

Aviva (Peak No.1) UK Limited

Directors and Officers

Directors

S A Hampson
J J Wilman

Officer - Company Secretary

J J Wilman
Wellington Row
York
YO90 1WR

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Benson House
33 Wellington Street
Leeds
LS1 4JP

Registered Office

Pitheavlis
Perth
Scotland
PH2 0NH

Company Number

Registered in Scotland: No SC119820

Other Information

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



Aviva (Peak No.1) UK Limited

Contents

	Page
Directors and officers.....	1
Strategic report.....	3
Directors' report.....	4
Independent auditors' report.....	6
Accounting policies	8
Income statement	10
Statement of financial position	11
Statement of changes in equity	12
Statement of cash flows	13
Notes to the financial statements	14

Aviva (Peak No.1) UK Limited
Registered in Scotland No. SC119820
Strategic report

The directors present their strategic report for Aviva (Peak No.1) UK Limited (the Company) for the year ended 31 December 2013.

Review of the Company's business

The principal activity of the Company prior to 1 October 2011 was the provision of life assurance, investment and pension products in the United Kingdom.

On 5 September 2011, the Company approved the transfer of the whole of its long-term insurance business to Aviva Life & Pensions UK Limited (UKLAP), an intermediate parent undertaking. The transfer was effective from 30 September 2011.

On transfer of the long-term insurance business of the Company to UKLAP, the Company retained sufficient assets to cover the minimum capital requirement. Upon de-authorisation the remaining assets in excess of the Company's share capital were paid up to UKLAP.

Financial position and performance

Since 1 October 2011, the Company has not traded in any capacity.

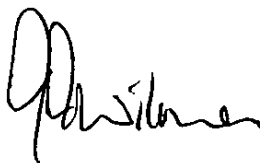
Future outlook

The financial statements have been prepared on the basis that the entity is no longer considered a going concern, reflecting the directors' intention to liquidate the Company at some point in the future.

Key performance indicators (KPIs)

The Company did not trade during 2013 and has made neither profit nor loss (2012: loss of £9,413).

By order of the Board



J J Wilman

Company Secretary

29 July 2014

Aviva (Peak No.1) UK Limited
Registered in Scotland No. SC119820
Directors' report

The directors present their annual report and audited financial statements for Aviva (Peak No.1) UK Limited ("the Company") for the year ended 31 December 2013.

Directors

The names of the present directors of the Company appear on page 1.

C J Thornton resigned as a director of the Company on 8 March 2013.

D B Barral resigned as a director of the Company on 27 June 2013. S A Hampson and J J Wilman were appointed as directors of the Company on the same date.

Dividend

The directors do not recommend the payment of a dividend for the financial year ending 31 December 2013 (2012: £4,200,212).

Going concern

On 30 September 2011, the trade, assets and liabilities were transferred to UKLAP and the Company ceased to trade. The financial statements have been prepared on the basis that the entity is no longer considered a going concern. Accordingly, the non current assets and liabilities have been classed as current and the assets and liabilities valued at their net realisable value.

Major events

On 21 December 2012, the wholly owned subsidiary undertaking, Undershaft (Peak No.3) UK Limited, was placed in liquidation. A final distribution was made on 12 March 2013 and the company was dissolved at Companies House on 6 May 2014.

Employees

All staff are employed by a fellow subsidiary undertaking of Aviva plc, Aviva Employment Services Limited, who make a management charge for the provision of staff to the Company. It is not possible to ascertain separately the element of the management charge that relates to staff costs. Disclosures relating to employee remuneration and the average number of persons employed are made in the Financial Statements of Aviva Employment Services Limited.

Disclosure of information to the auditors

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

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

Independent auditors

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

Aviva (Peak No.1) UK Limited

Directors' report (continued)

Qualifying indemnity provisions

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

The directors also have the benefit of the indemnity provision contained in the Company's articles of association, subject to the conditions set out in the Companies Act 2006. This is a "qualifying third party indemnity" provision as defined by section 234 of the Companies Act 2006.

