

# **Aviva Life Holdings UK Limited**

**Registered in England and Wales No. 2403518**

## **Annual Report and Financial Statements 2019**

## Contents

---

	Page
Directors and officer	3
Strategic report	4
Directors' report	7
Independent auditors' report	11
Accounting policies	13
Income statement	16
Statement of changes in equity	17
Statement of financial position	18
Statement of cash flows	19
Notes to the financial statements	20
1. Interest receivable and similar income	20
2. Operating expenses	20
3. Finance costs	20
4. Employee information	20
5. Directors' remuneration	20
6. Auditors' remuneration	20
7. Tax	21
8. Investments in subsidiaries	21
9. Investments in joint ventures and associates	22
10. Loans	23
11. Receivables	23
12. Ordinary share capital	23
13. Retained earnings	23
14. Guarantees	24
15. Tax assets and liabilities	24
16. Provisions	24
17. Borrowings	25
18. Payables and other financial liabilities	25
19. Statement of cash flows	25
20. Capital structure	26
21. Risk management	26
22. Related party transactions	28
23. Subsequent events	29

## Directors and officer

---

### Directors

M G Carvill (non-executive director)  
A J Darlington  
V F Gooding (non-executive director)  
R W A Howe (non-executive director)  
J B O'Roarke (non-executive director)  
D F S Rogers  
S P Trickett (non-executive director)

### Officer – Company Secretary

Aviva Company Secretarial Services Limited  
St Helen's  
Undershaft  
London  
EC3P 3DQ

### Independent Auditors

PricewaterhouseCoopers LLP  
7 More London Riverside  
London  
SE1 2RT

### Registered office

Aviva  
Wellington Row  
York  
YO90 1WR

### Company number

Registered in England and Wales no. 2403518

### Other information

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

## Strategic report

---

The directors present their strategic report for the Company for the year ended 31 December 2019.

### Review of the Company's business

#### Principal activities

The Company acts as the holding company for subsidiaries (UK Life) providing a range of financial services, principally in the United Kingdom. Its principal subsidiaries are involved in long-term savings and insurance business. The results of these subsidiary undertakings have not been consolidated in these financial statements as they have been included in the consolidated financial statements of Aviva plc.

The principal activity of the Company's subsidiaries is life and pension business. This includes both Non-profit and With-profits funds and offers a market leading range of propositions to individual and corporate customers covering their savings, retirement, insurance and protection needs. The directors consider that this will continue unchanged into the foreseeable future. During 2019, a significant proportion of Non-profit business continued to be reinsured outwards to a fellow Aviva Group Holdings Limited subsidiary, Aviva International Insurance Limited ("AII").

#### Significant events

On 21 February 2019, the Company subscribed for and was allotted 45,000,000 ordinary shares of £1 each in the share capital of Aviva Wrap UK Limited, fully paid at par for a consideration of £45 million.

On 28 February 2019, the Company subscribed for and was allotted 25,000,000 ordinary shares of £1 each in the share capital of Aviva UK Digital limited, fully paid at par for a consideration of £25 million.

On 17 July 2019, the Company acquired 100% of the issued share capital of Sesame Bankhall Group Limited for a consideration of £12.4 million.

On 11 October 2019, the Company subscribed for and was allotted 20,000,000 ordinary shares of £1 each in the share capital of Aviva Wrap UK Limited, fully paid at par for a consideration of £20 million.

On 11 October 2019, the Company subscribed for and was allotted 20,000,000 ordinary shares of £1 each in the share capital of Aviva Investment Solutions UK Limited, fully paid at par for a consideration of £20 million.

On 12 December 2019, the Company subscribed for and was allotted 150,732,162 ordinary shares of £1 each in the share capital of Aviva Life & Pensions UK Limited, fully paid at par for a consideration of £150.7 million.

On 31 December 2019, the Company sold its holding in Aviva UK Digital Limited to Aviva Group Holdings for a consideration of £103.0 million.

#### Events since the statement of financial position

On 14 February 2020, the Company subscribed for a further 10% holding in Acre Platforms Limited for a consideration of £1.25 million.

#### Financial position and performance

The financial position of the Company at 31 December 2019 is shown in the statement of financial position on page 18, with the results shown in the income statement on page 16 and the statement of cash flows on page 19.

Cash generation has enabled a £1,225 million dividend payment to the Aviva Group during the year (2018: £2,007 million).

During 2019, the equity attributable to the Company's shareholders on an IFRS basis increased by 0.4% to £10,177 million (2018: increased by 2.9% to £10,133 million). This mainly reflects the payment of total dividends of £1,225 million to Group during the year. Profit for the year has decreased by 45% to £1,269 million (2018: £2,293 million), which is driven by income from shares in group undertakings exceeding impairment losses on investments in subsidiaries for the year.

#### Section 172 (1) statement and our stakeholders

The Directors report here how they have discharged their duties under Section 172 (1) of the Companies Act 2006 during 2019.

The Board is responsible for monitoring and upholding the culture, values, standards, ethics, and reputation of the Company to ensure that its obligations to its shareholder and to its stakeholders are met. The Board monitors adherence to the Aviva Group business standards and compliance with the Aviva Governance Framework.

For each matter which comes before the Board, stakeholders who may be affected are identified and their interests are carefully considered as part of the Board's decision-making process.

The Board is also focussed on the wider social context within which our businesses operate, including those issues related to climate change which are of fundamental importance to the planet's well-being.

#### The Company's culture

As the provider of vital financial services to millions of customers, the Company seeks to earn customers' trust by acting with integrity and responsibility at all times. The Company looks to build relationships with all stakeholders based on openness and continuing dialogue.

The Company's culture is shaped by clearly defined values to help ensure it operates appropriately and does the right thing. The Company values diversity and inclusivity in our workforce and beyond. The commitment we make to each customer extends to all our stakeholders; that we are 'with you today, for a better tomorrow.' Throughout the Company's business, the Board is proud of the Company's people who live by Aviva's core value of 'Care More' for our customers, for each other and for the communities they serve.

## Strategic report (continued)

### Key strategic decisions in 2019

Following the split of the UKI business into separate UK Life and Pensions and General Insurance businesses, and the appointment of Angela Darlington as the UK Life CEO, the Board has aligned its strategic focus with that of Aviva Group, to develop Savings and Retirement as a core growth opportunity for the Life business, supporting customers to save for the future, navigate their retirement and to protect what's most important to them. The Board will continue to focus on its core business of Individual Savings and Retirement, Corporate, and Individual Protection and Health.

### Stakeholder Engagement

#### (i) Employees

The Company has no employees. The majority of staff engaged in the activities of the Company are employed by fellow subsidiary undertakings of Aviva plc. As part of the Aviva Group, these staff enjoy the benefit of the Aviva Group policies and benefits made available to them.

The Company's engagement mechanisms align with those of Aviva Group, such as employee forums, internal communication channels, and informal meetings with Directors and employee engagement surveys.

The UK Life Board holds two strategy days a year, at which employees are invited to join them during the day to provide 'on the ground' insight into the business. A comprehensive global employee engagement survey is carried out each year, and the results are considered by the Board in the context of culture, values and behaviours and actions to continually improve the scores are discussed and agreed.

The Company's people share in the business' success as shareholders through membership of the Group's global share plans.

#### (ii) Customers

During 2019, the Board, in conjunction with Aviva plc, has renewed its focus on Aviva as a trusted long-term partner for our customers helping them to save for the future, navigate retirement and protect where it matters most.

The Board closely monitors customer metrics and engages with the leadership team to understand the issues if business performance does not meet customers' expectations.

The Board continues to monitor and review developments concerning changes to our IT platforms which will allow us to simplify and support service delivery to our customers.

The Board receives reporting on strategic initiatives throughout the year, undertaking deep dives into areas that impact the customer in order to re-align strategy where applicable.

The Board is supported by the Conduct Committee, and regularly receives input from the Committee Chair to enable it to closely monitor customer metrics, and subsequently engage with the senior leaders to address any issues that may arise from customer complaints, feedback and our approach to Treating the Customer Fairly.

The Board works to ensure that we deliver fair value to our customers, and is currently reviewing a number of product governance issues and making redress to affected customer where appropriate.

#### (iii) Suppliers

All supplier related activity is managed in line with the Group Procurement & Outsourcing Business Standard. This ensures that supply risk is managed appropriately including in relation to customer outcomes, data security, corporate responsibility, financial, operational, contractual, and brand damage caused by inadequate oversight or supplier failure.

