COMPANY REGISTRATION Number: 03579650

LIVERPOOL VICTORIA PORTFOLIO MANAGERS LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2013

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LIVERPOOL VICTORIA PORTFOLIO MANAGERS LIMITED

DIRECTORS, OFFICERS AND REGISTERED OFFICE

Directors
M J Rogers
R A Rowney
P W Moore

Company Secretary
R Small (appointed 1st January 2013)
P B Cassidy (resigned 1st January 2013)

Registered office
County Gates
Bournemouth
BH1 2NF
Telephone: 01202 292333
Fax: 01202 751825

Independent Auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
31 Great George Street
Bristol
BS1 5QD

LIVERPOOL VICTORIA PORTFOLIO MANAGERS LIMITED
(COMPANY REGISTRATION NUMBER 03579650)

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The Directors submit their strategic report for Liverpool Victoria Portfolio Managers Limited (the 'Company','LVPM') for the year to 31 December 2013.

1. **Results and dividends**
The profit for the year was £1,000 (2012 loss of: £21,000). The directors did not approve any dividends in the current year (2012: £nil).

2. **Principal activities**
The Company is the Plan Manager for two Individual Savings Account ('ISA') products. The company is authorised and regulated by the Financial Conduct Authority ('FCA'). The Company is incorporated and domiciled in the United Kingdom.

3. **Business review**

Review and developments
The principal activities of the Company are that of ISA Manager for the Liverpool Victoria With-Profits Life ISA and the RNPFN With-Profits Life ISA.

The Company is currently authorised to hold client money and therefore complies with the Client Money rules contained in the FCA Client Assets Sourcebook.

Both ISAs are now closed for new business. The Liverpool Victoria ISA and RNPFN ISA continue to accept regular payments by direct debit for existing customers. Top up cheque payments are accepted into the Liverpool Victoria ISA only. The Company continues to be the Plan Manager for the ISA products and has responsibility to ensure products are built, maintained, administered and distributed in accordance with all applicable regulations and Treating Customers Fairly principles.

Outlook
The Company's main purpose will continue to be the ISA manager for the two ISAs until run off.

Principal risks and uncertainties
The Company operates in a regulated environment. The Board monitors all risks throughout the year and executes its strategy where practicable to reduce its exposure. The key risks that the entity is exposed to are Credit, Liquidity and Market Risk and the objectives for managing these risks are detailed in Note 4.

Key performance indicators (KPIs)
The results for the Company and its financial position are set out in the financial statements that follow this report. The Board sets key performance indicators (KPIs) and targets, which it monitors on a regular basis throughout the year. The KPIs may change from time to time as objectives and priorities change.

During 2013 the KPIs were focused on solvency and compliance:

- *Solvency and Compliance*
  The Company is a regulated entity and is required to hold minimum solvency capital in accordance with FCA Guidelines. Capital requirements are modelled monthly and form an integrated part of the risk management framework of the Company. The Company undertakes regular compliance reviews of its activities and reports to the directors on observations and findings.

On behalf of the board of directors
P W Moore
Director
25 March 2014

LIVERPOOL VICTORIA PORTFOLIO MANAGERS LIMITED
(COMPANY REGISTRATION NUMBER 03579650)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The Directors submit their annual report and accounts for Liverpool Victoria Portfolio Managers Limited (the 'Company','LVPM') for the year to 31 December 2013.

As permitted by section 414C(11) of the Companies Act 2006, certain information is not included in the Directors' Report because it has instead been shown in the Strategic Report. This information is:

- Results and dividends;
- Principal activities of the Company;
- Business review and future prospects;
- Principal risks and uncertainties.

1. Basis of accounting

The accounts for the Company are presented using International Financial Reporting Standards ('IFRSs') as adopted in the European Union, drawn on a going concern basis. The Directors are satisfied that the Company has adequate resources to continue business for the foreseeable future and accordingly the going concern basis is appropriate.

2. Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements are listed on page 2.

3. Parent company

The Company is a wholly owned subsidiary of Liverpool Victoria Friendly Society (LVFS), an incorporated Friendly Society registered under the Friendly Societies Act 1992.

4. Employees

The Company utilised the staff and premises of LVFS in carrying out its activities. Costs not directly recharged were paid by way of a management charge.