Statement of directors' responsibilities

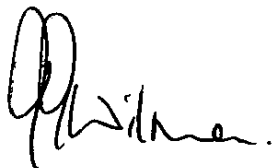
The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. In preparing these financial statements, the directors have also elected to comply with IFRSs issued by the International Accounting Standards Board (IASB). 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 IFRSs as adopted by the European Union, and IFRSs as issued by the IASB, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



J.J. Wilman
Company Secretary

29 July 2014

Aviva (Peak No.1) UK Limited

Independent auditors' report to the members of Aviva (Peak No.1) UK Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

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

This opinion is to be read in the context of what we say in the remainder of this report.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in the Accounting Policies to the financial statements, the Company, in addition to applying IFRSs as adopted by the European Union, has also applied IFRSs as issued by the International Accounting Standards Board (IASB).

In our opinion the financial statements comply with IFRSs as issued by the IASB.

Emphasis of matter – Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note A of the Accounting Policies Statement concerning the going concern basis of accounting. The Company has ceased trading and it is the intention of the directors that the Company will be wound up in the foreseeable future. Accordingly, the going concern basis of accounting is not appropriate and the financial statements have been prepared on a basis other than going concern as described in note A of the Accounting Policies Statement. No adjustments were needed to be made in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the cessation of trade nor to reclassify fixed assets as current assets or to reclassify long-term liabilities as current liabilities.

What we have audited

The financial statements, which are prepared by Aviva (Peak No.1) UK Limited, comprise:

- the accounting policies;
- the statement of financial position as at 31 December 2013;
- the income statement for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include other explanatory information.

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

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

What an audit of financial statements involves

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

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;

Aviva (Peak No.1) UK Limited

Independent auditors' report to the members of Aviva (Peak No.1) UK Limited (continued)

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and Strategic 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.

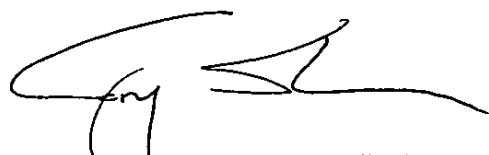
Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

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

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



*Gary Shaw (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds*

29 July 2014

Aviva (Peak No.1) UK Limited

Accounting policies

The Company, a limited company incorporated and domiciled in the United Kingdom (UK), transacted long-term insurance business until 30 September 2011.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(A) Basis of presentation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as endorsed by the European Union (EU), and those parts of the Companies Act 2006 applicable to those reporting under IFRS. In addition to fulfilling their legal obligation to comply with IFRS as adopted by the EU, the Company has also complied with IFRS as issued by the IASB and applicable at 31 December 2013. The financial statements have been prepared under the historical cost convention.

The Company transferred its trade, assets and liabilities to its immediate parent undertaking, Aviva Life & Pensions UK Limited, on 30 September 2011, when it effectively ceased to trade. As required by IAS 1, Presentation of Financial Statements, management have prepared the financial statements on the basis that the entity is no longer considered a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

The financial statements are stated in sterling, which is the Company's functional and presentation currency. The amounts shown in these financial statements are stated in pounds sterling.

There are no implications for the Company in relation to new standards and amendments to standards which became effective for financial years beginning on or after 1 January 2013.

The IASB has issued a number of amendments to standards which are applicable for accounting periods beginning on or after 1 January 2014 and are therefore not applicable for the current accounting period, namely amendments to IAS 32, Financial Instruments – Presentation, amendments to IFRS 10, IFRS 12 and IAS 27 (2011), IAS 36, Impairment of Assets, IAS 39, Financial Instruments – Recognition and Measurement. The amendments to IAS 32, IFRS 10, IFRS 12 and IAS 27 (2011) have been endorsed by the EU. The amendments to IAS 36 and IAS 39 have yet to be endorsed by the EU. The amendments are not expected to have a material impact on these financial statements.

(B) Critical accounting estimates and judgements

The preparation of the Company's financial statements, in accordance with IFRS, requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets, liabilities, income and expenses. There are no major areas of judgement on policy application for the Company.

All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and their predictions of future events and actions. Actual results may differ from those estimates, possibly significantly. There are no items considered to be particularly susceptible to changes in estimates and assumptions for the Company.

(C) Net investment income

Investment income consists of interest receivable for the year. Interest income is recognised as it accrues, taking into account the effective yield on the investment.

(D) Receivables and payables

Receivables and payables are initially recognised at cost, being fair value. Subsequent to initial measurement they are held at amortised cost, which given the short term nature of the items is considered a reasonable approximation to fair value.