The Board reviews the actions the the Company has taken to prevent modern slavery and associated practices in any part of our supply chain and approves Aviva's Modern Slavery Act statement each year.

In the UK, the ultimate parent Aviva plc is a signatory of the Prompt Payment Code which sets standards for high payment practices. Aviva is a Living Wage employer in the UK, and supplier contracts include a commitment to paying eligible employees not less than the Living Wage in respect of work provided to Aviva at our premises in the UK.

The Company's directors are closely involved in the management of the most critical or important suppliers and the Board regularly reviews reports on their performance. During the year, Aviva successfully progressed a UK migration to a new data centre infrastructure provider, including partial migration to the Cloud.

#### (iv) Communities

Aviva runs a health and wellbeing proposition for UK employees, Wellbeing@Aviva, providing products, improved policies and better support to enhance employees mental, physical, community & financial wellbeing. This has led to Aviva's people creating of a number of internal communities to enable colleagues connect over activities they are passionate about.

The UK Life business supports a number of local issues, including the charity 'York Cares' which pursues any charitable purpose for the benefit of the people for the City of York. Aviva received an award recently from York Cares at the annual recognition event for the social connection work by Aviva staff with the dementia ward at York hospital.

Aviva Group actively encourages and supports colleagues to volunteer in their communities, providing 21 hours of paid volunteering time to make a positive impact and help build stronger communities.

#### (v) Shareholders

The Company's ultimate shareholder is Aviva plc and there is ongoing communication and engagement with the Aviva plc Board. Any matters requiring escalation are escalated by the Board through the Chairman to its parent. Additionally, members of the Aviva plc board can attend board meetings by invitation. During the year the Aviva plc Chairman and CEO, Maurice Tulloch, attended a board meeting to present an update on the development of the Group Strategy and specifically to discuss how the UK Life business is positioned to take advantage of the growth opportunities in the Investments, Savings and Retirements businesses.

## Strategic report (continued)

---

### (vi) Regulators

During early 2019, a review of the UK operating model concluded that the most effective structure was to split the UK Insurance business to a UK Life and Pensions business, and a General Insurance business. The Financial Conduct Authority (FCA) was engaged throughout the decision making process and as the organisation design was implemented.

Furthermore, the Board and management hold regular communications with both the FCA and the Prudential Regulation Authority (PRA) regarding a number of ongoing improvements. The FCA and PRA attended board meetings during the year to present their key regulatory priorities and to discuss Aviva's progress in addressing any concerns raised. This is to ensure that high standards of business conduct are maintained.

### Future outlook

Strategies for the Group as a whole are determined by the Board of Aviva plc and these are shown in the Group 2019 Annual Report and Accounts. The Company will work with the Group to support the implementation of these strategies.

The strategic direction of the Company is set by the directors of the Company. The directors consider that the Company's principal activities will continue unchanged for the foreseeable future.

The Company is well positioned to compete in its key markets by leveraging the power of Aviva's breadth of offering within the UK to deliver compelling propositions to meet our customer needs, alongside driving digitisation through customer services, propositions and ensuring we are easy for customers to do business with, however they chose.

### Principal risks and uncertainties

Aviva Life Holdings UK Limited is exposed to financial risk, through its financial assets and liabilities. The major component of financial risk is credit risk, due to counterparties failing to meet all or part of their obligations in a timely fashion. Management are responsible for the identification, measurement, management and monitoring of risks and for reporting these in accordance with the Group's escalation criteria in terms of their probability and impact in accordance with Group policy.

Aviva Life Holdings UK Limited uses a number of metrics to identify, measure, manage, monitor and report risks and a fuller explanation of these risks, other than operational risk, may be found in note 21 to the financial statements.

On 11 March 2020, the World Health Organization declared the outbreak of a strain of novel coronavirus disease, COVID-19, a global pandemic. Governments in affected areas have imposed a number of measures designed to contain the outbreak, including business closures, travel restrictions, stay at home orders and cancellations of gatherings and events. The spread of COVID-19 has resulted in an economic downturn in jurisdictions in which the Company operates and the global economy more widely, as well as causing increased volatility and declines in financial markets. If the pandemic is prolonged, or further diseases emerge that give rise to similar effects, the adverse impact on the global economy could be deepened and result in further declines in financial markets.

Notwithstanding the operational and financial actions that are being taken, the deterioration in the situation has adverse implications arising from the potential impacts on financial markets, insurance exposures and operations. As the situation is rapidly evolving it is not practicable to quantify the potential financial impact of the outbreak on the Company.

### Key performance indicators

The directors believe that analysis using KPIs for the Company, other than as disclosed in the financial position and performance section on page 4, is not necessary or appropriate for an understanding of the development, performance or position of the business. The development, performance and position of the UK Life business are discussed in the annual report and financial statements of Aviva plc and the individual entity financial statements, which do not form part of this report.

By order of the Board on 31 March 2020

For and on behalf of Aviva Company Secretarial Services Limited  
Company Secretary

## Directors' report

The directors submit their annual report and the audited financial statements for the Company for the year ended 31 December 2019.

### Directors

The names of the current directors of the Company are shown on page 3.

Details of Board appointments and resignations during the year and since the year end are shown below:

A D Briggs	Resigned 24 April 2019
A J Darlington	Appointed 7 August 2019
J M Windsor	Resigned 7 August 2019
D F S Rogers	Appointed 10 October 2019
H R Patel (non-executive director)	Resigned 31 December 2019

### Company Secretary

The name of the Company Secretary is shown on page 3.

### Dividends

A final dividend in respect of 2018 of £400 million was paid on 13 May 2019 (2018: £ 1,140million). Total interim dividends for the year of £825 million were paid on the following dates; £387 million was paid on 10 June, £250 million on 19 September and £188 million on 23 December (2018: £867 million).

### Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report, which includes a section describing the principal risks and uncertainties. In addition, the financial statements include notes on: the Company's borrowings (note 17); its capital structure (note 20); management of its risks including market, credit and liquidity risk (note 21).

The Company and its ultimate holding company, Aviva plc, have considerable financial resources together with a diversified business model, with a spread of businesses and geographical reach. The directors believe that the Company is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt, and to consider appropriate, the going concern basis in preparing the financial statements.

### Future outlook

Likely future developments in the business of the Company are discussed in the strategic report on page 6.

### Stakeholder engagement

The statements summarising employee engagement, and engagement with suppliers, customers and other stakeholders are included in the strategic report on page 5.

### Statement of Corporate Governance Arrangements

For the year ended 31 December 2019, the Company has applied the Wates Corporate Governance Principles for Large Private Companies (the "Principles") . We set out below how the Principles have been applied during 2019.

#### Principle 1 - Purpose and leadership

Aviva Life Holdings UK Limited is part of the Aviva Group. Following the appointment of Maurice Tulloch as Group CEO of Aviva plc in March 2019, the Group embarked on a strategic review aimed at optimising our organisational structure around creating excellent outcomes for our customers. Our purpose is to be 'with you today, for a better tomorrow' and we include our customers, employees and our other stakeholders in this. The Group has set out three strategic priorities which will enable us to fulfil our purpose:

- Deliver great customer outcomes
- Excel at the fundamentals
- Invest in sustainable growth

The Board has made a number of strategic decisions through the year which are aligned to this purpose including the decision to split the UKI business into separate UK Life and General Insurance business units. The Board has confirmed Savings and Retirement as a core growth opportunity together with Workplace benefits and Individual Protection and Health leveraging Aviva's considerable expertise in these areas to the benefit of all our customers. Following the separation of the UK Life and General Insurance businesses, the Board took the decision to divest its shareholding in Aviva UK Digital Limited ('UKD') so that the overall ownership of UKD could be transferred to Aviva Insurance Limited, to align with the operational control of that business, and to enable UK Life to focus on its key strategic priorities.

The Board monitors the culture of the organisation and raises any concerns during meetings and the Board is able to express its views on the culture of the organisation through the Board Effectiveness Reviews. Culture MI has been added to the Board's annual planner to ensure the Board has the opportunity to review culture metrics and that employees have the right values, attitudes and behaviours and are focussed on doing the right thing for the customer. The Company complies with the Senior Managers' Certification Regime which further strengthens the drive for individual accountability. Employee engagement is sought through the Voice of Aviva employee surveys the output of which is reviewed by the Board and an action plan put in place to address areas identified by employees which may require further focus.

