

# **FRIENDS ASLH LIMITED**

**COMPANY INCORPORATED IN ENGLAND AND WALES  
REGISTRATION NUMBER 3479251**

## **REPORT AND ACCOUNTS**

For the year ended 31 December 2015



**FRIENDS ASLH LIMITED**

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**FRIENDS ASLH LIMITED**

**COMPANY INFORMATION**

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**DIRECTORS**

R Hostler  
D Rose

**COMPANY SECRETARY**

Aviva Company Secretarial Services Limited

**REGISTERED OFFICE**

Pixham End  
Dorking  
Surrey  
RH4 1QA

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
2 Glass Wharf  
Bristol  
BS2 0FR

**OTHER INFORMATION**

The Company is a member of the Aviva plc group of companies (the "Group").

**FRIENDS ASLH LIMITED****STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

The directors present their Strategic Report on Friends ASLH Limited ("the Company") for the year ended 31 December 2015.

**ACQUISITION BY AVIVA GROUP**

On 19 January 2015, Friends Life Group Limited ("FLG"), which at that date was the ultimate parent company of the Company, published a Scheme of Arrangement ("the Scheme") document in relation to the proposed acquisition by Aviva plc of the entire ordinary share capital of FLG. Following shareholder and Guernsey court approval the Scheme became effective on 10 April 2015 and at that point the Company became part of the Aviva Group.

**RESULTS AND BUSINESS REVIEW****Business Performance**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Interest income	44	106
Interest expense	(36)	(82)
Dividends received	6,824	-
Losses on investments in subsidiaries	(3,656)	-
Profit before tax	3,176	24
Tax (charge)/credit	(56)	2,128
Profit after tax	3,120	2,152

The Company has made a profit of £3.1m in 2015 (2014: £2.2m). This is due to income received from shares in Group undertakings partially offset by the write down of investments in subsidiaries following restructuring during the year.

The interest income of £44k reflects interest receivable on the loan to Friends Life Holdings plc ("FLH") issued on 31 December 2012, which was settled on 27 July 2015. This is partially offset by interest incurred of £36k on the loans from Friends WUKH Limited ("WUKH") and Friends AELLAS Limited ("AELLAS"). £4.3m of the loan from WUKH and the full balance of the loan from AELLAS were also settled on 27 July 2015 by way of in-specie dividends received by the Company.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The strategic aim of the Aviva Group (of which the Company has been a part of since the Aviva Group acquired the Friends Life Group) is to develop a sustainable business that meets the needs of customers and delivers cash and appropriate returns to shareholders. As with all businesses, the Aviva Group is exposed to risk in pursuit of its objectives.

Enterprise Risk Management ("ERM") is the discipline by which both the Friends Life Group and Aviva Group safeguards the interests of customers and shareholders. This is achieved through the identification, assessment, management monitoring and control of current and emerging risks, against a set of agreed risk appetite and limits, in order to develop a sustainable business that meets the needs of customers and delivers appropriate returns to shareholders within appropriate and prudent risk boundaries.

**FRIENDS ASLH LIMITED**

**STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

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**PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)**

The philosophy underpinning risk management is that it should be designed, implemented and maintained in a manner that supports management's decision making and helps management to deal effectively with uncertainty.

Until the Aviva acquisition, the FLG Board was responsible for the risk management framework applied by companies within the Friends Life Group. The Board delegated responsibility for overseeing risk management across the Group to the Risk and Compliance Committee ("RCC"). The RCC was supported by the Executive Risk Committee ("ERC").

Following the Aviva acquisition the ex-Friends Life entities have continued to use the ERM framework that was in place prior to acquisition across the Friends Life Group. The ex-Friends Life entities transitioned to the Aviva Group risk management framework from 1 January 2016.

By order of the Board



R Hostler  
For and on behalf of  
Aviva Company Secretarial Services Limited  
Company Secretary  
26 September 2016

## **FRIENDS ASLH LIMITED**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2015**

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The directors present their report and the audited financial statements of the Company for the year ended 31 December 2015.

#### **DIRECTORS**

The directors in office at the date of the signing of these financial statements appear on page 2.

