009, Friends Provident Holdings (UK) Limited, a subsidiary of Resolution Limited, acquired a 100% interest in the Group. As such, at 31 December 2009, the Company's ultimate parent and controlling company was Resolution Limited.

The principal activity of the Company was pensions administration services. The Company ceased to trade in 2005.

A fellow subsidiary undertaking, Friends Provident Management Services Limited (FPMS), provides the Company's services and administration and employs all staff. Accordingly, the Company has no employees.

RESULTS AND BUSINESS REVIEW

During the year and the preceding year, the Company did not trade and received no income and incurred no expenditure. Consequently, the Company made neither a profit nor a loss. It is envisaged that this situation will continue in the future.

DIVIDEND

The directors do not recommend the payment of a dividend for the financial year ended 31 December 2009 (2008: £nil).

DIRECTORS

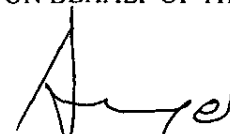
R G Ellis resigned as director on 31 December 2009. E B Bourke was appointed as director on 31 December 2009. D Monger held office throughout the year.

Pixham End
Dorking
Surrey
RH4 1QA

20 July 2010

Registered Number 2821777

ON BEHALF OF THE BOARD


D MONGER
SECRETARY

FRIENDS PROVIDENT PENSIONS SERVICES LIMITED
BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009 £000	2008 £000
CURRENT ASSETS			
Debtors			
Amounts owed by Group companies		7	7
TOTAL DEBTORS		7	7
Cash at bank and in hand		284	284
		291	291
CURRENT LIABILITIES			
CREDITORS Amounts falling due in one year			
Amounts owed to Group companies		(17)	(17)
NET ASSETS		274	274
CAPITAL AND RESERVES			
Called-up share capital	4	1	1
Profit and loss account	5	273	273
TOTAL SHAREHOLDER'S FUNDS	5	274	274

For the year ending 31 December 2009, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 (the 'Act') relating to dormant companies

Directors responsibilities

- (i) the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- (ii) the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved by the board on 20 July 2010 and signed on its behalf by



E B BOURKE
DIRECTOR

The notes on pages 3 and 4 form an integral part of these financial statements

**FRIENDS PROVIDENT PENSIONS SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The Company is a wholly owned subsidiary of Friends Provident Pensions Limited (FPP) and is included in the consolidated financial statements of Friends Provident Group plc which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 Cash Flow Statements (Revised 1996)

2. PROFIT AND LOSS ACCOUNT

During the year and the preceding year, the Company did not trade and received no income and incurred no expenditure. Consequently, the Company made neither a profit nor a loss

3. DIRECTORS' EMOLUMENTS

All directors are employed by, and receive their emoluments from, Friends Provident Management Services Limited (FPMS). The directors holding office during the year consider that their services to the Company were incidental to their other duties within the Friends Provident Group (the Group) and accordingly no remuneration has been apportioned to this Company

4. SHARE CAPITAL

	2009 £000	2008 £000
Authorised		
1,000 ordinary shares of £1 each	1	1
Allotted, called up and fully paid		
1,000 ordinary shares of £1 each	1	1

5. RECONCILIATION OF MOVEMENT IN TOTAL SHAREHOLDER'S FUNDS

There have been no movements in total shareholders funds during the year

FRIENDS PROVIDENT PENSIONS SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

6. RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary undertaking of Friends Provident Pensions Limited (FPP). The results of both the Company and FPP are consolidated in the results of Resolution Limited, the Company's ultimate parent and controlling undertaking, whose financial statements are publicly available. Accordingly, the Company is exempt from the requirements of Financial Reporting Standard 8 Related Party Disclosures, concerning the disclosure of transactions with other companies which qualify as related parties within the Group.

There were no other material related party transactions.

7. ULTIMATE PARENT UNDERTAKING

The Company's ultimate parent undertaking is Resolution Limited, which is incorporated in Guernsey. Copies of the Group Report and Accounts of Resolution Limited can be viewed via its website at www.resolution.gg.

The smallest Group in which the results of the company are consolidated is that headed by Friends Provident Group plc. Copies of the Group Report and Accounts of Friends Provident Group plc can be viewed via its website at www.friendsprovident.com.