## Directors' report (continued)

The Board is responsible for promoting the long-term success of the Company for the benefit of its members as a whole, taking into account other stakeholders as defined by Section 172 of the Companies Act 2006; further information on this can be found in the Strategic report. The Board is also responsible for setting the business strategy, monitoring performance against its strategic aims and setting the Company's risk appetite and monitoring the establishment and operation of prudent and effective controls. The Board also sets, monitors and upholds the culture, values, standards, ethics, brand and reputation of the Company to ensure that its obligations to its shareholders, employees, customers and others are met; monitors compliance with corporate governance principles; and ensures adequate succession planning for the Board and senior management to maintain an appropriate balance of skills and experience within the Company and on the Board.

### Principle 2 - Board Composition

Aviva Life Holdings UK Limited Board ('the Board') has a separate Independent Non-Executive Chair and Chief Executive Officer to ensure that the balance of responsibilities, accountabilities and decision making across the UK Life business is effectively maintained. The Directors have equal voting rights when making decisions, except the Chair, who has a casting vote. All Directors have access to the advice and services of the Company Secretary.

The Board has a skills matrix in place to ensure the composition of the Board contains the appropriate combination of skills, backgrounds, experience and knowledge to understand and guide the business. The skills matrix is a key tool in any Board recruitment process to ensure the most suitable candidates are put forward for appointment to fill any gaps identified and to maintain a focus on succession planning to ensure the composition of the Board remains appropriate.

The Board is comprised of both Independent Non-Executive directors and Executive directors. The Board is responsible for organising and directing the affairs of the Company in a manner that is most likely to promote the success of the Company for its shareholders as a whole and in a way that is consistent with its Articles of Association, applicable regulatory requirements and current corporate governance practices. The Board has formal Terms of Reference which include matters which it reserves to itself which are reviewed and updated annually.

The Board undertook a formal effectiveness review of its performance, facilitated by Lintstock, in 2019, which comprised both a detailed questionnaire and individual interviews. The results were produced by Lintstock and presented to the Board at its meeting on 10 October 2019. Overall the review assessed that the Company was operating effectively and the Board had a good understanding of the Company's stakeholders and customers. The composition of the Board was deemed appropriate with the right skills and expertise on the Board to support the company through its strategic journey, although the lack of diversity on the Board was noted. The Board evaluation tracker was subsequently refreshed to include new actions arising from the 2019 Evaluation process and will be updated on an ongoing basis throughout the year and shared regularly with the Board. The next independent assessment will take place in mid-2020. Overall, the 2019 Board Effectiveness Review assessed that the Company was operating effectively with a number of areas prioritised for focus during the coming year.

### Principle 3 - Director Responsibilities

Aviva Life Holdings UK Limited operates in accordance with the Aviva Governance Framework, as approved by Aviva plc. The Aviva Governance Framework articulates the interrelation between our purpose, culture, values; our reporting and escalation structures and their alignment with legal and regulatory duties and our risk management framework. The core elements are the legal and regulatory flow of accountability and decision-making and the Company's frameworks, policies and standards and the checks and balances through the operation of Aviva Life Holdings UK Limited's 2nd and 3rd lines of defence which ensure effective board oversight.

Within the Aviva Group, accountability is formally delegated by the Board of Aviva Life Holdings UK Limited to the CEO and by the CEO to their direct reports. The CEO delegations are referenced in the Board's Terms of Reference. Accountability rests with these individuals and the Board. These accountabilities are aligned with the Senior Managers Certification Regime (SMCR) responsibilities. These roles and responsibilities are clearly documented in the Management Responsibility Maps which form part of our Governance Framework and which are submitted to the Prudential Regulatory Authority ("PRA")/Financial Conduct Authority ("FCA") on a quarterly basis. Aviva Life Holdings UK Limited must also adhere to the Subsidiary Governance Principles which are a set of internal governance principles.

The Board held five meetings this year, plus nine ad hoc meetings to discuss specific items and a two day strategic planning meeting in September. The Board's key areas of focus in 2019 were the changes in the organisational structure following the appointment of the new Aviva plc CEO and split of UKI into two separate and distinct businesses of UK Life and Pensions and General Insurance and aligning the UK Life business under the new operating model.

The Board has established an Audit Committee, a Risk Committee, a Conduct Committee and an Investment Committee. The Terms of Reference for these committees are aligned to those of Aviva plc and are approved annually by the UKLH Board. The committees also undertake annual effectiveness reviews. The results are discussed by the committee and an action plan is agreed, with the actions tracked by the Company Secretary.

The Audit Committee is responsible for reviewing the effectiveness of the Company's systems and controls, and receive regular updates on the work of the internal audit function and from external auditors. Reports provided during the year include updates on the control environment, regular reports from Internal Audit and the external auditors, the review of financial results and any financial matters pertaining to the UK Life business. Aviva Life Holdings UK Limited also receives reports from the CFO at each board meeting. Our financial reporting is currently externally audited by PricewaterhouseCoopers LLP on an annual basis.

The Risk Committee is responsible for assisting the Board in its oversight of all categories of risk. Its responsibilities include reviewing the Company's risk appetite, risk preferences, and risk profile in relation to capital liquidity, and franchise value, reviewing the effectiveness of the Company's risk management framework, reviewing the methodology used in determining the Company's capital requirements, stress testing, ensuring due diligence appraisals are carried out on strategic or significant transactions, and monitoring the Company's regulatory requirements.

The Conduct Committee is responsible for the oversight of the Company's conduct framework including product design, live selling practices, claims practices, legacy products, conduct oversight of third parties, the achievement of an appropriate conduct focused culture and fair value, and the management of good and influential relationships with the Company's conduct regulator; reviewing the Company's conduct and financial crime risk profile; reviewing the effectiveness of the Company's compliance with the Group Conduct Risk Policy and relevant Business Standards; and overseeing the brand and reputation of the Company, ensuring that reputational risk is consistent with the risk preference approved by the Board and the creation of long-term shareholder value. The Risk Committee remains ultimately accountable for all categories of risk.



## Directors' report (continued)

---

The Investment Committee is responsible for assessing and approving investment strategy and policy consistent with the risk appetite approved by the Board; and considering investment matters that require Aviva plc Board, Group management or Board approval. The Committee oversees the relationship between the Company and its investment managers and custodians, including the appointment and termination of managers and custodians within the risk appetite approved by the Board for the Company. The Committee also monitors investment performance; and monitors the Company's investment management functions.

### Principle 4 - Opportunity and Risk

The role of the Board is to promote the long-term sustainable success of the company, generating value for its shareholder within a framework of prudent and effective controls, which enable risks to be assessed and managed.

The Board carried out a strategic review during the year and set the strategic framework for the UK Life business. Following a period of change, the UK Life business has confirmed that Savings and Retirement remains a core growth opportunity for the Company, together with Corporate and Health and Protection, providing benefits for both individuals and workplace employees, and taking advantage of the Company's expertise in these areas. The ambition is to be the UK's leading Savings and Retirement provider, offering end-to-end solutions for customers.

The Company operates a risk management framework that forms an integral part of the management and Board processes and decision-making framework, aligned to the Group's risk management framework. The key elements of the risk management framework comprise risk appetite; risk governance, including risk policies and business standards, risk oversight committees and roles and responsibilities; and the processes the Company uses to identify, measure, manage, monitor and report risks, including the use of risk models and stress and scenario testing.

The Company's position against its risk appetites and tolerances is monitored and reported to the Board on a regular basis. Long-term sustainability depends upon the protection of franchise value and good customer relationships. As such, the Company has a risk preference that it will not accept risks that materially impair the reputation of the Company and requires that customers are always treated with integrity.

### Principle 5 - Remuneration

Under the Aviva Group Reward Governance Framework, the Company's remuneration policy operates in accordance with the Global Remuneration Policy as approved by the Aviva plc Remuneration Committee, which applies to all employees in entities within the Aviva Group. Independent Non-Executive director fees are also set by Aviva plc and reviewed annually. Details of Directors Remuneration is included on page 20.

The Aviva Group reports on the pay ratio of the Group CEO to UK employees, and details of this can be found in the Directors' Remuneration Report in the Aviva plc Annual Report and Accounts which is available at [www.aviva.com/investors/reports/](http://www.aviva.com/investors/reports/) Aviva plc also reports in our gender pay gap, and on the steps we are taking in relation to this which can be found at [www.aviva.com/gpgr](http://www.aviva.com/gpgr).