Aviva (Peak No.1) UK Limited

Accounting policies (continued)

(E) Statement of cash flows

Cash and cash equivalents consist of cash at banks and in hand.

(F) Income taxes

The current tax expense is based on the taxable profits for the year, after any adjustments in respect of prior years. Tax, including tax relief for losses if applicable, is allocated over profits before taxation and amounts charged or credited to reserves as appropriate.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all material temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Where there is a history of tax losses, deferred tax assets are only recognised in excess of deferred tax liabilities if there is convincing evidence that future profits will be available.

(G) Share capital

Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

- (i) there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and
- (ii) the instrument will not be settled by delivery of a variable number of shares or is a derivative that can be settled other than for a fixed amount of cash, shares or other financial assets.

Dividends

Interim dividends on ordinary shares are recognised in equity in the year in which they are paid. Final dividends on these shares are recognised when they have been approved by shareholders.

Aviva (Peak No.1) UK Limited
Income statement
For the year ended 31 December 2013

	Note	2013 £	2012 £
Income			
Net investment income	I C	-	25,285
		-	25,285
Profit before tax		-	25,285
Tax charge	F & 4	-	(34,698)
Loss for the year		-	(9,413)

All results relate to discontinued operations.

The Company has no other comprehensive income.

The accounting policies (identified alphabetically) on pages 8 to 9 and notes (identified numerically) on pages 14 to 16 are an integral part of these financial statements.

Aviva (Peak No.1) UK Limited
Statement of financial position
For the year ended 31 December 2013

	Note	2013 £	2012 £
Assets			
Receivables	D & 5	1	1
Total assets		<u>1</u>	<u>1</u>
Equity			
Ordinary share capital	G & 6	1	1
Retained earnings	7	-	-
Total equity		<u>1</u>	<u>1</u>
Total equity and liabilities		<u>1</u>	<u>1</u>

Approved by the Board on 29 July 2014



S A Hampson Director

The accounting policies (identified alphabetically) on pages 8 to 9 and notes (identified numerically) on pages 14 to 16 are an integral part of these financial statements.

Aviva (Peak No.1) UK Limited
Statement of changes in equity
For the year ended 31 December 2013

	Note	Ordinary share capital £	Retained earnings £	Total equity £
Balance at 1 January 2012		1	4,209,625	4,209,626
Loss for the year	7	-	(9,413)	(9,413)
Dividends	G & 8	-	(4,200,212)	(4,200,212)
Balance at 31 December 2012 and 2013		1	-	1

The accounting policies (identified alphabetically) on pages 8 to 9 and notes (identified numerically) on pages 14 to 16 are an integral part of these financial statements.

Aviva (Peak No.1) UK Limited
Statement of cash flows
For the year ended 31 December 2013

	Note	2013 £	2012 £
Cash flows from operating activities			
Cash used in operations	9	-	(9,413)
Net cash used in operating activities		-	(9,413)
Cash flows from financing activities			
Ordinary dividends paid	8	-	(4,200,212)
Net cash used in financing activities		-	(4,200,212)
Net decrease in cash and cash equivalents		-	(4,209,625)
Cash and cash equivalents at 1 January		-	4,209,625
Cash and cash equivalents at 31 December	9	-	-

The accounting policies (identified alphabetically) on pages 8 to 9 and notes (identified numerically) on pages 14 to 16 are an integral part of these financial statements.

Aviva (Peak No.1) UK Limited
Notes to the financial statements
For the year ended 31 December 2013

1. Income

	2013 £	2012 £
Net investment income		
Interest and similar income	-	25,285
Total income	-	25,285

2. Directors' emoluments

All directors were remunerated by Aviva Employment Services Limited, a fellow subsidiary of the ultimate parent company, Aviva plc. The emoluments are recharged, as part of a head office management charge under management service agreements, to all operating divisions of the Aviva Group. No direct recharge has been made to the Company in respect of these emoluments as these directors were not primarily remunerated for their services to the Company. Accordingly, no emoluments are disclosed in respect of these directors.

3. Auditors' remuneration

The total remuneration payable by the Company, excluding VAT, to its auditor PricewaterhouseCoopers LLP and its associates in respect of the audit of these financial statements, is shown below.