5. Political and charitable donations

The Company made no political or charitable donations in 2013 or 2012.

6. Director's indemnity statement

The Directors have the benefit of an indemnity which constitutes a "qualifying third party indemnity provision" as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. Liverpool Victoria Friendly Society (LVFS), the ultimate parent company, also purchased and maintained throughout the year on behalf of its subsidiaries Directors' and Officers' liability insurance in respect of LVPM and its Directors. It is available for inspection at the registered office of LVPM details of which are provided on page 2.

7. Statement of directors' responsibilities

The directors are responsible for preparing 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 the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a 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.

8. Auditors and Disclosure of information to the auditor

Each director at the date of this report confirms that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- 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 auditors are aware of that information.

APPROVED BY THE BOARD OF DIRECTORS AND SIGNED BY ORDER OF THE BOARD

Rachel Small

R Small
Company Secretary
25 March 2014

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIVERPOOL VICTORIA PORTFOLIO MANAGERS LIMITED (COMPANY REGISTRATION NUMBER 03579650)

Report on the financial statements

Our opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say below.

What we have audited

The financial statements for the year ended 31 December 2013, which are prepared by Liverpool Victoria Portfolio Managers Limited, comprise:

- the Statement of Comprehensive Income;
- the Statement of Changes in Equity;
- the Statement of Financial Position;
- the Statement of Cash Flows; and
- related notes.

The financial reporting framework that has been applied in their preparation comprises applicable law and IFRSs as adopted by the European Union.

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.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (ISAs (UK and 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.

In addition, we read all the financial and non-financial information in the Report and Financial Statements 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.

Opinion on matter prescribed by the Companies Act 2006

In our opinion 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.

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.

Directors' remuneration

Under the Companies Act 2006 we are required to report if, in our opinion, certain disclosures of directors' remuneration specified by law have not been 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 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK and 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.

David Roper (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
BS1 5QD

25 March 2014

LIVERPOOL VICTORIA PORTFOLIO MANAGERS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 £000	2012 £000
Investment income	6	**4**	6
Total income		**4**	6
Operating and administrative expenses	7	**(3)**	(3)
Total expenses		**(3)**	(3)
Profit before tax		**1**	3
Income tax credit	11	**-**	7
Profit for the year attributable to owners from continuing operations		**1**	10
(Loss) for the year attributable to owners from discontinued operations	9	**-**	(31)
Total comprehensive income for the year		**1**	(21)

The notes on page 12 to 22 are an integral part these financial statements

LIVERPOOL VICTORIA PORTFOLIO MANAGERS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

		Attributable to equity holders of the Company		
		Called up share capital	**Accumulated losses**	**Total**
	Note	**£000**	**£000**	**£000**
Balance at 1 January 2013		**3,500**	**(2,410)**	**1,090**
Profit for the year	18	**-**	**1**	**1**
Balance at 31 December 2013		**3,500**	**(2,409)**	**1,091**

		Attributable to equity holders of the Company		
		Called up share capital	Accumulated losses	Total
	Note	£000	£000	£000
Balance at 1 January 2012		3,500	(2,389)	1,111
Loss for the year	18	-	(21)	(21)
Balance at 31 December 2012		3,500	(2,410)	1,090

LIVERPOOL VICTORIA PORTFOLIO MANAGERS LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Note	2013 £000	2012 £000
Assets			
Financial Assets			
- Fair value through income	12	**999**	962
Loans and other receivables	13	**12**	21
Current tax asset	14	**-**	7
Cash and cash equivalents	15	**99**	100
Total assets		**1,110**	1,090
Liabilities			
Trade and other payables	16	**19**	-
Total liabilities		**19**	-
Equity			
Called up share capital	17	**3,500**	3,500
Accumulated losses	18	**(2,409)**	(2,410)
Total equity		**1,091**	1,090
Total liabilities and equity		**1,110**	1,090

The financial statements on pages 8 to 22 were approved by the Board of Directors on 25 March 2014 and signed on its behalf by:

P W Moore
Director

LIVERPOOL VICTORIA PORTFOLIO MANAGERS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	**2013** **£000**	2012 £000
Cash and cash equivalents at 1 January	15	**100**	(19)
Cash flows arising from:			
Operating activities			
Cash generated from / used in operating activities	19	**32**	(1,162)
Interest income received	6	**4**	6
Net cash inflow / (outflow) from operating activities		**36**	(1,156)
Cash flows arising from:			
Investing activities			
(Purchase)/sale of investments of fair value through income		**(37)**	1,275
Net cash (outflow)/inflow from investing activities		**(37)**	1,275
Net (decrease)/increase in cash and cash equivalents		**(1)**	119
Cash and cash equivalents and bank overdraft at 31 December	15	**99**	100

1. General information

Liverpool Victoria Portfolio Managers Limited is a company limited by shares, domiciled and incorporated in the United Kingdom.