The UKLH Board held a private session on 6 December 2019 to discuss the performance of key members of senior management (UK Life CEO, CFO and CRO) and provided input into their 2019/2020 remuneration review.

As employees of the Group, staff are able to enjoy the benefits available including:

- a comprehensive flexible benefit offering, providing colleagues with the opportunity to select the benefits that matter most to them;
- a competitive pension scheme which provides a top rate employer contribution of 14% of salary (subject to the level of employee contribution). Above this level, we share employer National Insurance savings with our colleagues; and
- Aviva's broader Wellbeing programme offering aims to promote health and wellness amongst our colleagues. We listen to colleagues and focus in-depth on a new area each year depending on the feedback we receive.

### Principle 6 - Stakeholders

Details about Stakeholders can be found in the Section 172 Statement in the Strategic Report.

### Financial risk management

Details of financial risk management are discussed in the principal risks and uncertainties section of the Strategic Report on page 6.

### Employees

All staff are employed by a fellow subsidiary undertaking of Aviva plc, Aviva Employment Services Limited, who make a management charge for services, including 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 of which the auditors are unaware; and
- each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

### 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.

## Directors' report (continued)

---

### Qualifying indemnity provisions

In 2004, Aviva plc, the Company's ultimate parent, granted 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 section 309A to section 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. 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 reasonable and prudent judgements and accounting estimates;
- state whether applicable IFRSs as adopted by the European Union and IFRSs issued by 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 on 31 March 2020

For and on behalf of Aviva Company Secretarial Services Limited  
Company Secretary

## Independent auditors' report to the members of Aviva Life Holdings UK Limited

---

### Report on the audit of the financial statements

#### Opinion

In our opinion, Aviva Life Holdings UK Limited's 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 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.

We have audited the financial statements, included within the Annual Report and Financial Statements 2019 (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2019; the income statement, the statement of cash flows, the statement of changes in equity for the year then ended; the accounting policies; and the notes to the financial statements.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

#### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

#### Responsibilities for the financial statements and the audit

##### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 10, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Independent auditors' report to the members of Aviva Life Holdings UK Limited (continued)

---

### **Auditors' responsibilities for the audit of the financial statements**

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

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.

### **Other required reporting**

#### **Companies Act 2006 exception reporting**

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

We have no exceptions to report arising from this responsibility.

Gail Tucker (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

31 March 2020

## Accounting policies

The Company, a private limited company incorporated and domiciled in the United Kingdom (UK), acts as the holding company for subsidiaries providing a range of financial services, principally in the UK. Its principal subsidiaries are involved in long-term savings and insurance business. 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 preparation

The financial statements of the Company have been prepared and approved by the directors in accordance with International Financial Reporting Standards (IFRSs) as endorsed by the European Union (EU), and those parts of the Companies Act 2006 applicable to those reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on the going concern basis as explained in the Directors' report on page 7.

The financial statements are stated in sterling, which is the Company's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£'000).

As permitted under IAS 27 and under Section 400 of the Companies Act 2006, the Company has elected not to present consolidated financial statements. These financial statements present information about the Company as an individual undertaking and not about its group. Information on the ultimate controlling parent and immediate parent can be found in note 22.

### New standards, interpretations and amendments to published standards that have been adopted by the Company

The Company has adopted the following amendments to standards which became effective for the annual reporting period beginning on 1 January 2019:

#### (i) IFRS 16 Leases

In January 2016, the IASB published IFRS 16 Leases. This standard replaces IAS 17 Leases and applies to annual reporting periods beginning on or after 1 January 2019. The standard has been endorsed by the EU. IFRS 16 has introduced a definition of a lease with a single lessee accounting model, eliminating the previous classification of either operating or finance leases. Lessees are required to recognise lease assets and liabilities on the statement of financial position for all leases, with the exception of short-term and low-value leases. Lessor accounting remains similar to the previous approach set out in IAS 17. This has not had a significant impact on company's financial statements.

The following amendments to existing standards and IFRIC interpretations have been issued and endorsed by the EU, are effective from 1 January 2019 or earlier, and do not have a significant impact on the Company's financial statements.

#### (ii) IFRIC 23, Uncertainty over Income Tax Treatments

In June 2017, the IASB published IFRIC 23 Uncertainty over Income Tax Treatments. The standard is effective for annual reporting beginning on or after 1 January 2019.

#### (iii) Amendments to IAS 19 - Plan Amendment, Curtailment or Settlement

In February 2018, the IASB published Plan Amendment, Curtailment or Settlement (Amendments to IAS 19). The amendments are effective for annual reporting beginning on or after 1 January 2019.

#### (iv) Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures

In October 2017, the IASB published Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28). The amendments are effective for annual reporting beginning on or after 1 January 2019.

#### (v) Annual Improvements to IFRS Standards 2015-2017 Cycle

These improvements consist of amendments to three IFRSs including IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income taxes and IAS 23 Borrowing Costs. The amendments are effective for annual reporting beginning on or after 1 January 2019.

### Standards, interpretations and amendments to published standards that are not yet effective and have not been adopted early by the Company

The following new standards and amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the Company's financial statements:

#### (i) IFRS 17, Insurance Contracts

In May 2017, the IASB published IFRS 17 Insurance Contracts. It is currently expected that the standard will apply to annual reporting periods beginning on or after 1 January 2023 at the earliest. The final standard is due to be published mid-2020 and remains subject to endorsement by the EU and the UK.

The impact of the adoption of IFRS 17 significantly impacts the measurement and presentation of the contracts in scope of the standard. The impact has yet to be fully assessed but it is expected there will be significant impacts for the subsidiary undertaking, Aviva Life & Pensions UK Limited, relating to the measurement and presentation of the contracts in scope of the standard. There is not expected to be any impact on the measurement of assets and liabilities of the Company.

The Company is not eligible to apply the deferral approach and has adopted IFRS 9 from 1 January 2018. IFRS 9 information relating to entities within the Group which have applied IFRS from 1 January 2018 can be found in the entities' publicly available individual financial statements.

#### (ii) Amendments to References to the Conceptual Framework in IFRS Standards

Published by the IASB in March 2018. The amendments are effective for annual reporting beginning on or after 1 January 2020 and were endorsed by the EU on 29 November 2019.

#### (iii) Amendment to IFRS 3 Business Combinations

Published by the IASB in October 2018. The amendments are effective for annual reporting beginning on or after 1 January 2020 and have not yet been endorsed by the EU nor the UK.

## Accounting policies (continued)

### *(iv) Amendment to IAS 1 and IAS 8: Definition of material*

Published by the IASB in October 2018. The amendments are effective for annual reporting beginning on or after 1 January 2020 and were endorsed by the EU on 29 November 2019.

### *(v) Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7*

Published by the IASB in October 2019. The amendments are effective for annual reporting beginning on or after 1 January 2020 and were endorsed by the EU on 15 January 2020.

### *(vi) Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*

Published by the IASB in January 2020. The amendments are effective for annual reporting beginning on or after 1 January 2022 and have not yet been endorsed by the EU.

## **(B) Critical accounting policies and use of estimates**

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.

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. The list below sets out those items we consider particularly susceptible to changes in estimates and assumptions, and the relevant accounting policy.

Item	Accounting policy
Impairment of subsidiaries	E

## **(C) Interest receivable**

Interest receivable is recognised as it accrues, taking into account the effective yield on the investment.

## **(D) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. This presumes that the transaction takes place in the principal (or most advantageous) market under current market conditions. Fair value is a market-based measure and in the absence of observable market prices in an active market, it is measured using the assumptions that market participants would use when pricing the asset or liability.

The fair value of a non-financial asset is determined based on its highest and best use from a market participant's perspective. When using this approach, the Company takes into account the asset's use that is physically possible, legally permissible and financially feasible.

## **(E) Subsidiaries**

Investments in subsidiaries are recognised at cost less impairment. Investments are reviewed annually to test whether any indicators of impairment exist. Where there is objective evidence that such an asset is impaired, such as the financial difficulty of the entity or a significant or prolonged decline in its fair value below cost, the investment is impaired to its estimated recoverable value and any unrealised loss is recorded in the income statement.

Income from shares in group undertakings is recognised in the period in which they are received.