	2013 £	2012 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	3,000	3,000

Fees paid to PricewaterhouseCoopers LLP and its associates for services other than the statutory audit of the Company are not disclosed in these financial statements since the consolidated financial statements of the Company's ultimate parent company, Aviva plc (see note 11), are required to disclose other (non-audit) services on a consolidated basis.

Audit fees are payable by Aviva Central Services UK Limited, a fellow Group company, and have been borne by a fellow group undertaking for both current and prior year.

4. Tax charge

(a) Tax charged to the income statement

	2013 £	2012 £
Current tax		
For the year	-	6,195
Prior year adjustments	-	28,503
Total current tax expense	-	34,698
Total tax charged to the income statement (note 4(b))	-	34,698

Aviva (Peak No.1) UK Limited
Notes to the financial statements
For the year ended 31 December 2013 (continued)

(b) Tax reconciliation

The tax on the Company's profit before tax is the same as (2012: differs from) the tax calculated at the standard UK corporation tax rate as follows:

	2013 £	2012 £
Profit before tax	-	25,285
Tax calculated at standard UK corporation tax rate of 23.25% (2012: 24.5%)	-	6,195
Adjustment to tax charge in respect of prior years	-	28,503
Total tax charged to the income statement (note 4(a))	-	34,698

The UK corporation tax rate reduced from 24% to 23% from 1 April 2013. Accordingly, the Company's profits for the year are taxed at an effective rate of 23.25%.

Legislation was substantively enacted in July 2013 to reduce the main rate of UK corporation tax to 21% from 1 April 2014, with a further reduction to 20% from 1 April 2015. As the Company has no deferred tax assets or liabilities at the year end, the reduction has had no impact on the Company's net assets.

5. Receivables

	2013 £	2012 £
Amounts due from parent undertaking	1	1

Of the above amounts £1 (2012: £1) is expected to be recovered less than one year after the statement of financial position date.

6. Ordinary share capital

Details of the Company's ordinary share capital are as follows:

	2013 £	2012 £
The allotted, called up and fully paid share capital of the Company was: 1 (2012: 1) ordinary share of £1 each	1	1

Ordinary shares in issue in the Company rank pari passu. All the ordinary shares in issue carry the same right to receive all dividends and other distributions declared, made or paid by the Company.

7. Retained earnings

	2013 £	2012 £
At 1 January	-	4,209,625
Loss for the year	-	(9,413)
Dividends paid (note 8)	-	(4,200,212)
At 31 December	-	-

Aviva (Peak No.1) UK Limited
Notes to the financial statements
For the year ended 31 December 2013 (continued)

8. Dividends

No dividend payment was made in 2013. During 2012, the Company paid a dividend of £4,200,212 on the sole remaining share issued.

9. Statement of cash flows

(a) The reconciliation of profit before tax to the net cash inflow from operating activities is:

	2013 £	2012 £
Profit before tax	-	25,285
Changes in working capital:		
Decrease in payables and other financial liabilities	-	(34,698)
Cash used in operations	-	(9,413)

There were no cash and cash equivalents held at current or prior year end.

10. Capital

The Company manages IFRS shareholders' equity of £1 (2012: £1) as capital.

The Company is not subject to any externally imposed capital requirements.

11. Related party transactions

(a) The members of the Board of Directors are listed on page 1 of these financial statements.

Amounts receivable from related parties are disclosed in note 5. The related parties' receivables are not secured, and no guarantees were received or issued in respect thereof. No provisions or expense has been recognised during the year in respect of bad and doubtful debts (2012: £nil).

(b) Key management compensation

No charge is borne by the Company for key management personnel due to the insignificant amount of time spent in managing the Company's affairs. There are no amounts receivable from, or payments due to, key management. Details of director's emoluments are given in note 2.

(c) Ultimate parent undertaking and controlling party

The immediate parent undertaking is Aviva Life & Pensions UK Limited, a company incorporated in England.

The ultimate parent undertaking and controlling party is Aviva plc, a company incorporated in England.

Aviva plc is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2013. The consolidated financial statements of Aviva plc are available on www.aviva.com or by application to the Group Company Secretary, Aviva plc, St. Helen's, 1 Undershaft, London, EC3P 3DQ.