RETHINK RETIREMENT

Just Retirement Management Services Limited

Report and Accounts
For the Year Ended 31 December 2019

Company number: 04682458

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

CONTENTS

STRATEGIC REPORT

The Directors present their strategic report on the Company for the year ended 31 December 2019. The comparative information presented in these financial statements is for the year ended 31 December 2018.

REVIEW OF THE BUSINESS

The principal activity of the Company relates to providing management services to companies within Just Group plc (the "Group"). The Directors consider that this will continue into the foreseeable future.

POST BALANCE SHEET EVENT - CORONAVIRUS PANDEMIC ('COVID-19')

The U.K. along with much of the rest of the world is currently in the middle of a pandemic caused by Covid-19. In March 2020 the U.K. Government introduced unprecedented measures to restrict the spread of the virus including closing down whole sectors of the economy and requiring most people, other than essential workers, to stay at home. During May 2020 some of the restrictions have been eased slightly as the Government seeks to restart the economy. The Company is continuing to operate with the majority of staff working at home and is able to meet all of its regulatory responsibilities. As of the date of this report it remains uncertain as to how long the pandemic will last and what other impacts will arise afterwards. At present there has been only a limited impact on the Company.

PRINCIPAL RISKS AND UNCERTAINTIES

Financial risks are mainly related to credit risk on intercompany debt. In addition to financial risk the Company is exposed to operational risk. Operational risk arises from inadequate or failed internal processes, people and systems or from external events. The Company maintains a suite of risk management tools to help manage its operational risks including facilitated risk and control self-assessments, risk event management and loss reporting. Underlying and informing the operation of these tools is a framework of formal policies and controls which govern the management and oversight of the risks faced by the Company. These include business continuity and disaster recovery arrangements. There have been no significant changes to the principal risks during the year, other than preparing against any impacts of the UK's departure from the European Union. The risk outlook for each of the risks described above is expected to remain stable.

STAKEHOLDER REPORT

This report assesses how the Directors have taken into consideration the Company's business relationships with suppliers, customers and others and the need to foster those relationships as introduced by the Companies (Miscellaneous Reporting) Regulations 2018 (the "Regulations") as well as the requirements in relation to engagement with and regard to employee interests.

The Company has 1,080 employees as at 31 December 2019 based in the UK. The employees are employed for the purposes of providing services to the Just Group plc and its subsidiaries (the "Group"). The Group includes a number of regulated insurance companies and the Company has been established to provide management services to the Group. In order to foster engagement across all parts of the Group, the Company in association with the Group, often presents employee initiatives as those of Just Group plc and policies, including those relating to employees, customers, suppliers and others are set at Group level.

For further information regarding engagement with employees, customers, suppliers and other stakeholders in accordance with the Regulations from a Group wide perspective, please see the Just Group plc accounts, available on the Group website at www.justgroupplc.co.uk

STAKEHOLDERS

Engagement with stakeholders is important to the Company and the Group. As part of the Group, the Company's engagement activities are carried out on a Group wide basis. The Company is fully aligned with the Group's purpose to help people live a better later life. The values and behaviours upheld when engaging with stakeholders are consistent across the Group, whichever company is communicating with stakeholders. The Group Board and the Company work together to set the right tone from the top in relation to culture.

The Board considers its key stakeholder groups to be its suppliers, its employees, which provide services to the Group and the Group as the main customer and shareholder of the Company. While the Company is part of a regulated group it is not itself regulated. When performing activities on behalf of any company in the Group, employees understand the regulatory framework in which the Group operates and all employees receive an appropriate level regulatory and compliance training for their role.

The table below sets out the key stakeholder groups and how the Company engages with those stakeholders.

Stakeholder group	How we engage	What matters to them	How we have/are addressing the challenges
Suppliers: companies providing services, materials and resources to enable the Company to operate its business	On-going direct communication Regular performance reviews enable all parties to understand expectations and support each other to optimise delivery Written feedback from suppliers following tender processes	Collaborative relationships with open, honest and transparent communications Fair, transparent and objective process and evaluation criteria when bidding for new business Fair payment terms which are consistently met	The Group has a procurement and outsourcing policy ensuring tender processes are fair and transparent and suppliers receive feedback Clearly defined performance metrics are agreed with the supplier at the outset Payment terms are met and shared via governmental payment practice reporting for Group
Employees: the team of colleagues employed by the Company who provide outstanding service to the Group, including its customers and partners	a variety of methods are used to engage with employees including town halls, feedback kiosks, surveys and informal channels	Understanding the Group's vision and purpose Giving back to the community Opportunities to grow and develop Diversity and inclusion	Please see the People and Culture report in the Just Group plc accounts for more information The Company's Director's Report also contains more information
Customers: to provide management services to the companies in the Group.	The Company continually engages with Group companies to understand what their requirements are and what it needs to do to meet them.	Timely delivery of services at the right cost.	The Company has provided staff, services and entered into contracts throughout the period under review to ensure that it meets customers' needs.