## **(F) Associates and joint ventures**

Investments in associates and joint ventures are recognised at cost less impairment. Investments are reviewed annually to test whether any indicators of impairment exist. Where there is objective evidence that such an asset is impaired, such as the financial difficulty of the entity or a significant or prolonged decline in its fair value below cost, the investment is impaired to its recoverable value and any unrealised loss is recorded in the income statement.

## **(G) Loans**

Loans are recognised when cash is advanced to borrowers. Loans where repayments consist solely of principal or interest are subsequently measured at amortised cost using the effective interest rate method. Loans with indefinite future lives are carried at unpaid principle balances.

To the extent that a loan is considered to be uncollectable, it is written down as impaired through the income statement. Any subsequent recoveries are credited to the income statement.

## **(H) 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.

## **(I) Statement of cash flows**

Cash and cash equivalents consist of cash at banks and in hand, deposits held on call with banks, treasury bills and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Such investments are those with less than three months' maturity from the date of acquisition, or which are redeemable on demand with only an insignificant change in their fair values.

## Accounting policies (continued)

---

### (J) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more probable than not that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

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. Contingent liabilities are disclosed if there is a possible future obligation as a result of a past event, or if there is a present obligation as a result of a past event but either a payment is not probable or the amount cannot be reasonably estimated

### (K) 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. The rates enacted, or substantively enacted, at the statement of financial position date are used to determine the deferred tax.

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.

Deferred tax is provided on any temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred taxes are not provided in respect of any temporary differences arising from the initial recognition of goodwill, or from the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting profit nor taxable profit or loss at the time of the transaction.

Current and deferred tax relating to items recognised in other comprehensive income and directly in equity are similarly recognised in other comprehensive income and directly in equity respectively. Deferred tax related to any fair value re-measurement of available for sale investments, owner-occupied properties, pensions and other post-retirement obligations and other amounts charged or credited directly to other comprehensive income is recognised in the statement of financial position as a deferred tax asset or liability.

### (L) Borrowings

Borrowings from group undertakings are recognised initially at their issue proceeds less transaction costs incurred. Subsequently, borrowings are stated at amortised cost, and any difference between net proceeds and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. All borrowing costs are expensed as they are incurred.

### (M) Guarantees

Financial guarantees issued are recognised initially at their fair value, and subsequently measured at the higher of the expected liability (or receivable) under the guarantee and the amount initially recognised less any cumulative amortisation.

### (N) 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 period in which they are paid. Final dividends on these shares are recognised when they have been approved by shareholders.

**Income statement**

For the year ended 31 December 2019

	Note	2019 £000	2018 £000
<b>Income</b>			
Net investment income			
Income from shares in group undertakings		<b>1,458,718</b>	2,341,060
Interest receivable and other income	1	<b>5,432</b>	5,289
Other income		<b>—</b>	47,401
		<b>1,464,150</b>	2,393,750
Expenses			
Operating expenses	2	<b>43</b>	177
Finance costs	3	<b>(6,444)</b>	(5,972)
Impairment losses on investments in subsidiaries	8	<b>(156,966)</b>	(83,741)
Realised losses on disposal of subsidiaries	8	<b>(32,000)</b>	—
Impairment gains/(losses) on investment in associates	9	<b>44</b>	(41)
		<b>(195,323)</b>	(89,577)
		<b>1,268,827</b>	2,304,173
<b>Profit before tax</b>		<b>1,268,827</b>	2,304,173
Tax credit/ (charge)	K & 7	<b>102</b>	(11,182)
<b>Profit for the year</b>		<b>1,268,929</b>	2,292,991

The Company has no other comprehensive income (2018: nil).

The accounting policies (identified alphabetically) on pages 13 to 15 and notes (identified numerically) on pages 20 to 56 are an integral part of the financial statements.



**Statement of changes in equity**

For the year ended 31 December 2019

		2019		
		Ordinary share capital	Retained earnings	Total equity
Notes		£000	£000	£000
<b>Balance at 1 January</b>		<b>8,452,832</b>	<b>1,680,239</b>	<b>10,133,071</b>
Profit for the year	13	—	<b>1,268,929</b>	<b>1,268,929</b>
<i>Transactions with owners in their capacity as owners:</i>				
Dividends paid	N & 13	—	<b>(1,225,000)</b>	<b>(1,225,000)</b>
<b>Balance at 31 December</b>		<b>8,452,832</b>	<b>1,724,168</b>	<b>10,177,000</b>
		2018		
		Ordinary share capital	Retained earnings	Total equity
Notes		£000	£000	£000
<b>Balance at 1 January</b>		8,452,832	1,394,649	9,847,481
Profit for the year	13	—	2,292,991	2,292,991
<i>Transactions with owners in their capacity as owners:</i>				
Dividends paid	N & 13	—	(2,007,401)	(2,007,401)
<b>Balance at 31 December</b>		8,452,832	1,680,239	10,133,071

The accounting policies (identified alphabetically) on pages 13 to 15 and notes (identified numerically) on pages 20 to 56 are an integral part of the financial statements.

**Statement of financial position**

As at 31 December 2019

	Note	2019 £000	2018 £000
<b>Assets</b>			
Investments in subsidiaries	E & 8	<b>10,125,763</b>	10,144,616
Investments in joint ventures and associates	F & 9	<b>8,364</b>	8,320
Loans to group undertakings	G & 10	<b>200,000</b>	200,000
Receivables	H & 11	<b>105,465</b>	2,079
Cash and cash equivalents	I & 19	<b>16,097</b>	56,560
<b>Total assets</b>		<b>10,455,689</b>	10,411,575
<b>Equity</b>			
Ordinary share capital	N & 12	<b>8,452,832</b>	8,452,832
Retained earnings	13	<b>1,724,168</b>	1,680,239
<b>Total equity</b>		<b>10,177,000</b>	10,133,071
<b>Liabilities</b>			
Borrowings from group undertakings	L & 17	<b>250,000</b>	250,000
Tax liabilities	K & 15	<b>3,851</b>	3,953
Payables and other financial liabilities	H & 18	<b>24,838</b>	24,551
<b>Total liabilities</b>		<b>278,689</b>	278,504
<b>Total equity and liabilities</b>		<b>10,455,689</b>	10,411,575

The financial statements were approved by the Board of Directors on 31 March 2020 and signed on its behalf by

D F S Rogers

Director

The accounting policies (identified alphabetically) on pages 13 to 15 and notes (identified numerically) on pages 20 to 56 are an integral part of the financial statements.

**Statement of cash flows**

For the year ended 31 December 2019

	Note	2019 £000	2018 £000
<b>Cash flows from operating activities</b>			
Cash generated from/(used in) operating activities	19	5,687	(5,250)
Income from shares in group undertakings		1,295,294	2,150,110
<b>Total net cash generated from operating activities</b>		<b>1,300,981</b>	<b>2,144,860</b>
<b>Cash flows from investing activities</b>			
Investment in subsidiaries	8	(110,000)	(115,000)
Investment in associates	9	—	(1,250)
<b>Total net cash from investing activities</b>		<b>(110,000)</b>	<b>(116,250)</b>
<b>Cash flows from financing activities</b>			
Net decrease in borrowings	17	—	(25,000)
Interest paid on borrowings	3	(6,444)	(5,972)
Dividends paid	13	(1,225,000)	(1,960,000)
<b>Total net cash from financing activities</b>		<b>(1,231,444)</b>	<b>(1,990,972)</b>
Total net (decrease)/increase in cash and cash equivalents		(40,463)	37,638
Cash and cash equivalents at 1 January		56,560	18,922
<b>Cash and cash equivalents at 31 December</b>	19	<b>16,097</b>	<b>56,560</b>

The accounting policies (identified alphabetically) on pages 13 to 15 and notes (identified numerically) on pages 20 to 56 are an integral part of the financial statements.

## Notes to the financial statements

### 1. Interest receivable and similar income

	2019	2018
	£000	£000
Interest receivable from group undertakings	5,014	5,101
Other interest	418	188
	<b>5,432</b>	<b>5,289</b>

### 2. Operating expenses

Under a management agreement, Aviva Life Services UK Limited (UKLS) supplies and makes charges for the provision of operational assets and services to the Company. The agreement specifies the amounts payable to UKLS in respect of these expenses, which are included within operating expenses.

