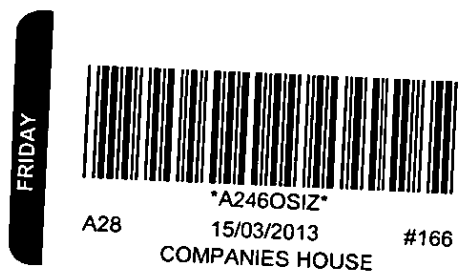


Royal Liver (IFA Holdings) plc
Annual report and financial statements
for the year ended 31 December 2012

Registered Number 4666101



Royal Liver (IFA Holdings) plc

Annual report and financial statements

for the year ended 31 December 2012

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Royal Liver (IFA Holdings) plc

Directors and independent auditors for the year ended 31 December 2012

Directors

Martin Lewis

Anya O'Reilly (appointed 13 February 2013)

Stephen Shone (resigned 13 February 2013)

Company Secretary

Royal London Management Services Limited

Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

7 More London Riverside

London

SE1 2RT

Registered Office

55 Gracechurch Street

London

EC3V 0RL

Registered Number

4666101

Royal Liver (IFA Holdings) plc

Directors' report for the year ended 31 December 2012

The directors present their annual report and the audited financial statements for the year ended 31 December 2012

Business review and principal activity

The principal activity of the company was to act as a holding company but this activity ceased in 2011. The company is not expected to trade in the foreseeable future.

The profit for the year after tax was £4,000 (2011: loss of £9,000). The directors do not recommend the payment of a dividend and accordingly a surplus of £4,000 has been transferred to reserves (2011: £9,000 deficit transferred from reserves).

Principal risks and uncertainties

The principal risks and uncertainties facing the company are integrated with those facing the Group and are not managed separately. The company operates within the risk management policies and procedures maintained by its ultimate parent company, The Royal London Mutual Insurance Society Limited, which are discussed within the risk management note in the Group's annual report and accounts.

Key performance indicators (KPIs)

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

Directors and their interests

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

Martin Lewis

Anya O'Reilly (appointed 13 February 2013)

Stephen Shone (resigned 13 February 2013)

Directors' indemnities

The directors have the benefit of a qualifying third party indemnity provision (as defined in section 234 of the Companies Act 2006). This provision was in force throughout the financial year and as at the date of approval of the financial statements. The company's ultimate parent undertaking, The Royal London Mutual Insurance Society Limited, also maintains Directors' and Officers' liability insurance in respect of the company and its directors.

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.

Royal Liver (IFA Holdings) plc

Directors' report for the year ended 31 December 2012 (continued)

Independent auditors

PricewaterhouseCoopers LLP are the incumbent auditors. A resolution re-appointing them as auditors to the company will be proposed at the Annual General Meeting.

Disclosure of information to auditors

The directors who held office as at the date of approval of this Directors' report confirm that so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and that each director has taken all steps that ought to have been taken as a director to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board



Simon Watson (Secretary)

For and on behalf of Royal London Management Services Limited

Company Secretary

13 March 2013

Royal Liver (IFA Holdings) plc

Independent auditors' report to the members of Royal Liver (IFA Holdings) plc

We have audited the financial statements of Royal Liver (IFA Holdings) plc for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities set out on page 2, 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). 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.

Scope of the audit of the financial statements

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 annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Philip Watson

Philip Watson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
13 March 2013

Royal Liver (IFA Holdings) plc

Profit and loss account for the year ended 31 December 2012

	Note	2012 £000	2011 £000
Administrative expenses	2	-	(14)
Operating profit/(loss)		-	(14)
Interest receivable and similar income	3	-	4
Profit/(loss) on ordinary activities before tax		-	(10)
Tax on profit/(loss) on ordinary activities	4	4	1
Profit/(loss) for the financial year	7	4	(9)

All results derive from discontinued operations

The company has no recognised gains or losses other than the profit for the year (2011 £nil) and accordingly no statement of total recognised gains and losses has been prepared

There is no material difference between the profit/(loss) on ordinary activities before tax and profit/(loss) for the financial year stated above and their historical cost equivalents

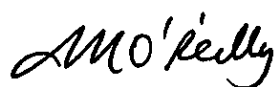
The accounting policies and notes on pages 7 to 10 form an integral part of these financial statements

Royal Liver (IFA Holdings) plc

Balance sheet as at 31 December 2012

	Note	2012 £000	2011 £000
Current assets			
Debtors		2	1
Cash at bank and in hand		682	687
		684	688
Creditors amounts falling due within one year	5	-	(8)
Net current assets		684	680
Total assets less current liabilities		684	680
Capital and reserves			
Called up share capital	6,7(11)	32,750	32,750
Profit and loss account	7	(32,066)	(32,070)
Total shareholders' funds	7(11)	684	680

The financial statements on pages 5 to 10 were approved by the board of directors on 13 March 2013 and signed on its behalf by



Anya O'Reilly
Director
Royal Liver (IFA Holdings) plc
Registered Number 4666101

The accounting policies and notes on pages 7 to 10 form an integral part of these financial statements

Royal Liver (IFA Holdings) plc

Notes to the financial statements for the year ended 31 December 2012

1 Accounting policies

(i) Basis of preparation

These financial statements are prepared on a 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.