EMPLOYEES

The Company provides management services to the Group and not to any external third parties. Detailed disclosures regarding the policies and practices in place in relation to employees and information regarding how the Company engages with its employees, how it has regard to employee interests and the effect of that regard on principal decisions taken by the Group during the year are available in the People and Culture Report within the Strategic Report of the Group's accounts. The Group Strategic Report, Group Directors' Report and the Company's Director's Report also contain further information regarding the arrangements in place to provide employees with information on matters of concern to them; consult employees on their views for decision making purposes; encouraging involvement in the Company's performance (including information regarding Group share schemes); and achieving a common awareness of factors affecting the Group's performance. The Company's Directors' Report also contains information about the Company's Diversity and Equal Opportunities policies.

Key methods of engagement and sharing of information used by the Company include:

- employee town halls where employees can hear the view of the Just Group CEO and other senior leadership team members and receive updates regarding Group performance and strategy;
- employee feedback kiosks;
- employee surveys; and
- informal feedback and information sharing by disseminating information up and down management lines.

During October and November 2019 the Company again took part in the Sunday Times best 100 companies to work for survey. The Company has made improvements year on year and has strengthened its accreditation as "one to watch" with good levels of employee engagement. The Group uses the feedback to further improve employee engagement and employee outcomes, sharing specific and tangible actions with employees via a newsletter on the employee intranet. In addition during 2019, the Company held company-wide interactive "Just be Proud" sessions focusing on innovation.

During 2019, one of the non-executive directors of Just Group plc, in accordance with the UK Governance Code for listed companies, assumed responsibility for engagement with employees and bringing their voice into the Group boardroom. Four face-to-face sessions were held with employees across the Group's offices to encourage dialogue between the Just Group Board and employees. Topics were framed around the Group Board's agenda and employees could ask questions and provide feedback directly. A highlights video was shared with all employees and the information gathered was fed back to the Group Board to build into future decision making.

For further information regarding engagement with employees from a Group wide perspective as noted above, please see the Just Group plc accounts, which are available on the Group's website.

SECTION 172 STATEMENT

This statement sets out, in accordance with section 414CZA of the Companies Act 2006 how the Directors have had regard to the matters set out in section 172(1) of the Companies Act 2006 when performing their duties.

The Directors consider that the Directors have acted in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year.

As a wholly owned subsidiary and in line with the duty to promote the success of the Company for the benefit of its shareholder, the Company must also have regard to the overall strategy and direction of the Group. Any decisions are considered from the perspective of the Company, ensuring that decisions are beneficial to its stakeholders as well as having regard to the long-term sustainable success of the Group as a whole.

During the year the Board of the Company were satisfied, that the purpose of the Company, to provide management services to Group companies, did not change. Taking into account the Group's strategic priority to reduce costs, the Company consolidated its property footprint by relocating its London office from Bishopsgate to Tower Hill in addition to rationalising the properties that it occupies in Reigate. These changes will realise substantial cost savings.

The Group including the Company has previously approved an authority matrix including delegation of signing authority for contracts signed by and on behalf of the Company. Contracts which fall within the limits of the delegation of authority do not require board approval. On this basis most of the contracts entered into during 2019 by the Company were entered into in accordance with the delegation of authority as appropriate. The Board considers that the delegation of authority remains appropriate for the services it provides to the Group and for entering into contracts with new employees, suppliers and others for services and facilities required by the Company.

During 2019, the Directors reviewed the Company's financial information and going concern status and confirmed that the business of the Company should continue for the foreseeable future and that its business would continue to be that of providing management services to the Group, including being the employing entity within the Group. The Board also considered these points again, post year-end, when reviewing these accounts.

KEY PERFORMANCE INDICATORS

The Company's key performance indicator is revenue.

KPI's	**Year ended 31 Dec 2019 £'000**	Year ended 31 Dec 2018 £'000
Revenue	**174,779**	182,566

Revenue for the year ended 31 December 2019 decreased by 4% compared to 31 December 2018, as a result of the Group's focus on reducing costs.

BY ORDER OF THE BOARD

Paul Turner
Director
2 June 2020

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2019.

RESULTS AND DIVIDEND

The result of the Company for the year ended 31 December 2019 is a loss after tax of £1,035,000 (year ended 31 December 2018: loss after tax of £3,114,000). The Directors do not recommend the payment of a dividend (year ended 31 December 2018: £nil).

GOING CONCERN

In making this assessment, the Directors have considered the impact of Covid-19 on the Company. After making enquiries the Directors have formed the view, at the time of approving the financial statements, that the Company has adequate resources to continue in operational existence for the foreseeable future. This is primarily based upon a letter of support from the parent Company, Just Retirement (Holdings) Limited. Management has considered the potential impacts, mitigating actions and financial consequences of the Covid-19 pandemic on the Company. In making their assessment the Directors have taken the following into account:

- The company is expected to be loss making in the future
- A significant element of the loss before tax is the share based payment charge, which is credited directly to equity and hence has no net impact on the net assets of the company
- The Company has positive net current assets and positive net assets.

DIRECTORS

The Directors who held office during the accounting period and to the date of this report are listed below:
Rodney Cook (resigned 30 April 2019)
Hugh McKee (resigned 31 January 2019)
Paul Turner (appointed 31 January 2019)
Jason Causer (appointed 14 February 2020)

The directors who held office 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 auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 2.

The information required to be included in the Directors Report by the Companies (Miscellaneous Reporting) Regulations 2018 is included in the Strategic Report on pages 2-5.