	2019	2018
	£000	£000
UKLS recharges (operating)	(43)	60
Provision movement in year	—	(243)
Write offs	—	6
Total operating expenses	<b>(43)</b>	<b>(177)</b>

### 3. Finance costs

	2019	2018
	£000	£000
Interest payable to group undertakings	6,444	5,972

### 4. Employee information

The Company has no employees (2018: *nil*). All employees are employed by a fellow subsidiary undertaking of Aviva plc, Aviva Employment Services Limited. Disclosures relating to employee remuneration and the average number of persons employed are made in the financial statements of Aviva Employment Services Limited. The Company is recharged with the costs of the staff provided by Aviva Employment Services Limited.

### 5. Directors' remuneration

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. Their total emoluments are disclosed in the financial statements of Aviva Life & Pensions UK Limited.

### 6. Auditors' remuneration

The total remuneration payable by the Company, excluding VAT, to its auditors, PricewaterhouseCoopers LLP is as follows:

	2019	2018
	£000	£000
Fees payable to PwC LLP for the statutory audit of the Company's financial statements	36	35

Audit fees are payable by Aviva Central Services UK Limited, a fellow Group company, and recharged as appropriate to the Company and fellow Group companies. 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 undertaking, Aviva plc (see note 22), are required to disclose other (non-audit) services on a consolidated basis.

## Notes to the financial statements (continued)

### 7. Tax

#### (a) Tax (credited)/charged to the income statement

(i) The total tax (credited)/charged comprises:

	2019	2018
	£000	£000
<b>Current tax</b>		
For this year	(193)	3,953
Prior period adjustments	91	(16)
Total current tax	<u>(102)</u>	<u>3,937</u>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	—	7,761
Changes in tax rates or tax laws	—	(516)
Total deferred tax	<u>—</u>	<u>7,245</u>
<b>Total tax (credited)/charged to the income statement</b>	<b><u>(102)</u></b>	<b><u>11,182</u></b>

Unrecognised temporary differences of previous years were used to reduce the total tax charge by £8,000 (2018: £nil).

#### (b) Tax reconciliation

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate of the United Kingdom as follows:

	2019	2018
	£000	£000
Profit before tax	<b>1,268,827</b>	2,304,173
Tax calculated at standard UK corporation tax rate of 19% (2018: 19%)	<b>241,077</b>	437,793
Adjustment in respect of prior years	<b>91</b>	(12)
Non- assessable dividends	<b>(277,156)</b>	(444,802)
Disallowed expenses	—	(46)
Non deductible loss on sale of subsidiary	<b>6,080</b>	—
Non-deductible impairment of subsidiaries and associates	<b>29,814</b>	15,911
Change in tax rates or tax laws	—	(516)
Movement in deferred tax not recognised	<b>(8)</b>	2,854
<b>Total tax (credited)/charged to the income statement</b>	<b><u>(102)</u></b>	<b><u>11,182</u></b>

Finance Act 2016 introduced legislation reducing the UK corporation tax rate from 1 April 2020 to 17%. In the Budget of 11 March 2020 the UK Government reversed this rate reduction, announcing that the UK corporation tax rate will remain at 19% from 1 April 2020. As the company has no recognised deferred tax assets or liabilities, any future changes in tax rates have no impact on the net assets of the Company as at 31 December 2019.

### 8. Investments in subsidiaries

#### (a) Movements in the Company's investments in its subsidiaries

	2019	2018
	£000	Restated £000
<b>At 1 January</b>	<b>10,144,616</b>	10,014,759
Additions	<b>273,113</b>	322,200
Disposals	<b>(103,000)</b>	(108,602)
Impairment losses on investments in subsidiaries	<b>(156,966)</b>	(83,741)
Realised losses on disposal of subsidiaries	<b>(32,000)</b>	—
<b>At 31 December</b>	<b><u>10,125,763</u></b>	<b><u>10,144,616</u></b>

Subsidiaries are stated at cost less impairment. The Company's approach to managing its investments and associated risks is given in note 21. The impairment losses for 2019 are driven primarily by the dividend paid to the Company by Aviva Life Services UK Limited and a realised loss on the sale of Aviva Digital UK Limited.

## Notes to the financial statements (continued)

### (b) Additions

On 21 February 2019, the Company subscribed for and was allotted 45,000,000 ordinary shares of £1 each in the share capital of Aviva Wrap UK Limited, fully paid at par for a consideration of £45 million.

On 28 February 2019, the Company subscribed for and was allotted 25,000,000 ordinary shares of £1 each in the share capital of Aviva UK Digital limited, fully paid at par for a consideration of £25 million.

On 11 October 2019, the Company subscribed for and was allotted 20,000,000 ordinary shares of £1 each in the share capital of Aviva Wrap UK Limited, fully paid at par for a consideration of £20 million.

On 11 October 2019, the Company subscribed for and was allotted 20,000,000 ordinary shares of £1 each in the share capital of Aviva Investment Solutions Limited, fully paid at par for a consideration of £20 million.

On 12 December 2019, the Company subscribed for and was allotted 150,732,162 ordinary shares of £1 each in the share capital of Aviva Life & Pensions Limited, fully paid at par for a consideration of £150.7 million.

On 17 July 2019, the Company acquired 100% of the issued share capital of Sesame Bankhall Group Limited for a consideration of £12.4 million.

### (c) Disposals

On 31 December 2019, the Company sold its holding in Aviva UK Digital Limited to Aviva Group Holdings for a consideration of £103.0 million.

### (d) Subsidiary owned undertakings

A full list of the subsidiary undertakings of the company is shown in Appendix A. The principal subsidiary undertakings of the Company are shown below, all of which are wholly-owned and incorporated in England, with the exception of Peak Re Designated Activity Company, which is incorporated in Ireland.

Subsidiary	Principal activity
Aviva Equity Release UK Limited	Equity release mortgage provider
Aviva Life & Pensions UK Limited	Long-term insurance
Aviva Life Services UK Limited	Corporate administration services
Aviva Wrap UK Limited	Personal portfolio 'Wrap' products
Friends Life FPG Limited	Holding company
Friends Life FPL Limited	Holding company
Aviva Investment Solutions UK Limited	Personal portfolio 'Wrap' products
Aviva Management Services UK Limited	Corporate administration services
Aviva Administration Limited	Corporate administration services
Sesame Bankhall Group Limited	Holding company
Peak Re Designated Activity Company	Reinsurance of unit linked business

## 9. Investments in joint ventures and associates

Movements in the Company's investments in joint ventures and associates are as follows:

	2019	2018
	£000	£000
<b>At 1 January</b>	<b>8,320</b>	7,111
Additions	—	1,250
Impairment gains/(losses)	<b>44</b>	(41)
<b>At 31 December</b>	<b>8,364</b>	8,320

Associates and joint ventures are stated at cost less impairment.

On 20 September 2018, the Company acquired a 20% shareholding in Acre Platforms Limited, a provider of a digital mortgage platform for brokers and borrowers, for a consideration £1,250,000. A further 20% was acquired by a subsidiary undertaking, Sesame Bankhall Group Limited.

Distributions received from associates and joint ventures during the year amounted to £nil (2018: £nil).

The associate undertaking has no significant contingent liabilities to which the Company is exposed, nor has the Company any significant contingent liabilities in relation to its interest in the associate undertaking.

**Notes to the financial statements (continued)****10. Loans to group undertakings****(a) Carrying amounts**

The carrying amounts of loans at 31 December 2019 and 2018 were as follows:

	2019 £000	2018 £000
Loans to group undertakings	<b>200,000</b>	200,000
Expected to be recovered in less than one year	—	—
Expected to be recovered in more than one year	<b>200,000</b>	200,000
	<b>200,000</b>	200,000

**11. Receivables**

	2019 £000	2018 £000
Amounts owed by group undertakings	<b>105,464</b>	2,017
Trade receivables	<b>1</b>	62
<b>Total as at 31 December</b>	<b>105,465</b>	2,079
Expected to be recovered in less than one year	<b>2,465</b>	2,079
Expected to be recovered in more than one year	<b>103,000</b>	—
	<b>105,465</b>	2,079

**12. Ordinary share capital**

	2019 £000	2018 £000
Allotted, called up and fully paid		
8,452,831,913 (2018: 8,452,831,913) ordinary shares of £1 each	<b>8,452,832</b>	8,452,832

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.