Appointments and resignations of directors during the year and up to the date of the signing of these financial statements are as follows:

J. S. Moss resigned as a director on 21 December 2015.  
C. M. O'Neill resigned as a director on 31 December 2015.  
J. C. Paykel resigned as a director on 14 July 2016.  
A. D. Carr resigned as a director on 14 July 2016.  
R Hostler was appointed as director on 1 July 2016.  
D Rose was appointed as director on 1 July 2016.

#### **COMPANY SECRETARY**

The name of the present company secretary of the Company appears on page 2.

Aviva Company Secretarial Services Limited was appointed as Company Secretary on 29 June 2015 and Friends Life Secretarial Services Limited resigned as Company Secretary on 6 July 2015.

#### **DIVIDEND**

During 2015, the Company paid a £13.3m dividend to Friends Life Holdings plc ("FLH") of which £6.7m was cash and £6.6m was an in-specie element comprising of full settlement of the £6.4m intercompany loan asset with FLH, and the assignment of the £250k intercompany loan balance owed by Suntrust Limited to the Company to FLH.

#### **STATEMENT OF GOING CONCERN**

The financial statements have been prepared on a going concern basis. In assessing whether the going concern basis is appropriate, the directors have considered the information contained in the financial statements. The directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the date of the approval of the financial statements.

#### **EMPLOYEES**

The Company has no employees. All UK employees of the Aviva Group are employed by fellow subsidiary undertakings of Aviva plc, Aviva Employment Services Limited and Aviva Investors Employment Services Limited as well as Friends Life entities; Friends Life Services Limited, Friends Life Management Services Limited and Sesame Services Limited. Disclosures relating to employees may be found in the Annual Report and Financial Statements of these companies respectively.

#### **POST BALANCE SHEET EVENTS**

Post balance sheet events impacting the Company are disclosed in note 13.

**FRIENDS ASLH LIMITED**

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2015  
(CONTINUED)**

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**STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITORS**

Each person who was a director of the Company on the date that this report was approved, confirms that:

- (a) so far as the director is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- (b) each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

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

**INDEPENDENT AUDITORS**

Following the acquisition by the Aviva Group, the Company's previous auditors, Ernst & Young LLP, resigned on 28 May 2015. PricewaterhouseCoopers LLP were appointed as auditors on 28 May 2015.

It is the intention of the directors to reappoint the auditors, PricewaterhouseCoopers LLP, under the deemed appointment rules of section 487 of the Companies Act 2006.

**QUALIFYING INDEMNITY PROVISIONS**

Aviva plc, the Company's ultimate parent, (since Aviva plc acquired the Friends Life Group on 10 April 2015) granted in 2004 an indemnity to the directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985, which continue to apply in relation to any provision made before 1 October 2007. This indemnity is a "qualifying third party indemnity" for the purposes of sections 309A to 309C of the Companies Act 1985. These qualifying third party indemnity provisions were in force throughout the year and at the date of approving the Directors' Report by virtue of paragraph 15, Schedule 3 of The Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE REPORT OF THE DIRECTORS AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Strategic Report, 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 the profit or loss of the company for that period.

**FRIENDS ASLH LIMITED**

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2015  
(CONTINUED)**

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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, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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.

Approved by the Board on 20 September 2016 and signed on its behalf by



R Hostler  
For and on behalf of  
Aviva Company Secretarial Services Limited  
Company Secretary  
26 September 2016



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRIENDS ASLH LIMITED**

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### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Our opinion**

In our opinion, Friends ASLH Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 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.

#### **What we have audited**

The financial statements, included within the Report and Accounts (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2015;
- the Profit and Loss Account for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the Notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

##### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRIENDS ASLH LIMITED (CONTINUED)**

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### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

### **RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT**

#### **Our responsibilities and those of the directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Kevin Williams (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

27 September 2016

**FRIENDS ASLH LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £000	2014 £000
Other interest income and similar income	2	44	106
Income from shares in group undertakings		6,824	-
Interest expense and similar charges	3	(36)	(82)
Losses on investments in subsidiaries		(3,656)	-
<b>Profit on ordinary activities before taxation</b>		<b>3,176</b>	<b>24</b>
Tax (charge)/credit on profit on ordinary activities	6	(56)	2,128
<b>Profit on ordinary activities after taxation</b>		<b>3,120</b>	<b>2,152</b>

The notes on pages 12 to 17 form an integral part of these financial statements.