DIRECTORS' INDEMNITIES

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for Directors and Officers of the Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the Company. Directors' and Officers' liability insurance cover is in place in respect of all of the Company's Directors.

EMPLOYEES

The average number of employees of the Company during the year ended 31 December 2019 was 1080 (year ended 31 December 2018: 966). A breakdown is given in note 4 to the financial statements.

The Company has in place the necessary selection and reward frameworks to employ and retain the staff required to develop its business. In addition, the Company places an emphasis on training and staff development. There has been an employee turnover rate of approximately 14% (year ended 31 December 2018: 12%) for the year ended 31 December 2019 (against an average for the finance industry of 14%). The Company is committed to providing equal opportunities to all employees irrespective of their sex, sexual orientation, marital status, creed, colour, race, nationality, ethnic origin, disability, age, religion, belief or union membership status. The Company is an inclusive employer and values diversity in its employees. These commitments extend to recruitment and selection, training, career development, flexible working arrangements, promotion and performance appraisal. Keeping employees up to date with changes in regulation coupled with leadership and management training is critical to the future success of the Company.

AUDITOR

The Company's auditors, KPMG LLP, have confirmed their intention not to seek reappointment as auditors of the Company and the other companies in its Group when their present term in office expires. On this basis the auditors will not be deemed reappointed under section 487 of the Companies Act 2006. It is intended that KPMG LLP will resign as auditor of the Company following the completion of the audit of the Company's accounts. Just Group plc, the ultimate parent company of the group of companies of which the Company is a part, has appointed PwC LLP as auditor for the year ending 31 December 2020, subject to shareholder approval at the Just Group plc Annual General Meeting. It is intended that PwC LLP be appointed as auditor of the Company by ordinary resolution of the shareholder of the Company in accordance with section 485(4) of the Companies Act 2006 during the next period for appointing auditors in accordance with section 485(2) of the Companies Act 2006.

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

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) 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 estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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

BY ORDER OF THE BOARD

Paul Turner
Director
2 June 2020

Registered Office:
Enterprise House
Bancroft Road
Reigate
Surrey
RH2 7RP

Registered in England
Number 04682458

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JUST RETIREMENT MANAGEMENT SERVICES LIMITED

Opinion

We have audited the financial statements of Just Retirement Management Services Limited ("the company") for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Positon, Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic reportdirectors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and

- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

MWilson

Mostyn Wilson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP
15 Canada Square
London
E14 5GL
2 June 2020

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Year ended 31 Dec 2019	Year ended 31 Dec 2018
		£'000	£'000
Revenue	2	**174,779**	182,566
Administrative expenses		**(174,779)**	(182,566)
Profit on ordinary activities before interest income and taxation	3	**-**	-
Interest income		**107**	107
Profit on ordinary activities before taxation		**107**	107
Income tax	6	**(1,142)**	(3,221)
(Loss)/Profit attributable to equity holders of the parent		**(1,035)**	(3,114)
Other comprehensive income		-	-
Total comprehensive loss attributable to equity holders of the parent		**(1,035)**	(3,114)

The notes on pages 15 to 31 form part of these financial statements.

All figures relate to continuing operations.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

For the year ended 31 December 2019	**Share capital**	**Retained earnings**	**Total**
	£'000	**£'000**	**£'000**
As at 1 January 2019	**10**	**11,407**	**11,417**
Loss for the year	-	**(1,035)**	**(1,035)**
Share based payments	-	**4,307**	**4,307**
As at 31 December 2019	**10**	**14,679**	**14,689**

For the year ended 31 December 2018	Share capital	Retained earnings	Total
	£'000	£'000	£'000
As at 1 January 2018	10	8,554	8,564
Loss for the year	-	(3,114)	(3,114)
Share based payments	-	5,967	5,967
As at 31 December 2018	10	11,407	11,417

The notes on pages 15 to 31 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2019

Company number: 04682458

	Notes	**31 Dec 2019**	31 Dec 2018
		£'000	£'000
Assets			
Non-current assets			
Intangible fixed assets	7	**8,435**	6,272
Property, plant and equipment	8	**7,017**	1,036
Deferred income tax	10	**2,840**	3,237
		18,292	10,545
Current assets			
Trade and other receivables	9	**44,265**	35,102
Cash and cash equivalents		**12,814**	19,309
		57,079	54,411
Total assets		**75,371**	64,956
Equity			
Share capital	13	**10**	10
Retained earnings		**14,679**	11,407
Total equity		**14,689**	11,417
Liabilities			
Non-current liabilities			
Lease liabilities	14	**4,462**	-
		4,462	-
Current liabilities			
Trade and other payables	11	**52,195**	53,338
Provisions	12	**1,298**	201
Lease liabilities	14	**2,727**	-
		56,220	53,539
Total liabilities		**60,682**	53,539
Total equity and liabilities		**75,371**	64,956

The notes on pages 15 to 31 form part of these financial statements.

