



**COFUNDS HOLDINGS LIMITED**  
**FINANCIAL STATEMENTS**  
**2014**

WEDNESDAY



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# **COFUNDS HOLDINGS LIMITED**

## **CONTENTS**

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### **Page**

- 1 Strategic Report
- 2 Directors' Report
- 5 Independent Auditors' Report
- 7 Profit and Loss Account
- 7 Reconciliation of Movements in Shareholders' Funds
- 8 Balance Sheet
- 9 Notes to Financial Statements

**Registered Office:**  
One Coleman Street  
London EC2R 5AA

**Registered in England & Wales No. 04022350**

# COFUNDS HOLDINGS LIMITED

## STRATEGIC REPORT

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The Directors present their Strategic Report on the Company for the year ended 31 December 2014.

### Business review

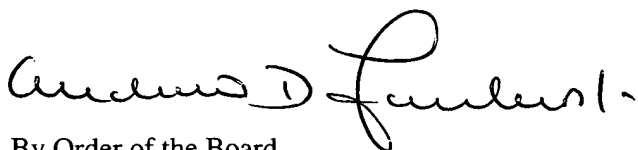
Given the straightforward nature of the business, the Company's directors are of the opinion that the Company's performance is in line with expectations.

### Principal risks and uncertainties

The directors of Cofunds Holdings group manage the group's risk at the level of its subsidiary company Cofunds Limited, rather than at an individual business unit level. For this reason, the Company's directors believe that a discussion of the group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of Cofunds Limited include those of the Cofunds Holdings group as discussed on page four of Cofunds Limited's financial statements annual report which do not form part of this report.

### Key Performance indicators

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.



By Order of the Board

A D Fairhurst

For and on behalf of Legal & General Co Sec Limited

Company Secretary

24 March 2015

# **COFUNDS HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

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The directors present their annual report together with the audited financial statements of Cofunds Holdings Limited ("the Company") for the year ended 31 December 2014.

### **Result for the year and dividend**

The results of the Company are set out on page 7. The directors do not recommend the payment of a dividend (2013: £nil).

### **Share capital**

The Company's issued share capital is £4,203k (2013: £4,203k). There were no changes to the issued share capital during the reporting year.

### **Capital Requirements (Country by Country Reporting) Regulations 2013**

The Capital Requirements (Country by Country Reporting) Regulations 2013 ('CRD IV') came into force on 1st January 2014. These require each credit institution and investment firm, as defined within the directive, which are regulated under CRD IV, to "disclose annually, specifying by Member State and by third country in which it has an establishment, the following information on a consolidated basis for the financial year":

- Name, nature of activities and geographical location
- Turnover
- Number of employees on a full time equivalent basis
- Profit or loss before tax and tax on profit or loss
- Public subsidies received

Cofunds Holdings Limited comes under the above regulations. All of the above information is published on the Legal & General Group Plc website on a consolidated Group basis.

# **COFUNDS HOLDINGS LIMITED**

## **DIRECTORS ' REPORT**

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### **Directorate**

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

J M Bury (resigned 11 December 2014)

D G Hobbs

C J Knight (resigned 11 December 2014)

S T Lloyd (appointed 11 December 2014)

J B Pollock (resigned 11 December 2014)

### **Political Donations**

The Company made no political donations during the year (2013: £nil)

### **Directors' Insurance**

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

**DIRECTORS ' REPORT**

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**Statement of Directors' Responsibilities**

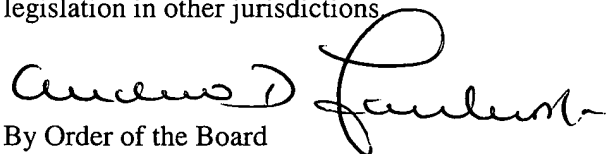
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions



By Order of the Board

A D Fairhurst

For and on behalf of Legal & General Co Sec Limited

Company Secretary

24 March 2015

# COFUNDS HOLDINGS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COFUNDS HOLDINGS LIMITED

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### REPORT ON THE FINANCIAL STATEMENTS

#### Our opinion

In our opinion, Cofunds Holdings Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 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

Cofunds Holding Limited's financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- the Reconciliation of Movements in Shareholders' Funds 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 their preparation comprises applicable law and United Kingdom Accounting Standards (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 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COFUNDS HOLDINGS LIMITED

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**Responsibilities for the financial statements and the audit**

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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

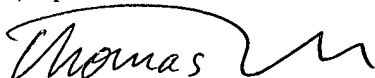
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.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

- whether the accounting policies are appropriate to the company's circumstances and have been consistently
- 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 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.