2. Accounting Policies

BASIS OF PRESENTATION

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as endorsed by the European Union ('EU') and the International Financial Reporting Interpretations Committee ('IFRIC') and also with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivatives) at fair value through income.

The preparation of the financial statements in conformity with IFRS 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 Company has not used any significant estimates or judgements in preparing the financial statements in conformity with IFRS. The principal accounting policies adopted are listed below. These policies have been consistently applied to all years presented, unless otherwise stated.

Investment income
Investment income relates to interest on deposits and is recognised on an accruals basis.

Income taxes
The income tax expense reflects the movement in current and deferred income tax in respect of income, gains, losses and expenses.

- Current income tax
Current income tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

- Deferred tax
Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises 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 nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position 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 to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand, and short term deposits with an original maturity of three months or less.

For the purpose of the cash flow statement, cash and cash equivalents are as defined above but are shown net of outstanding bank overdrafts.

Trade and other payables
Trade and other payables are recognised when due and include amounts due to group undertakings and accruals. They are initially recognised at fair value and subsequently held at amortised cost.

Loans and other receivables

Loans and other receivables are recognised when due and comprise amounts due to the Company from group undertakings and other receivables. Where there is objective evidence that the carrying value is impaired then the impairment loss will be recognised in the statement of comprehensive income. Loans and other receivables are initially recognised at fair value and then subsequently held at amortised cost.

Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

CHANGES IN ACCOUNTING POLICIES

(i) New and amended standards adopted by the Company

The following standards have been adopted by the Company for the first time for the financial year beginning on or after 1 January 2013 and have an impact on the Company:

Amendment to IAS 1, 'Financial statement presentation' regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' ('OCI') on the basis of whether they are potentially re-classifiable to profit or loss subsequently (reclassification adjustments). There is no such re-classifiable item in the Company's accounts; therefore the impact on the Company is not material.

Amendments to IAS 36, 'Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of the cash generating unit which had been included in IAS 36 by the issue of IFRS 13. The amendment is not mandatory for the Company until 1 January 2014, however the Company has decided to early adopt the amendment as of 1 January 2013.

IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. The amendment has had only a minor impact on some of the disclosures given in the Company's financial statements.

(ii) New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010 and replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact. The Company will also consider the impact of the remaining phases of IFRS 9 when completed by the International Accounting Standards Board.

3. Capital Management Policies

The Company's objectives when managing capital are:

- To comply with the capital requirements set by the regulators within which the Company operates.
- To safeguard the Company's ability to continue as a going concern; and
- To maintain a strong capital base to support the development of its business.

In order to meet these objectives the Company annually prepares a yearly plan, including capital requirements, which is agreed by the Board. Capital needs will be calculated in order to ensure that adequate capital is maintained for that period.

For any substantial departures from the plan, or any major strategic change, the Company's senior management will consider the impact on the capital required and re-calculation will be undertaken where the current expectation moves sufficiently.

Monitoring of the adequacy of the company's capital is undertaken by management review to ensure the minimum capital requirements as set out by the FCA are maintained. All capital requirements have been met during 2013.

The Company had capital available of £1,091,000 (2012: £1,090,000), being shareholders funds available to the Company.

4. Management of Risk

Financial Risks

The Company's activities expose it to a variety of financial risks. These are credit risk, liquidity risk and market risk (cash flow interest rate risk).

(a) Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers fail to fulfil their contractual obligations to the Company.

Exposure to credit risk

The following table shows the maximum exposure to credit risk at 31 December 2013 and 2012:

	2013	2012
	£000	£000
Cash and cash equivalents	**99**	100
Loans and other receivables	**12**	21
Gross	**111**	121
Net exposure at 31 December	**111**	121

The Company does not hold any collateral as security.