The financial statements were approved by the Board of Directors on 2 June 2020 and were signed on its behalf by:

Paul Turner

Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
	£'000	£'000
Profit before tax	**107**	107
Interest income	**(107)**	(107)
Depreciation of tangible fixed assets	**3,970**	402
Amortisation of intangible assets	**1,171**	441
Interest on right-of-use assets	**110**	-
Share based payment charge	**4,307**	5,967
Increase in trade and other receivables	**(8,324)**	(11,789)
Increase in trade and other payables	**1,642**	13,343
Cash inflow from operating activities	**2,876**	8,364
Interest received	**107**	107
Corporation tax paid including R&D tax credits	**(3,273)**	(385)
Net cash flows from operating activities	**(290)**	8,086
Cash flows from investing activities		
Additions to intangible assets	**(3,334)**	(1,151)
Acquisition of equipment	**(1,310)**	(732)
Net cash flows from investing activities	**(4,644)**	(1,883)
Cash flows from financing activities		
Payment of lease liabilities	**(1,561)**	-
Net cash flows from financing activities	**(1,561)**	-
Net (decrease)/increase in cash and cash equivalents	**(6,495)**	6,203
Cash at start of year	**19,309**	13,106
Cash at end of year	**12,814**	19,309

The notes on pages 15 to 31 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting policies

A Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union effective for accounting periods commencing on or before 1 January 2019 and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The comparative information presented is for the year ended 31 December 2018. Values are expressed to the nearest £'000.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, including assessing the likely impact of the ongoing Covid-19 pandemic, the Company will have sufficient funds, through funding from its immediate parent company, Just Retirement (Holdings) Limited, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Just Retirement (Holdings) Limited providing additional financial support during that period. Just Retirement (Holdings) Limited has indicated through a letter of support its intention to continue to make available such funds as are needed by the Company. As with any Company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

As noted above, the directors have considered the potential impact of the Covid-19 pandemic on the Company, which are expected to be minimal. The Company is continuing to operate with the majority of staff working at home.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

The following new accounting standards have been applied for the first time in these accounts:

- IFRS 16, Leases (effective 1 January 2019). The company has adopted IFRS 16, Leases, from 1 January 2019. IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the company has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. The company has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated. On transition to IFRS 16, the company elected to apply IFRS 16 only to contracts that were previously identified as leases under the previous accounting standard, IAS 17. The IFRS 16 definition of a lease will only be applied to contracts entered into on or after 1 January 2019.
  The company recognises right-of-use assets and lease liabilities for all leased assets except those of low value. Lease payments associated with low value leases are recognised as an expense on a straight-line basis over the lease term. The company presents right-of-use assets within property, plant and equipment, and presents lease liabilities on the face of the statement of financial position.
  The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made.
  The company has applied judgement to determine the lease term for contracts which include renewal options or break clause options. The determined lease term reflects those options where the company assesses the likelihood of those options being exercised to be reasonably certain.
  On transition to IFRS 16, for leases classified as operating leases under IAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the company's incremental borrowing rate as at 1 January 2019 of 2.5%. Right-of-use assets were measured at an amount equal to the lease liability.

The following new accounting standards, interpretations and amendments to existing accounting standards in issue, but not yet effective, have not been early adopted by the Company. Unless stated, the new and amended standards and interpretations are being assessed but are not expected to have a significant impact on the Company's financial statements:

- None

The following accounting policies have been applied consistently throughout the year:

B Revenue

Revenue consists of amounts chargeable to fellow Group undertakings for goods and services provided under the terms of the Company's management services agreements. Revenue is recognised in order to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

C Interest income, expenses and charges

Interest income is accounted for on a receivable basis. Interest income is accrued up to the Statement of Financial Position date.

D Property, plant and equipment

Equipment is stated at cost less accumulated depreciation and impairment losses. Impairment reviews take place when events or changes in circumstances indicate that the carrying value may not be recoverable. Impairment losses are recognised in the Statement of Comprehensive Income.

Depreciation is charged to the Statement of Comprehensive Income on a straight-line basis over the estimated useful life of each item of equipment.

Estimated useful lives are as follows:

Computer equipment	-	4 years
Furniture and fittings	-	2 years

E Intangible fixed assets

Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic lives. The amortisation expense is included within administrative expenses in the Statement of Comprehensive Income.

The significant intangibles recognised by the Company, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are as follows:

Computer software	-	3 years
PrognoSys™	-	12 years

Intangible assets acquired by the Company are stated at cost less accumulated amortisation and impairment losses. Costs that are directly associated with the production of identifiable and unique software products controlled by the Company are capitalised as such whilst in development and transferred to Internal software costs as an intangible asset once it is ready for use. Direct costs include the software development team's employee costs. All other costs associated with researching or maintaining computer software programs are recognised as an expense as incurred.

PrognoSys™ is a proprietary database, which has over 1 million person years of experience collected over ten years of operations, enhanced by an extensive breadth of external primary and secondary healthcare data and medical literature.

F Impairment

The Company assesses at each reporting date where there is an indication that an asset may be subject to impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the Statement of Comprehensive Income in administrative expenses. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount of the asset is estimated.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

G Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in equity, in which case the related income tax is also recognised in equity.

Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes, and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the Statement of Financial Position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Any deferred assets not recognised are separately disclosed.

H Leases

At inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves the use of an identified asset and conveys the right to control the use of the asset for a period of time in exchange for consideration.

Where the company is a lessee, a right-of-use asset and a lease liability are recognised at the commencement date of the lease. The right-of-use asset is initially measured at cost, which comprises the amount of lease liability, any lease payments made at or before the commencement date, any initial direct costs incurred and an estimate of the costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease incurred.