Thomas Robb (Senior Statutory Auditors)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
24 March 2015



**COFUNDS HOLDINGS LIMITED**  
**PROFIT AND LOSS ACCOUNT**

**For the year ended 31 December 2014**

	Note	2014 £'000	2013 £'000
<b>Continuing operations</b>			
Turnover	2	100	89
Administrative expenses		-	(2)
<b>Operating profit</b>		<u>100</u>	<u>87</u>
Interest receivable and similar income	3	6	114
Interest payable and similar charges	4	-	(104)
<b>Profit on ordinary activities before tax</b>	2	<u>106</u>	<u>97</u>
Tax on profit on ordinary activities	7	-	-
<b>Profit for the financial year</b>		<u>106</u>	<u>97</u>

There were no gains or losses in the year other than those included in the above profit and loss account.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents.

The notes on pages 9 to 13 form an integral part of these financial statements.

<b>Reconciliation of movements in shareholders' funds</b>	<b>2014 £'000</b>	<b>2013 £'000</b>
Opening shareholders' funds	158,392	158,295
Profit/(loss) for the financial year	106	97
<b>Closing shareholders' funds</b>	<u><b>158,498</b></u>	<u><b>158,392</b></u>

**COFUNDS HOLDINGS LIMITED**  
**BALANCE SHEET**

Registered Number: 04022350

As at 31 December 2014

	Note	2014 £'000	2013 £'000
<b>Fixed assets</b>			
Investments	8	156,700	156,700
		156,700	156,700
<b>Current assets</b>			
Debtors	10	0	308
Cash at bank and in hand		1,798	1,392
<b>Creditors : amounts falling due within one year</b>	11	0	(8)
<b>Net current assets/(liabilities)</b>		1,798	1,692
<b>Total assets less current liabilities</b>		158,498	158,392
<b>Net assets/(liabilities)</b>		158,498	158,392
<b>Capital and reserves</b>			
Called up share capital	12	4,203	4,203
Profit and loss account		154,295	154,189
<b>Total shareholders' funds</b>		158,498	158,392

The notes on pages 9 to 13 form an integral part of these financial statements.

The financial statements on pages 7 to 13 were approved by the board of directors on 24 March 2015 and signed on its behalf by

D G Hobbs, Director

S T Lloyd, Director

**NOTES TO FINANCIAL STATEMENTS**

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**1 Accounting policies**

**(a) Basis of Preparation**

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below:

In accordance with FRS 1 (Revised 1996) 'Cash Flow Statements' the Company has not prepared a cash flow statement as the ultimate holding company, Legal & General Group Plc, has included a group cash flow statement within its publicly available financial statements.

The Company has taken advantage of the exemptions under the terms of FRS 8 'Related Party Disclosures' from disclosing related party transactions with entities that are wholly owned subsidiaries of Legal & General Group Plc.

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

The Company is a wholly-owned subsidiary of Legal & General Retail Investments (Holdings) Limited and is included in the consolidated financial statements of Legal & General Group Plc which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

The principal accounting policies are set out below:

**(b) Subsidiary undertakings**

Investments in subsidiary undertakings are stated at cost less provision for impairment.

**(c) Foreign currencies**

Transactions denominated in foreign currencies are translated into Sterling at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange prevailing at the balance sheet date with the exception of non-monetary items which are maintained at historic rates. Exchange gains or losses are recognised in the profit and loss account, except those arising upon the revaluation of fixed assets, which are included in the revaluation reserve.

**(d) Taxation**

The tax shown in the Profit & Loss account comprises current and deferred 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.

**Deferred tax**

Deferred tax is provided in full on all timing differences. Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

# COFUNDS HOLDINGS LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 1 Accounting policies (continued)

#### (e) Investment in subsidiary undertakings

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

#### (f) Turnover

Turnover is stated excluding Value Added Tax and represents management charges to subsidiary undertakings.

### 2 Segmental turnover

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

### 3 Interest receivable and similar income

	2014 £'000	2013 £'000
Interest receivable from subsidiary undertakings	-	104
Other interest	6	10
	<u>6</u>	<u>114</u>

### 4 Interest payable and similar charges

	2014 £'000	2013 £'000
Interest payable on loans	-	104
	<u>-</u>	<u>104</u>

### 5 Directors' emoluments

No emoluments were paid to any director nor were any direct pension contributions paid in respect of services to this Company (2013: £Nil).