Financial assets subject to credit risk

For the purposes of the Company's disclosures regarding credit quality, financial assets subject to credit risk have been analysed as follows:

2013	Cash and cash equivalents £000	Loans and other receivables £000	Total £000
Neither past due nor impaired	**99**	**12**	**111**
	99	**12**	**111**

2012	Cash and cash equivalents £000	Trade and other receivables £000	Total £000
Neither past due nor impaired	100	21	121
	100	21	121

(b) Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient available liquid assets to meet its obligations as they fall due.

The Company has identified the sources of liquidity risks and systems are in place to measure, monitor and control liquidity exposures. In order to meets its liquidity needs going forward the Company holds significant balances with central banks.

The tables below summarised the maturity profile of the financial assets and liabilities of the Company.

Maturity profile of financial assets

2013	**Notes**	**Within 1 year £000**	**Total £000**
Financial assets at fair value through income	12	**999**	**999**
Loans and other receivables	13	**12**	**12**
Cash and cash equivalents	15	**99**	**99**
Total assets		**1,110**	**1,110**

2012	Notes	Within 1 year £000	Total £000
Financial assets at fair value through income	12	962	962
Loans and other receivables	13	21	21
Cash and cash equivalents	15	100	100
Total assets		1,083	1,083

Maturity profile of financial liabilities

2013	**Note**	**Within 1 year £000**	**Total £000**
Trade and other payables	16	**19**	**19**
		19	**19**

Trade and other payables amount to £nil as at 31 December 2012.

Fair value estimation

Effective 1 January 2009, the Company adopted the amendment to IFRS 7. This requires, for financial instruments held at fair value in the balance sheet, disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Company's assets and liabilities measured at fair value at 31 December 2013 and 2012.

	Level 1 £000	**Level 2 £000**	**Level 3 £000**	**Total fair value £000**
Financial assets held at fair value through income 2013				
Shares, other variable yield securities and OEICs				
– UK listed	**999**	**-**	**-**	**999**
	999	**-**	**-**	**999**

	Level 1 £000	Level 2 £000	Level 3 £000	Total fair value £000
Financial assets held at fair value through income 2012				
Shares, other variable yield securities and units in unit trusts				
– UK listed	962	-	-	962
	962	-	-	962

There has been no change to valuation techniques during the year and there have been no transfers between level 1 & 2.

The Group outsources the valuation to third parties who are independent and qualified valuers. As at 31 December 2013, the fair values of the investment holdings have been determined by BlackRock. The investment team monitors the valuation on a monthly basis and report directly to the chief investment officer.

(c) Market risk

Market risk is the risk that the Company's earnings or capital, or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates and equity prices.

Interest rate risk

Interest rate risk is the possibility that changes in interest rates will result in higher financing costs and/or reduced income from the Company's interest bearing financial assets and liabilities.

Interest rate sensitivity analysis

The Company is principally exposed to interest rate risks through its short term deposits. The sensitivity analysis is as follows:

Impact on net profit

The effect on net profit of a 25 basis points change in interest rates earned would be as follows:

	+25 basis point	+25 basis point	**-25 basis point**	-25 basis point
	2013	2012	**2013**	2012
	£000	£000	**£000**	£000
Effect on net profit	**2**	2	**(2)**	(2)

5. Fee and commission income

In 2011 the company transferred all its funds under management to Threadneedle Asset Management and therefore the company no longer has any fee & commission income from this source. The balance in 2012 represents a rebate of these management fees.

	2013	2012
	£000	£000
Management fees	**-**	(31)
Less cost of sales:		
Fee and commission income	**-**	(31)
Less discontinued operations	**-**	31
Net fee and commission income from continuing operations	**-**	-

6. Investment income

	2013	2012
	£000	£000
Investment income	4	6
	4	6

7. Operating and administrative expenses

	2013	2012
	£000	£000
Administrative expenses	3	3
Operating and administrative expenses	3	3
Operating and administrative expenses from continuing operations	3	3

Liverpool Victoria Friendly Society Limited, the ultimate parent company, undertakes the management and administration of the company and recharges its costs by way of a management charge.