H Pension benefits

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in funds managed by a third party. Obligations for contributions to the defined contribution pension scheme are recognised as an expense in the Statement of Comprehensive Income as incurred.

I Employee share plans

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at grant date, determined using stochastic and scenario-based modelling techniques where appropriate. The fair value is expensed in the income statement on a straight line basis over the vesting period, with a corresponding credit to equity, based on the Group's estimate of the equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments that will eventually vest as a result of changes in non-market based vesting conditions, and recognises the impact of the revision of original estimates in the income statement over the remaining vesting period, with a corresponding adjustment to equity. Where a leaver is entitled to their scheme benefits, this is treated as an acceleration of the vesting in the period they leave. Where a scheme is modified before it vests, any change in fair value as a result of the modification is recognised over the remaining vesting period. Where a scheme is cancelled, this is treated as an acceleration in the period of the vesting of all remaining options.

J Provisions

A provision is recognised in the Statement of Financial Position when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The Company recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

K Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held in call with banks and other short term highly liquid investments with original maturities of 90 days or less. Banks overdrafts are included in cash and cash equivalents.

2. Revenue

Disaggregation of revenue

In the following table, revenue is disaggregated by major products/service lines, primary geographical market and timing of revenue recognition.

	Year ended 31 Dec 2019 £'000	Year ended 31 Dec 2018 £'000
Major products/service lines		
Revenue from fellow Group undertakings	**(174,779)**	(182,566)
	(174,779)	(182,566)
Primary geographical markets		
UK	**(174,779)**	(182,566)
	(174,779)	(182,566)
Timing of revenue recognition		
Products transferred at a point in time	**(174,779)**	(182,566)
	(174,779)	(182,566)

3. Profit on ordinary activities before interest and taxation

Profit on ordinary activities before interest and taxation is stated after charging:	**Year ended 31 Dec 2019**	Year ended 31 Dec 2018
	£'000	£'000
Staff costs (note 4)	**96,077**	91,491
Depreciation	**3,970**	402
Amortisation	**1,171**	441
Operating lease rentals	**-**	2,125
Auditor's remuneration - as auditor	**18**	18

All costs incurred by the Company on behalf of fellow Group undertakings are recharged to the relevant Group undertaking under the terms of the Company's management services agreement. Audit fees of £18,000 have been borne by Just Retirement Limited (year ended 31 December 2018: £18,000).

Disclosures in respect of non-audit fees paid to the auditor have not been disclosed in these financial statements because the group financial statements of the Company's ultimate parent, Just Group plc, contain on a group wide basis the non-audit fee disclosures required by the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 (Statutory Instrument 2008/489).

4. Staff numbers and cost

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
Directors and Senior Management Team	**8**	8
Senior management	**109**	92
Staff	**963**	866
	1,080	966

The aggregate payroll costs were as follows:

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
	£'000	£'000
Wages and salaries	**82,940**	80,765
Social security costs	**8,889**	7,212
Other pension costs	**4,248**	3,514
	96,077	91,491

On 31 December 2018 all Partnership Service Limited employees transferred to Just Retirement Management Services Limited. Staff costs incurred by the Company on behalf of fellow Group undertakings are recharged to the relevant Group undertaking under the terms of the Company's management services agreement.

Directors' emoluments and pension costs incurred by the Company on behalf of fellow Group undertakings are recharged to Just Retirement Limited and Just Group plc under the terms of the Company's management services agreement.

5. Employee share plans

The Group operates a number of share option and share award plans in which employees of the Company participate. Details of those plans are as follows:

Share Options

Just Retirement Group 2013 Long Term Incentive Plan ("LTIP")

The Group made awards under the LTIP to Executive Directors and other senior managers. Awards are made in the form of nil-cost options which become exercisable on the third anniversary of the grant date, subject to the satisfaction of service and performance conditions. Awards are subject to an absolute financial growth measure, Total Shareholder Return ("TSR") relative to the constituents of a relevant comparator index or peer group, and for some awards achievement of an annual synergy savings target. Depending on the year of award, the measures are based on either Group operating profit growth or Earnings per share growth over three financial years, TSR versus the FTSE 250 index over the performance period, and for some awards annual synergy savings quoted in the annual report of Just Group plc.

Options are exercisable until the tenth anniversary of the grant date. Options granted since 2017 are subject to a two-year holding period after the options have been exercised.

The options are accounted for as equity-settled schemes.

The number and weighted-average remaining contractual life of outstanding options under the LTIP are as follows:

	Year ended 31 Dec 2019 Number of options	Year ended 31 Dec 2018 Number of options
Outstanding at start of period	**13,356,909**	12,012,762
Transferred*	**4,238,399**	-
Granted	**4,755,178**	3,418,028
Forfeited	**(2,402,172)**	(23,303)
Exercised	**(2,567,282)**	(280,797)
Expired	**(2,184,689)**	(1,769,781)
Outstanding at 31 December	**15,196,343**	13,356,909
Exercisable at 31 December	**3,255,678**	2,647,313
Weighted-average share price at exercise (£)	**0.54**	1.11
Weighted-average remaining contractual life (years)	**1.15**	1.12

*Transferred outstanding options are in respect of options accruing to employees who transferred employment to Parnership Services Limited.