**FRIENDS ASLH LIMITED****BALANCE SHEET AS AT 31 DECEMBER 2015**

	Note	2015 £000	2014 £000
<b>Fixed assets investments</b>			
Shares in group undertakings	7	292	3,949
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	3,560	13,156
Cash at bank and in hand		2,834	4,768
		<u>6,394</u>	<u>17,924</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	9	(101)	(5,113)
<b>Net current assets</b>		<u>6,293</u>	<u>12,811</u>
<b>Total assets less current liabilities</b>		<u>6,585</u>	<u>16,760</u>
<b>Net assets</b>		<u>6,585</u>	<u>16,760</u>
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account		6,585	16,760
<b>Total shareholders' funds</b>		<u>6,585</u>	<u>16,760</u>

The notes on pages 12 to 17 form an integral part of these financial statements.

Authorised and approved for issue by the Board on 26 September 2016 and signed on its behalf by:



D Rose  
Director

**FRIENDS ASLH LIMITED****STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015**


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	<b>Share Capital</b>	<b>Profit and Loss Account</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>At 1 January 2015</b>	-	16,760	16,760
Profit for the financial year	-	3,120	3,120
Dividends paid	-	(13,295)	(13,295)
<b>At 31 December 2015</b>	-	<b>6,585</b>	<b>6,585</b>

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	<b>Share Capital</b>	<b>Profit and Loss Account</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>At 1 January 2014</b>	-	14,608	14,608
Profit for the financial year	-	2,152	2,152
<b>At 31 December 2014</b>	-	<b>16,760</b>	<b>16,760</b>

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The notes on pages 12 to 17 form an integral part of these financial statements.

**FRIENDS ASLH LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

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**1. ACCOUNTING POLICIES****(a) Basis of Presentation**

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments.

The Company is exempt under section 400 of the Companies Act 2006 from the obligation to prepare group accounts as the Company is a wholly owned subsidiary of Aviva plc in whose consolidated accounts the Company is included. Accordingly, the financial statements present information about the Company as an individual entity and not about its group.

The financial statements are stated in sterling which is the Company's functional and presentation currency.

The Company transitioned from previously extant UK GAAP to FRS 101 for all periods presented. The only adjustment required on transition to FRS 101 is that the change in the fair value of the investment in subsidiaries is posted to the profit and loss account as opposed to the revaluation reserve. Given that the value of the investment in subsidiaries did not change during 2014 there is no need for a prior year restatement to the previously presented shareholder equity, balance sheet or profit and loss account of the Company arising from the transition to FRS 101.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2015.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of paragraphs 10(d) and 111 of IAS 1 Presentation of Financial Statements to include a statement of cash flows and the requirements of IAS 7 Statement of Cash Flows;
- (b) the requirements of paragraph 16 of IAS 1 to make a statement of compliance with the international accounting standards;
- (c) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to disclose when an entity has not applied a new accounting standard that has been issued but is not yet effective;
- (d) the requirements of paragraph 17 of IAS 24 Related Party Disclosure to disclose key management personnel compensation; and
- (e) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

**(b) Income and expense recognition**

Income and expenses are recognised when earned and incurred, respectively, on an accruals basis.

**(c) Current Taxation**

Taxation is based on the profits and income for the period as determined in accordance with the relevant tax legislation, together with adjustments to provisions for prior periods. Tax payable is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

**FRIENDS ASLH LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(c) Current Taxation (continued)**

Current taxation is recognised in the profit and loss account for the period, except to the extent that it is attributable to a gain or loss recognised outside the profit and loss account, in which case the current taxation is recognised in the statement of comprehensive income, or equity, as applicable.

**(d) Investments**

Investments in subsidiary undertakings are included at cost, but are subject to reviews for impairment with reference to net asset value. Movements in the valuation are included in the profit and loss account.