The Company does not have employees (2013: none).

### 6 Auditors' remuneration

The Company's audit fees are borne by other group companies of Legal & General Group Plc.

### 7 Tax on profit on ordinary activities

	2014 £'000	2013 £'000
<b>Current tax</b>		
UK corporation tax at 21.5% (2013: 23.25%)		
- Current tax for the year	-	-
<b>Total current tax charge</b>	<u>-</u>	<u>-</u>

## NOTES TO FINANCIAL STATEMENTS

**7 Tax on profit on ordinary activities (continued)****Factors affecting current tax charge for the period:**

The total current tax for the period is lower than the standard rate of UK corporation tax and the differences are explained below:

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities before tax	<u>106</u>	<u>97</u>
Tax calculated at the standard UK corporation tax rate of 21.5% (2013: 23.25%)	23	23
Effects of:		
Utilisation of brought forward losses	<u>(23)</u>	<u>(23)</u>
<b>Total current tax charge</b>	<u>-</u>	<u>-</u>

**Factors which may affect future tax charges****Tax rates**

Following the 2013 Budget announcement, the rate of corporation tax is expected to reduce progressively to 20% by 1 April 2015. To calculate the current tax on profits, the rate of tax used is 21.5% (2013: 23.25%), which is the average rate of corporation tax applicable for the year.

The rate of tax used for the calculation of deferred tax is 20% (2013: 20%), which is the rate of corporation tax that is expected to apply when the differences as mentioned above reverse. This rate will apply from 1st April 2015 (2013: 1st April 2015) onwards.

The company has unrelieved miscellaneous losses carried forward of £138k (2013: £330k). No deferred tax asset has been recognised in respect of these losses as at 31 December 2014 (or 31 December 2013). Relief for these losses will only be obtained if the company has suitable profits in future periods.

**8 Fixed asset investments**

	<b>Shares in subsidiary undertakings</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
At 1 January 2014	156,700	156,700
At 31 December 2014	<u>156,700</u>	<u>156,700</u>
Cost at 31 December 2014	<u>156,700</u>	<u>156,700</u>
Cost at 31 December 2013	<u>156,700</u>	<u>156,700</u>

The directors believe that the carrying value of the investments is supported by their underlying net assets.

# COFUNDS HOLDINGS LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 9 Subsidiary undertakings

The principal subsidiary undertakings of Cofunds Holdings Limited are listed below. Each undertaking operates mainly in its country of incorporation and has only one class of issued ordinary shares, all of which are held by Cofunds Holdings Limited.

	Nature of business	Incorporated in
<i>Held directly by the Company</i>		
Cofunds Limited	Investment platform	England & Wales
Cofunds Leasing Limited	Dormant	England & Wales
<i>Held indirectly through subsidiary undertakings</i>		
Cofunds Nominees Limited	Dormant	England & Wales
Dorset Nominees Limited	Dormant	England & Wales
Minster Nominees Limited	Dormant	England & Wales

All subsidiaries are 100% owned and have a 31 December financial year end.

### 10 Debtors

	2014	2013
	£'000	£'000
Amounts owed by group/subsidiary undertakings	-	308

### 11 Creditors: amounts falling due within one year

	2014	2013
	£'000	£'000
Other creditors	-	8

### 12 Share capital

	2014	2013
	£'000	£'000
Issued : 4,202,881 ordinary A shares of £1 each fully paid	4,203	4,203

### 13 Movement in reserves

	Profit and loss account
	£'000
Profit for the financial year	106
Opening reserves	154,189
Closing reserves	154,295

**Ultimate parent undertaking**

The immediate parent company is Legal & General Retail Investments (Holdings) Limited.

The ultimate parent company and controlling party is Legal & General Group Plc, a company incorporated in England & Wales - the controlling party which consolidates the financial statements of the Company. These financial statements therefore provide information about the Company as an individual undertaking. Legal & General Group Plc is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2014. Copies of the financial statements of the ultimate holding company, Legal & General Group Plc, are available on the Group website, [www.legalandgeneralgroup.com](http://www.legalandgeneralgroup.com) or from the Company Secretary at the Registered Office, One Coleman Street, London, EC2R 5AA.