**13. Retained earnings**

	2019 £000	2018 £000
Balance at 1 January	<b>1,680,239</b>	1,394,649
Profit for the year	<b>1,268,929</b>	2,292,991
Dividends:		
Final dividends paid of 4.73 pence per share (2018: 13.49 pence per share)	<b>(400,000)</b>	(1,140,000)
Interim dividends paid of 9.76 pence per share (2018: 10.26 pence per share)	<b>(825,000)</b>	(867,401)
<b>Balance at 31 December</b>	<b>1,724,168</b>	1,680,239

During 2019 interim dividends of £825 million were paid to Aviva Group Holdings Limited. During 2019 dividends were received from subsidiary undertakings of £1,459 million. Of this, £163.4 million is excluded from the statement of cash flows as the payment was transacted through inter company accounts. This comprises £12.7 million paid by Friends Life FPG Limited and £150.7 million paid by Aviva Life & Pensions UK Limited.

On 13 May 2019, a final dividend in respect of 2018 of £400 million was paid to Aviva Group Holdings Limited.

## Notes to the financial statements (continued)

### 14. Guarantees

Several of the Company's subsidiaries have guaranteed the overdrafts and borrowings of certain subsidiaries and associates. In the opinion of the directors, no material loss will arise in respect of these guarantees and indemnities.

In addition, in line with standard business practice, various Group companies have given guarantees, indemnities and warranties in connection with disposals in recent years of subsidiaries and associates to parties outside the Aviva Group. In the opinion of the directors, no material loss will arise in respect of these guarantees, indemnities and warranties.

The Company has issued a letter of financial support to Aviva Wrap UK Limited (UKW), a wholly owned subsidiary of the Company, for a period of at least one year from the signing of the UKW financial statements, in order to ensure UKW is able to continue as a going concern.

### 15. Tax assets and liabilities

#### (a) General

	2019	2018
	£000	£000
Expected to be recoverable in more than one year	193	—
Expected to be settled in more than one year	—	(3,953)
Expected to be settled in less than one year	(4,044)	—
<b>Tax liability recognised in statement of financial position</b>	<b>(3,851)</b>	<b>(3,953)</b>

#### (b) Deferred tax

(i) The balance at the year end comprises of:

	2019	2018
	£000	£000
Unused losses and tax credits	—	—
<b>Net deferred tax asset</b>	<b>—</b>	<b>—</b>

(ii) The movement in the net deferred tax asset was as follows:

	2019	2018
	£000	£000
<b>Net deferred tax asset at 1 January</b>	<b>—</b>	<b>7,245</b>
Amounts charged to income statement	—	(7,245)
<b>Net deferred tax asset at 31 December</b>	<b>—</b>	<b>—</b>

The Company has trade losses at the year end amounting to £59,777,000 (2018 : £59,384,000) available for offset versus future taxable profits and capital losses at the year end amounting to £152,155,000 (2018:152,155,000). Due to uncertainty over the timing and amount of any future taxable profits, no deferred tax asset has been recognised in respect of the losses being carried forward at the year end (2018 : £nil).

### 16. Provisions

	2019	2018
	£000	£000
<b>At 1 January</b>	<b>—</b>	<b>265</b>
Amounts utilised	—	(22)
Amounts realised	—	(243)
<b>At 31 December</b>	<b>—</b>	<b>—</b>



**Notes to the financial statements (continued)****17. Borrowings**

	2019	2018
	£000	£000
Loans from subsidiaries	<b>250,000</b>	250,000
Expected to be settled in less than one year	<b>250,000</b>	—
Expected to be settled in more than one year	—	250,000
	<b>250,000</b>	250,000

**18. Payables and other financial liabilities**

	2019	2018
	£000	£000
Amounts due to group undertakings	<b>24,703</b>	24,474
Other payables	<b>135</b>	77
<b>Total as at 31 December</b>	<b>24,838</b>	24,551
Expected to be settled within one year	<b>24,838</b>	24,551
Expected to be settled in more than one year	—	—
	<b>24,838</b>	24,551

**19. Statement of cash flows****(a) The reconciliation of profit before tax to the net cash in/(out) flow from operating activities is:**

	2019	2018
	£000	£000
Profit before tax	<b>1,268,827</b>	2,304,173
Adjustments for:		
Income from shares in group undertakings	<b>(1,458,718)</b>	(2,341,060)
Impairment losses on investments in subsidiaries	<b>156,966</b>	83,741
Impairment (gains)/losses on investments in associates	<b>(44)</b>	41
Realised losses on disposal of subsidiaries	<b>32,000</b>	—
Finance costs	<b>6,444</b>	5,972
Other income	<b>—</b>	(47,401)
	<b>(1,263,352)</b>	(2,298,707)
<b>Changes in working capital:</b>		
Increase in receivables	<b>(75)</b>	(2,006)
Decrease in provisions	<b>—</b>	(265)
Increase/(decrease) in payables and other financial liabilities	<b>287</b>	(8,445)
<b>Total cash generated from/(used in) operating activities</b>	<b>5,687</b>	(5,250)

## Notes to the financial statements (continued)

Investing and financing transactions that did not require the use of cash and cash equivalents, and are therefore excluded from the statement of cash flows are as follows:

	2019	2018
	£000	£000
Non-cash operating activities		
Income from shares in group undertakings	163,424	190,950
Non-cash investing activities		
Investment in subsidiaries	(163,113)	(98,600)
Non-cash financing activities		
Movement in inter-company debtors	103,311	(92,350)
Dividends paid	—	(47,401)

### (b) Cash and cash equivalents in the statement of cash flows at 31 December comprised:

	2019	2018
	£000	£000
Cash in bank and in hand	16,097	56,560

## 20. Capital structure

### Capital management

In managing its capital, the Company seeks to:

- (i) match the profile of its assets and liabilities, taking account of the risks inherent in the business;
- (ii) maintain financial strength to support new business growth and satisfy the requirements of its policyholders and regulators;
- (iii) retain financial flexibility by maintaining strong liquidity; and
- (iv) allocate capital efficiently to support growth and repatriate excess capital where appropriate.

The Company is not a regulated entity and hence not subject to any regulatory capital requirements.

The Company mostly considers the traditional sources of capital funding, including loans and capital injections from its parent company. The analysis below sets out the Company's capital resources available to meet its liabilities.

	2019	2018
	£000	£000
Total equity and available capital resources	10,177,000	10,133,071

The Company also complies with Group mandated Capital Management Risk Standards, which include the setting of risk appetites which are designed to give some buffer against adverse events when compared with minimum solvency. These appetites define what action should be taken by management where the actual capital level is above or below the desired target level. Further details on risk and capital management are given in note 21.

## 21. Risk management

### (a) Risk management framework

The Company operates a risk management framework (RMF) that forms an integral part of the management and Board processes and decision-making framework, aligned to the Group's risk management framework. The key elements of the risk management framework comprise risk appetite; risk governance, including risk policies and business standards, risk oversight committees and roles and responsibilities; and the processes the Company uses to identify, measure, manage, monitor and report ("IMMMR") risks, including the use of risk models and stress and scenario testing.

The RMF has been adopted by the boards of the legal entities within the business collectively referred to as "UK Life" (including this Company).

For the purposes of risk identification and measurement, and aligned to the Company's risk policies, risks are usually grouped by risk type: credit, market, liquidity, life insurance (including long-term health), and operational risk. Risks falling within these types may affect a number of metrics including those relating to statement of financial position strength, liquidity and profit.

## Notes to the financial statements (continued)

---

To promote a consistent and rigorous approach to risk management across the business, the Company has a set of risk policies and business standards which set out the risk strategy, appetite, framework and minimum requirements for the Company's operations. The Chief Executive Officer makes an annual declaration that the system of governance and internal controls was effective and fit for purpose for their business throughout the year; this declaration is supported by an opinion from the Chief Risk Officer.

A regular top-down key risk identification and assessment process is carried out by the risk function. This includes the consideration of emerging risks and is supported by deeper thematic reviews. The Company also operates a risk and control self-assessment process. The risk assessment processes are used to generate risk reports which are shared with the relevant risk committees.

Risk models are an important tool in the measurement of risks and are used to support the monitoring and reporting of the risk profile and in the consideration of the risk management actions available. The Company carries out a range of stress (where one risk factor, such as equity returns, is assumed to vary) and scenario (where combinations of risk factors are assumed to vary) tests to evaluate their impact on the business and the management actions available to respond to the conditions envisaged. For those risk types managed through the holding of capital, being the Company's principal risk types except for liquidity risk, the Company measures and monitors its risk profile on the basis of the Solvency II solvency capital requirement ("SCR").