**(e) Interest income and expense**

Interest income and expenses are accounted for on an accruals basis.

**2. OTHER INTEREST INCOME AND SIMILAR INCOME**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Interest on loans receivable from group companies	<b>44</b>	<b>106</b>

**3. INTEREST EXPENSE AND SIMILAR CHARGES**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Interest on loans payable to group companies	<b>(36)</b>	<b>(82)</b>

**4. AUDITORS' REMUNERATION**

The auditors' remuneration of £4k excluding VAT (2014: £4k), in respect of services provided to the Company during the year ended 31 December 2015, was borne by other companies within the Group. Fees paid to the Company's auditors, PricewaterhouseCoopers LLP (PwC) and its associates for services other than the statutory audit of the Company and other Group undertakings are disclosed in the consolidated financial statements of Aviva plc.

**5. ADMINISTRATIVE EXPENSES**

The Company has no employees. All UK employees of the Aviva Group are employed by fellow subsidiary undertakings of Aviva plc; Aviva Employment Services Limited and Aviva Investors Employment Services Limited as well as Friends Life entities; Friends Life Services Limited, Friends Life Management Services Limited and Sesame Services Limited. Disclosures relating to employees may be found in the Annual Report and Financial Statements of these companies respectively.

The Directors are employed by, and receive their emoluments from these entities. The Directors holding office during the year consider their services to the Company were incidental to their other duties within the Aviva Group and accordingly no remuneration has been apportioned to the Company.

**FRIENDS ASLH LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****6. TAX ON PROFIT ON ORDINARY ACTIVITIES****(a) Analysis of the tax charge for the year**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Current tax on income for the year	(2)	(5)
Adjustment in respect of previous years	(54)	2,133
<b>Total current tax (charge)/credit</b>	<b>(56)</b>	<b>2,128</b>

The £2.1m adjustment in respect of previous years in 2014 relates to transfer pricing adjustments made between 2010 and 2012.

**(b) Factors affecting the tax charge for the year**

The tax charge for the year is lower than (2014: lower than) the standard rate of corporation tax in the UK of 20.25% (2014: 21.50%) as set out below:

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Profit on ordinary activities before taxation	3,176	24
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014: 21.50%)	(643)	(5)
Adjustment to tax charge in respect of previous years	(54)	2,133
Non-taxable dividend receivable	1,381	-
Impairment of investments in subsidiaries	(740)	-
<b>Total tax (charge)/credit</b>	<b>(56)</b>	<b>2,128</b>

**(c) Factors that may affect future tax charges**

UK legislation was substantively enacted in July 2013 to reduce the rate of corporation tax from 21% to 20% from 1 April 2015, resulting in an effective rate for the year ended 31 December 2015 of 20.25%. UK legislation was substantively enacted in October 2015 to reduce the rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020.

**7. SUBSIDIARY COMPANIES**

The company's subsidiaries as at 31 December 2015 are listed below:

**Shareholder Investments**

Friends AELLAS Limited  
 Friends SLUA Limited  
 Friends SLPM Limited  
 Friends WUKH Limited  
 Friends PPPLTC Limited

All subsidiaries are incorporated and registered in England and Wales. Each company has ordinary shares of one class which are 100% owned by the Company. All companies operate principally in the country of incorporation.



**FRIENDS ASLH LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****7. SUBSIDIARY COMPANIES (CONTINUED)**

The amount in the Company's balance sheet for shares in group undertakings is:

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
	<b>292</b>	<b>3,949</b>

The decrease is a result of the reduction in net asset value of the subsidiary companies following restructuring activity during the year.

Post balance sheet events impacting the Company and its subsidiary companies are disclosed in note 13.

**8. DEBTORS**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	-	6,708
Corporation tax receivable	<b>3,560</b>	<b>6,448</b>
	<b>3,560</b>	<b>13,156</b>

On 31 December 2012 the Company issued a loan of £6.25m to FLH. The interest was due on the loan at a rate of 1% above the 6 month LIBOR rate, payable in arrears by yearly instalments. The loan was settled on 27 July 2015 as part of an in-specie dividend to FLH, alongside the transfer of a £250k loan which had previously been made to Suntrust Limited.