8. Auditors' remuneration

	2013	2012
	£000	£000
Audit of company	2	2
Audit related assurance services	19	19
	21	21

There were no other services carried out by the auditors for the Company. The audit fees were borne by the parent company, LVFS, in 2013 and 2012.

9. Discontinued operations

From 31 October 2011 the management of three OEICs moved to Threadneedle Asset Management, with one more moving from the end November 2011.

As management of the OEICs represented a major line of business for the Company in 2011 it was been treated as a discontinued operation. Similarly, the subsequent rebates of management fees paid in 2012 in respect of the OEICs have also been treated as arising from a discontinued operation.

	2013	2012
	£000	£000
Management fees	-	(31)
Fee and commission income	-	(31)
(Loss) from discontinued operations	-	(31)

10. Directors' emoluments

The emoluments of the Directors are paid by the ultimate parent company which makes no recharge to the Company. The Directors are also Directors of Liverpool Victoria Friendly Society Limited (and a number of fellow subsidiaries) and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments. Total emoluments for the relevant Directors are included in the aggregate of Directors' emoluments disclosed in the financial statements of Liverpool Victoria Friendly Society Limited.

11. Income tax expense

a) Current year tax credit

	2013	2012
	£000	£000
Group relief	-	(7)
Total income tax credit	-	(7)

b) Reconciliation of tax charge

The tax assessed for the period is equal to the effective rate of corporation tax in the UK (23.25%).

	2013	2012
	£000	£000
Profit/(loss) before tax	1	(27)
Loss multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	-	(7)
Effects of:		
Total tax charge for the year (note 11(a))	-	(7)

The standard rate of Corporation Tax in the UK changed from 24% to 23% with effect from 1 April 2013. Accordingly, the profits for this accounting period are taxed at an effective rate of 23.25%.

12. Financial assets

	2013	2012
	£000	£000
Fair value through profit or loss		
Shares, other variable yield securities and units in unit trusts		
- UK listed	**999**	962

13. Loan and other receivables

	2013	2012
	£000	£000
Amounts due from group undertakings	12	15
Other receivables	-	6
	12	21

14. Current tax asset

	2013	2012
	£000	£000
Current tax asset	-	7

15. Cash and cash equivalents

	2013	2012
	£000	£000
Bank balances	99	100
Cash and cash equivalents per balance sheet	99	100
Cash and cash equivalents per cash flow statement	99	100

16.Trade and other payables

	2013	2012
	£000	£000
Other creditors	19	-
	19	-

17. Share capital

	2013	2012
	£000	£000
Ordinary shares (3,500,000 issued shares of £1 each)	3,500	3,500

18.Accumulated losses

	2013	2012
	£000	£000
Balance at 1 January	(2,410)	(2,389)
Profit/(Loss) for the year	1	(21)
Balance at 31 December	(2,409)	(2,410)

19.Cash generated by / (used in) operating activities

Continuing operations	2013 £000	2012 £000
Profit before tax	1	3
Investment income	(4)	(6)
Changes in working capital		
Decrease in loan and other receivables	9	10
Increase/(decrease) in tax balances	7	-
Increase/(decrease) in trade and other payables	19	(1,138)
Cash generated by / (used in) continuing operating activities	32	(1,131)
Discontinued operations		
(Loss) before tax	-	(31)
Changes in working capital		
Cash used in discontinued operating activities	-	(31)
Total	32	(1,162)

20.Related party transactions

During the period the Company carried out a number of transactions with related parties in the normal course of business and on an arm's length basis. The names of the related parties, the value of the transactions and the amount owing at the balance sheet date are shown below:

	2013 £000	2012 £000
Balances outstanding between the Company and Liverpool Victoria Friendly Society Limited:		
Payable to the Company	12	15
	12	15

21. Ultimate parent company

The ultimate and immediate parent company is Liverpool Victoria Friendly Society Limited, a UK-incorporated friendly society registered under the Friendly Societies Act 1992.

The largest and smallest company whose financial statements this company is consolidated into is Liverpool Victoria Friendly Society Limited. The consolidated financial statements of Liverpool Victoria Friendly Society Limited are available to the public and may be obtained from:

The Company Secretary
County Gates
Bournemouth
BH1 2NF

or at www.lv.com/aboutus/report