The exercise price for options granted under the LTIP is nil.

During the year to 31 December 2019, awards of LTIPs were made on 16 May 2019. The weighted-average fair value and assumptions used to determine the fair value of options granted during the year under the LTIP are as follows:

Fair value at grant date	**£0.51**
Option pricing models	**Black-Scholes, Stochastic, Finnerty**
Share price at grant date	**£0.60**
Exercise price	**Nil**

Expected volatility:	
-TSR performance	**40.03%**
-Holding period	**43.48%**
Option life	**2-3 years + 2 year holding period**
Dividends	**Nil**
Risk-free interest rate:	
-TSR performance	**0.70%**
-Holding period	**0.81%**

Deferred share bonus plan ("DSBP")

The DSBP is operated in conjunction with the Group's short-term incentive plan for Executive Directors and other senior managers of the Company or any of its subsidiaries, as explained in the Directors' Remuneration Report. Awards are made in the form of nil-cost options which become exercisable on the third anniversary, and until the tenth anniversary, of the grant date.

The options are accounted for as equity-settled schemes.

The number and weighted-average remaining contractual life of outstanding options under the DSBP are as follows:

	Year ended 31 Dec 2019 Number of options	Year ended 31 Dec 2018 Number of options
Outstanding at start of period	**2,477,037**	1,785,894
Transferred*	**1,387,521**	-
Granted	**1,635,528**	691,143
Forfeited	**(503,412)**	-
Exercised	**(708,981)**	-
Outstanding at 31 December	**4,287,693**	2,477,037
Exercisable at 31 December	**1,656,365**	1,171,878
Weighted-average share price at exercise (£)	**0.60**	0.74
Weighted-average remaining contractual life (years)	**0.94**	1.03

*Transferred outstanding options are in respect of options accruing to employees who transferred employment to Parnership Services Limited.

The exercise price for options granted under the DSBP is nil.

During the year to 31 December 2019, awards of DSBPs were made on 28 March 2019. The weighted-average fair value and assumptions used to determine the fair value of options granted during the year under the DSBP are as follows:

Fair value at grant date	**£0.62**
Option pricing model used	**Black-Scholes**
Share price at grant date	**£0.62**
Exercise price	**Nil**
Expected volatility	**Nil**
Option life	**3 years**
Dividends	**Nil**
Risk-free interest rate	**Nil**

Save As You Earn ("SAYE") scheme

The Group operates SAYE plans for all employees, allowing a monthly amount to be saved from salaries over either a three year or five year period which can be used to purchase shares in Just Group plc at a predetermined price. The employee must remain in employment for the duration of the saving period and satisfy the monthly savings requirement (except in "good leaver" circumstances). Options are exercisable for up to six months after the saving period.

The options are accounted for as equity-settled schemes.

The number, weighted-average exercise price, weighted-average share price at exercise, and weighted-average remaining contractual life of outstanding options under the SAYE are as follows:

	Year ended 31 Dec 2019		Year ended 31 Dec 2018	
	Number of options	**Weighted-average exercise price (£)**	Number of options	Weighted-average exercise price (£)
Outstanding at start of period	**3,798,186**	**1.12**	3,631,169	1.11
Transferred*	**758,197**	**1.14**		
Granted	**10,313,555**	**0.52**	1,237,702	1.18
Forfeited	**(366,991)**	**0.74**	(184,364)	1.05
Cancelled	**(4,146,082)**	**0.99**	(506,005)	1.14
Exercised	**-**	**-**	(258,300)	1.24
Expired	**(403,677)**	**1.20**	(122,016)	1.25
Outstanding at 31 December	**9,953,188**	**0.56**	3,798,186	1.12
Exercisable at 31 December	**189,815**	**0.73**	19,599	1.07
Weighted-average share price at exercise		**-**		1.42
Weighted-average remaining contractual life (years)		**2.61**		1.98

*Transferred outstanding options are in respect of options accruing to employees who transferred employment from Partnership Services Limited.

The range of exercise prices of options outstanding at the end of the period are as follows:

	31 Dec 2019 Number of options outstanding	31 Dec 2018 Number of options outstanding
£0.52	**9,242,042**	-
£1.07	**387,498**	2,202,171
£1.13	**36,135**	-
£1.18	**268,604**	1,088,120
£1.20	**-**	445,922
£1.27	**12,791**	61,973
£1.47	**6,118**	-
Total	**9,953,188**	3,798,186

During the year to 31 December 2019, awards of SAYEs were made on 8 May 2019. The weighted-average fair value and assumptions used to determine the fair value of options granted during the year under the SAYE are as follows:

Fair value at grant date	**£0.26**
Option pricing model used	**Black-Scholes**
Share price at grant date	**£0.66**
Exercise price	**£0.52**
Expected volatility:	
-3 year scheme	**44.64%**
-5 year scheme	**40.56%**
Option life	**3.32-5.32 years**
Dividends	**Nil**
Risk-free interest rate:	
-3 year scheme	**0.74%**
-5 year scheme	**0.84%**
Saving forfeit discounts	**5%**

Share-based Payment Expense

The share-based payment expense recognised in the Statement of Comprehensive Income for employee services receivable during the period is as follows:

	Year ended 31 Dec 2019 £'000	Year ended 31 Dec 2018 £'000
Equity settled schemes	**4,307**	5,967

6. Taxation

	Year ended 31 Dec 2019 £'000	Year ended 31 Dec 2018 £'000
UK Corporation tax		
Tax charge in respect of current year	**1,142**	2,342
Adjustment in respect of prior periods	**(398)**	154
Total	**744**	2,496
Deferred taxation		
Origination and reversal of timing differences	**413**	923
Adjustment in respect of prior periods	**28**	(101)
Rate change	**(43)**	(97)
Total	**398**	725
Total income tax	**1,142**	3,221

Factors affecting tax expense for the year:

	Year ended 31 Dec 2019 £'000	Year ended 31 Dec 2018 £'000
Profit on ordinary activities before tax	**107**	107
Current tax at 19.00% (2018: 19.00%)	**20**	20
Effects of:		
Adjustments in respect of prior periods - current tax	**(370)**	53
Expenses not deductible for tax purposes	**1,146**	2,259
Deferred tax on share based payments	**389**	986
Rate change	**(43)**	(97)
Total tax	**1,142**	3,221

Changes to the UK corporation tax rates reducing the main rate to 17% from 1 April 2020 were substantively enacted on 6 September 2016. On 11 March 2020 the Chancellor of the Exchequer announced that the main rate of corporation tax, effective from 1 April 2020, will remain at 19%. This measure was substantively enacted on 17 March 2020. This change does not affect the amounts of current or deferred taxes recognised at 31 December 2019. However, if the new rate was applied to deferred taxes recognised at 31 December 2019, then the deferred tax asset would increase by £334,090.

7. Intangible assets

31 December 2019	Software in development £'000	Internal software costs £'000	PrognoSys™ £'000	Purchased Software £'000	Total £'000
Cost					
Opening balance at 1 January 2019	376	12,211	5,831	942	19,360
Acquired during the year	3,334	-	-	-	3,334
Transfers	-	-	-	-	-
At 31 December 2019	3,710	12,211	5,831	942	22,694
Amortisation					
Opening balance at 1 January 2019	(376)	(10,153)	(1,617)	(942)	(13,088)
Charge for year	-	(686)	(485)	-	(1,171)
At 31 December 2019	(376)	(10,839)	(2,102)	(942)	(14,259)
Net book value 31 December 2019	**3,334**	**1,372**	**3,729**	-	**8,435**
Net book value 1 January 2019	-	2,058	4,214	-	6,272

31 December 2018	Software in development £'000	Internal software costs £'000	PrognoSys™ £'000	Purchased Software £'000	Total £'000
Cost					
Opening balance at 1 January 2018	1,737	10,153	5,377	942	18,209
Acquired during the year	-	697	454	-	1,151
Transfers	(1,361)	1,361	-	-	-
At 31 December 2018	376	12,211	5,831	942	19,360
Amortisation					
Opening balance at 1 January 2018	(376)	(10,153)	(1,176)	(942)	(12,647)
Charge for year	-	-	(441)	-	(441)
At 31 December 2018	(376)	(10,153)	(1,617)	(942)	(13,088)
Net book value 31 December 2018	-	**2,058**	**4,214**	-	**6,272**
Net book value 1 January 2018	1,361	-	4,201	-	5,562

8. Property, plant and equipment

31 December 2019	Computer equipment £'000	Furniture and fittings £'000	Right-of-use assets £'000	Total £'000
Cost				
Opening balance at 1 January 2019	5,378	2,645	-	8,023
Acquired during the year	946	365	8,640	9,951
At 31 December 2019	6,324	3,010	8,640	17,974
Depreciation				
Opening balance at 1 January 2019	(4,342)	(2,645)	-	(6,987)
Charge for the year	(569)	(15)	(3,386)	(3,970)
At 31 December 2019	(4,911)	(2,660)	(3,386)	(10,957)
Net book value 31 December 2019	**1,413**	**350**	**5,254**	**7,017**
Net book value 1 January 2019	1,036	-	-	1,036

31 December 2018	Computer equipment £'000	Furniture and fittings £'000	Right-of-use assets £'000	Total £'000
Cost				
Opening balance at 1 January 2018	4,646	2,645	-	7,291
Acquired during the year	732	-	-	732
At 31 December 2018	5,378	2,645	-	8,023
Depreciation				
Opening balance at 1 January 2018	(3,940)	(2,645)	-	(6,585)
Charge for the year	(402)	-	-	(402)
At 31 December 2018	(4,342)	(2,645)	-	(6,987)
Net book value 31 December 2018	**1,036**	-	-	**1,036**
Net book value 1 January 2018	706	-	-	706

9. Trade and other receivables

	31 December 2019 £'000	31 December 2018 £'000
Amounts owed by Group undertakings	**37,562**	29,649
Other debtors	**345**	254
Taxation and social security	**1,036**	-
Prepayments and accrued income	**5,322**	5,199
	44,265	35,102

10. Deferred tax

	31 December 2019 £'000	31 December 2018 £'000
Deferred tax provided for in the financial statements:		
Other timing differences	**2,840**	3,237
	2,840	3,237

Movement in deferred tax balance

	31 December 2019 £'000	31 December 2018 £'000
Balance 1 January	**3,237**	3,455
Amounts charged to the statement of Comprehensive income	**(397)**	(725)
Transferred in from Partnership Services Limited	**-**	507
Closing balance 31 December	**2,840**	3,237

11. Trade and other payables

	31 December 2019	31 December 2018
	£'000	£'000
Amounts owed to Group undertakings	**15,331**	9,823
Trade creditors	**466**	1,200
Taxation and social security	**2,349**	2,824
Corporation tax payable	**807**	154
Other creditors	**805**	577
Accruals and deferred income	**32,437**	38,760
	52,195	53,338

Trade and other payables include £nil falling due after more than one year (2018: £nil).