**9. CREDITORS**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
<b>Amounts falling due within one year:</b>		
Amounts owed to group undertakings	<b>101</b>	<b>5,113</b>
	<b>101</b>	<b>5,113</b>

On 31 December 2012, the Company received a loan of £4.4m from Friends WUKH Limited. The interest is due on the loan at a rate of 1% above the 6 month LIBOR rate, payable in arrears by yearly instalments. £4.3m of the loan was settled on 27 July 2015 as an in-specie dividend receivable from Friends WUKH Limited. The remainder of the loan was repaid on 31 May 2016 as a further in-specie dividend received from Friends WUKH.

On 31 December 2012, the Company received a loan of £550k from Friends AELLAS Limited. The interest was due on the loan at a rate of 1% above the 6 month LIBOR rate, payable in arrears by yearly instalments. The loan was settled on 27 July 2015 as an in-specie dividend from Friends AELLAS Limited.

**FRIENDS ASLH LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****10. SHARE CAPITAL**

	2015	2014
	£	£
<b>Allotted, called up and fully paid</b>		
1 ordinary share of £1 each	1	1

**11. RELATED PARTIES**

The Company is a wholly owned subsidiary undertaking of Undershaft Limited. The results of the Company are consolidated in the results of Aviva plc, the Company's ultimate parent and controlling company, whose financial statements are publicly available.

Under FRS 101 the Company is exempt from the requirements of IAS 24 Related Party Disclosures, concerning the disclosure of transactions entered into between two or more members of a group provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

**12. RELATED UNDERTAKINGS**

Related undertakings include, direct and indirect subsidiaries, joint ventures, associated and other significant holdings.

The direct related undertakings of the Company as at 31 December 2015 are listed below.

<b>Name of undertaking</b>	<b>Country of incorporation</b>	<b>Share Class</b>	<b>% held by Group Companies</b>	<b>Aggregate capital and reserves at 31 December 2015 £</b>	<b>Profit/(loss) for the year ending 31 December 2015 £</b>
Friends AELLAS Limited	United Kingdom	Ordinary Shares	100%	158,000	162,000
Friends SLUA Limited	United Kingdom	Ordinary Shares	100%	-	-
Friends SLPM Limited	United Kingdom	Ordinary Shares	100%	-	-
Friends WUKH Limited	United Kingdom	Ordinary Shares	100%	134,000	25,000
Friends PPPLTC Limited	United Kingdom	Ordinary Shares	100%	-	-

**13. POST BALANCE SHEET EVENTS**

On 31 May 2016, a £134k dividend was paid to the Company from Friends WUKH Limited ("WUKH"). This consisted of £33k cash and a £101k in-specie element comprising of the full settlement of the £100k loan liability owed to WUKH alongside £1k of accrued interest on the loan.

On 13 July 2016 WUKH was transferred by the Company to a fellow Group subsidiary, Undershaft Limited ("UL") in consideration for WUKH's net asset value of £1 and the creation of an intercompany balance of £205 due by UL to the Company.

**FRIENDS ASLH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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On 13 July 2016 Friends PPPLTC Limited ("PPPLTC") was transferred by the Company to UL in consideration for PPPLTC's net asset value of nil.

On 28 July 2016, the Company received a cash dividend of £158k from Friends AELLAS Limited ("AELLAS").

On 17 August 2016, AELLAS was transferred by the Company to a fellow Group subsidiary, Friends Life Limited in consideration for AELLAS's net asset value of £1.

As a result, the investment held in these subsidiaries on the Company's balance sheet has been reduced to £2 to reflect the net asset value of £1 per subsidiary.

**14. ULTIMATE PARENT COMPANY**

The immediate parent entity is Undershaft Limited. The ultimate parent entity and controlling party is Aviva plc, a public limited company incorporated and domiciled in England and Wales, which is the parent undertaking of the smallest and largest Group to consolidate these financial statements. Copies of Aviva plc consolidated financial statements are available on application to the Group Company Secretary, Aviva plc, St Helen's, 1 Undershaft, London EC3P 3DQ, and on the Aviva plc website at [www.aviva.com](http://www.aviva.com).