The company is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited and is included in the consolidated accounts of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within Financial Reporting Standard 1 (Revised 1996), 'Cash Flow Statements' from preparing a cash flow statement and the exemption within Financial Reporting Standard 8, 'Related Party Disclosures', not to disclose related party transactions entered into between two or more members of the group, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

(ii) Interest receivable and similar income

Interest receivable and similar income is accounted for on an accruals basis.

(iii) Taxation

Provision is made for taxation at current rates on the appropriate adjusted trading profit and relief for overseas taxation is taken where appropriate. Credit is taken for trading and investment losses that can be surrendered as group relief to other group companies. Deferred taxation is provided on all untaxed gains and other timing differences, between their recognition in the financial statements and their recognition in the tax computations, except that overall assets are only recognised if, on the basis of all available evidence, it is regarded as more likely than not that the timing differences will reverse in the foreseeable future. The value of the resultant deferred tax assets and liabilities has been calculated on a discounted basis reflecting the fact that the timing differences are projected to reverse over several years. The discount rates used are the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with maturity dates similar to those of the deferred tax assets and liabilities.

2 Administrative expenses including directors', employees' and auditors' remuneration

Administrative expenses of £nil (2011: £14,000) related to charges to an outsourced service provider. The company has no employees (2011: none).

The directors received no remuneration in respect of their services to the company (2011: £nil).

The remuneration of the auditors, PricewaterhouseCoopers LLP, for the year was £862 (2011: £862) in respect of the audit of the company's annual financial statements.

3 Interest receivable and similar income

	2012 £000	2011 £000
Interest receivable on cash held at bank	-	4

Royal Liver (IFA Holdings) plc

Notes to the financial statements for the year ended 31 December 2012 (continued)

4 Tax on profit/(loss) on ordinary activities

(i) Tax credited in the profit and loss account

	2012 £000	2011 £000
UK corporation tax credit at 24.5% (2011: 26.5%) on the profit/(loss) for the year	(4)	(1)

(ii) Factors affecting the tax credit

The tax assessed for the year is different from the standard rate of corporation tax in the UK of 24.5% (2011: 26.5%) applied to the profit/(loss) before tax. The difference is explained below:

	2012 £000	2011 £000
Profit/(loss) on ordinary activities before tax	-	(10)
Profit/(loss) multiplied by the standard rate of UK corporation tax of 24.5% (2011: 26.5%)	-	(2)
Effects of:		
Additional expenses imputed for tax purposes for intra-group recharges	(2)	
Adjustment to tax charge in respect of previous periods	(2)	-
Losses carried forward for tax	-	1
Current tax credit for the year	(4)	(1)

During the year, as a result of changes in the UK main corporation tax rate to 24%, which was substantively enacted on 26 March 2012 and was effective from 1 April 2012, the company's result for this accounting period is taxed at an effective rate of 24.5%.

Further reductions to the UK corporation tax rate have been announced. The tax rate will reduce to 23% from 1 April 2013, this change was substantively enacted on 3 July 2012. A further reduction will reduce the rate to 21% from 1 April 2014, but this change had not been substantively enacted at the balance sheet date and, therefore, is not recognised in these financial statements.

(iii) Deferred taxation

The company has tax losses of £3,469,000 (2011: £3,471,000) available to carry forward. No deferred tax asset has been recognised in respect of these losses.

Royal Liver (IFA Holdings) plc

Notes to the financial statements for the year ended 31 December 2012 (continued)

5 Creditors: amounts falling due within one year

	2012 £000	2011 £000
Other creditors including taxation and social security	-	(8)

The amounts owed to Group undertakings were repayable on demand and were unsecured

6 Called up share capital

	2012 £000	2011 £000
Issued and fully paid		
32,750,000 ordinary shares of £1 each	32,750	32,750

7 Reserves

(i) Profit and loss account

	2012 £000	2011 £000
At 1 January	(32,070)	(32,061)
Profit/(loss) for the financial year	4	(9)
At 31 December	(32,066)	(32,070)

(ii) Reconciliation of movements in total shareholders' funds

	Share capital £000	Profit and loss account £000	Total £000
At 1 January 2011	32,750	(32,061)	689
Loss for the financial year	-	(9)	(9)
At 31 December 2011	32,750	(32,070)	680
Profit for the financial year	-	4	4
At 31 December 2012	32,750	(32,066)	684

Royal Liver (IFA Holdings) plc

Notes to the financial statements for the year ended 31 December 2012 (continued)

8 Ultimate parent undertaking and controlling party

The Royal London Mutual Insurance Society Limited, a company registered in England and Wales, is the immediate and ultimate parent undertaking and controlling party

The Royal London Mutual Insurance Society Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements. Copies of the financial statements of The Royal London Mutual Insurance Society Limited are available from the company's registered office