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand.

12. Provisions

31 December 2019	**Restructuring costs**	**Total**
	£'000	**£,000**
Balance at 1 January 2019	**201**	**201**
Amount utilised in year	**(1,683)**	**(1,683)**
Amount charged in year	**2,780**	**2,780**
Balance at 31 December 2019	**1,298**	**1,298**

31 December 2018	Restructuring costs	Total
	£'000	£,000
Balance at 1 January 2018	655	655
Amount utilised in year	(454)	(454)
Balance at 31 December 2018	201	201

The provision at 31 December 2019 relates to redundancy costs of reorganising HUB Financial Solutions Limited from Reigate to Belfast, as well as an onerous lease provision.

The restructuring costs at 31 December 2018 relates to continued redundancy costs of reorganising the business following the merger of Just Group plc (formerly Just Retirement Group plc) and Partnership Assurance Group plc in April 2016.

13. Called up share capital

As permitted by the Companies Act 2006, the Company has removed references to authorised share capital from its Articles of Association.

The allotted, called up and fully paid share capital of the Company was:

	31 December 2019	31 December 2018
	£'000	£'000
10,001 ordinary shares of £1 each	**10**	10

14. Lease liabilities

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
	£'000	£'000
At 1 January	-	-
Recognition of lease liabilities on initial application of IFRS 16	(2,947)	-
Lease payments	1,561	-
Financing cash flows	**1,561**	-
New lease	(5,693)	-
Interest	(110)	-
Non-cash movements	**(5,803)**	-
At 31 December	**(7,189)**	-

During the year the Group entered into a new 3 year lease on the relocation of its London office.
Lease liabilities are payable as follows:

	Future minimum lease payments	**Interest**	**Present value of minimum lease payments**
	£'000	**£'000**	**£'000**
At 31 December 2019	-	-	-
Less than one year	(2,875)	149	(2,727)
Between one and five years	(4,562)	99	(4,462)
Total	**(7,437)**	**248**	**(7,189)**

15. Related party transactions

During the year, the following amounts were charged to related parties for the provision of management services:

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
	£'000	£'000
Just Group plc	14,854	26,964
Just Retirement (Holdings) Limited	158	212
Just Retirement Group Holdings Limited	28	31
Just Retirement Limited	97,867	103,860
HUB Financial Solutions Limited	12,419	12,286
TOMAS Development Limited	1,373	2,352
Just Retirement Money Limited	26,849	21,027
HUB Pensions Solutions Limited	1,195	671
HUB Pensions Consulting Limited	248	263
Partnership Life Assurance Company Limited	18,647	12,550
Partnership Home Loans Limited	553	47
Partnership Assurance Group Limited	588	2,303
	174,779	182,566

At the year end the following amounts were owed by the Company to:

	31 December 2019	31 December 2018
	£'000	£'000
Just Retirement Limited	9,718	7,479
Just Retirement Group Holdings Limited	-	2
Partnership Services Limited	5,613	-
Amounts owed for group corporation tax	-	2,342
	15,331	9,823

At the year end the following amounts were owed to the Company from:	**31 December 2019** **£'000**	31 December 2018 £'000
HUB Pension Solutions Limited	160	100
HUB Financial Solutions Limited	1,010	831
Corinthian Pension Consulting Limited	946	263
TOMAS Development Limited	147	217
Just Retirement Limited	11,951	10,000
Just Group plc	1,445	7,724
Just Retirement (Holdings) Limited	6	8
Just Retirement Group Holdings Limited	1	-
Just Retirement (South Africa) Holdings (PTY) Limited	76	248
Partnership Life Assurance Company Limited	17,542	761
Partnership Services Limited	-	7,687
Partnership Home Loans Limited	240	47
Just Retirement Money Limited	2,612	1,714
Partnership Assurance Group Limited	588	-
Spire Platform Solutions Limited	-	49
Amounts due for group corporation tax	838	-
	37,562	29,649

16. Capital commitments

There were no capital commitments at the end of the financial period (2018: none).

17. Ultimate parent company

The immediate parent company of Just Retirement Management Services Limited is Just Retirement (Holdings) Limited, a company incorporated in England and Wales. The ultimate parent company of the group in which the results of Just Retirement Management Services Limited are consolidated, is Just Group plc, a company incorporated in England and Wales.

18. Post balance sheet events

The U.K. along with much of the rest of the world is currently in the middle of a pandemic caused by Covid-19. The Strategic Report contains an update on the potential impacts on the Company (see page 2).

There are no other post balance sheet events that have taken place between 31 December 2019 and the date of this report that are required to be brought to the attention of shareholders.