Roles and responsibilities for risk management in the Company are based around the 'three lines of defence model' where ownership for risk is taken at all levels. Line management in the business is accountable for risk management, including the implementation of the risk management framework and embedding of the risk culture. The risk function is accountable for quantitative and qualitative oversight and challenge of the IMMMR processes and for developing the risk management framework. Internal Audit provides an independent assessment of the risk management framework and internal control processes.

Board oversight of risk and risk management across the Company is maintained on a regular basis through its Risk Committee. The Board has overall responsibility for determining risk appetite, which is an expression of the risk the business is willing to take. Risk appetites are set relative to capital and liquidity.

The Company's position against risk appetite is monitored and reported to the Board on a regular basis.

### (b) Market risk

Market risk is the risk of adverse financial impact due to changes in fair values or future cash flows of financial instruments from fluctuations in interest rates, equity prices and property prices. Market risk arises within the

Company due to fluctuations in the relationship between the values of the liabilities and the value of investments held, as a result of movements in market prices.

The Company is exposed to fair value movements on its investments in subsidiaries. The fair value will fluctuate as the underlying assets, including the value of in-force business where appropriate, and liabilities held by the companies within UK Life change.

For each of the major components of market risk, UK Life has put in place additional policies and procedures to set out how each risk should be managed and monitored, and the approach to setting an appropriate risk appetite. UK Life manages market risks within the asset/liability management ("ALM") framework and within regulatory constraints. UK Life is also constrained by the requirement to meet policyholders' reasonable expectations and to minimise or avoid market risk in a number of areas.

The financial impact of market risk is examined through stress tests on the capital position under Solvency II (SII), which considers the impact on Economic Capital from variations in financial circumstances on either a remote scenario or to changes from the central operating scenario. Management actions that may be taken in mitigation of the change in circumstances are also considered.

UK Life's market risk policy sets out the minimum principles and framework for setting an ALM and investment strategy, the approaches to be taken when liabilities cannot be matched and the monitoring and reporting processes that are required. UK Life applies appropriate matching techniques to assets and liabilities for all classes of business in order to manage the financial risk from the mismatching of assets and liabilities when investment markets change. UK Life monitors adherence to this policy through the Asset & Liability Committee ("ALCO").

### (c) Credit risk

Credit risk is the risk of adverse financial impact resulting from fluctuations in credit quality of third parties including default, rating transition and credit spread movements. The Company's management of credit risk under the oversight of ALCO, includes the articulation of risk appetite, exposure limit frameworks and investment and lending criteria within credit risk policies and management agreements.

The nature of the Company's business means that it is not exposed to significant credit risk. This is because its receivables are mainly inter-company balances. A significant amount of business relates to the Aviva Group of companies and exposure is managed through regular and timely payments. At the balance sheet date there are no material financial assets subject to credit risk that are past due or impaired.

No collateral is held against loan balances.

### (d) Liquidity risk

The nature of the business means that the Company is not exposed to significant liquidity risk. ALCO seeks to determine that the Company has sufficient financial resources to meet its obligations as they fall due.

The following table provides an analysis of liabilities based on the remaining period at the statement of financial position date to their contractual maturity. Contractual undiscounted cash flows of these borrowings are shown below. The figures include contractual interest payments and so do not agree directly to the carrying amounts shown on the statement of financial position.

**Notes to the financial statements (continued)**

	2019				2019
	Within 1 year	1-5 years	Over 5 years	No contractual maturity	Total
	£000	£000	£000	£000	£000
Borrowings	255,891	—	—	—	255,891
Payables and other financial liabilities	—	—	—	24,838	24,838
<b>Total contract liabilities</b>	<b>255,891</b>	<b>—</b>	<b>—</b>	<b>24,838</b>	<b>280,729</b>

	2018				2018
	Within 1 year	1-5 years	Over 5 years	No contractual maturity	Total
	£000	£000	£000	£000	£000
Borrowings	6,297	255,769	—	—	262,066
Payables and other financial liabilities	—	—	—	24,552	24,552
<b>Total contract liabilities</b>	<b>6,297</b>	<b>255,769</b>	<b>—</b>	<b>24,552</b>	<b>286,618</b>

The borrowings and payables and other financial liabilities figures include £24,838,000 (2018: £24,552,000) which has no contractual maturity, as it primarily relates to amounts owed to group undertakings. It is estimated that £29,038,000 of this will be payable within one year (2018: £24,552,000).

The undiscounted value of borrowings without a contractual maturity is £nil (2018: £nil). The undiscounted value of the payables and other financial liabilities without a contractual maturity is £24,838,000 (2018: £24,552,000). Further information on borrowings is included in note 17.

**22. Related party transactions**

The members of the Board of Directors are listed on page 3 of these financial statements.

**(a) Income receivable from related parties**

During the year, the Company received dividend income of £1,458,718,000 (2018: £2,341,060,000) from its subsidiaries.

During the year, the Company received interest of £5,014,000 (2018: £5,101,000) from subsidiaries.

Loans receivable at the year end are due to the following:

	2019	2018
	£000	£000
Subsidiaries	200,000	200,000

Other amounts receivable at the year end are due to the following:

	2019	2018
	£000	£000
Parent	103,000	—
Subsidiaries	2,464	2,017
	<b>105,464</b>	<b>2,017</b>

The related parties' receivables are not secured and no guarantees were received in respect thereof. No provision or expense has been recognised during the year in respect of bad and doubtful debts (2018: £nil).

**(b) Services provided by related parties**

Under a management agreement, UKLS supplies and makes charges for the provision of operational assets and staff to the Company. The agreement specifies the amounts payable to UKLS in respect of these expenses, which for 2019 was a rebate of £43,000 (2018: £60,000).

During the year the Company paid interest of £6,444,000 (2018: £5,760,000) to its parent and £nil (2018: £38,000) to its subsidiaries.

**Notes to the financial statements (continued)**

Loans payable at the year end are due to the following:

	2019	2018
	£000	£000
Subsidiary undertakings	<b>250,000</b>	250,000

Other amounts payable at the year end are due to the following:

	2019	2018
	£000	£000
Parent	<b>225</b>	—
Subsidiary undertakings	<b>24,478</b>	24,474
	<b>24,703</b>	24,474

The related parties' payables are not secured and no guarantees were received in respect thereof.

**(c) Key management compensation**

No charge is disclosed by the Company for key management personnel as they are key management of a number of fellow subsidiary undertakings and it is not possible to make an accurate apportionment of their compensation in respect of each of the individual subsidiary undertakings.

**(d) Parent entity**

The immediate parent undertaking is Aviva Group Holdings Limited, registered in England.

**(e) Ultimate controlling entity**

The ultimate controlling entity, and parent of the largest and smallest groups which consolidate the results of the Company, is Aviva plc. Its Group Financial Statements are available on application to the Group Company Secretary, Aviva plc, St Helen's, 1 Undershaft, London EC3P 3DQ, and on the Aviva plc website at [www.aviva.com](http://www.aviva.com).

**23. Subsequent events**

On 14 February 2020, the Company subscribed for a further 10% holding in Acre Platforms Limited for a consideration of £1.25 million.

On 11 March 2020, the World Health Organization declared the outbreak of a strain of novel coronavirus disease, COVID-19, a global pandemic. Governments in affected areas have imposed a number of measures designed to contain the outbreak, including business closures, travel restrictions, stay at home orders and cancellations of gatherings and events. The spread of COVID-19 has resulted in an economic downturn in jurisdictions in which the Company operates and the global economy more widely, as well as causing increased volatility and declines in financial markets. If the pandemic is prolonged, or further diseases emerge that give rise to similar effects, the adverse impact on the global economy could be deepened and result in further declines in financial markets.

Notwithstanding the operational and financial actions that are being taken, the deterioration in the situation has adverse implications arising from the potential impacts on financial markets, insurance exposures and operations. As the situation is rapidly evolving it is not practicable to quantify the potential financial impact of the outbreak on the Company.

## Notes to the financial statements (continued)

### Appendix A - INVESTMENTS IN GROUP UNDERTAKINGS AND PARTICIPATING INTERESTS

The Company's Act 2006 requires disclosure of certain information about the Company's related undertakings which is set out in this note. Related undertakings comprise subsidiaries, joint ventures, associates and other significant holdings. Significant holdings are where the Company either has a shareholding greater than or equal to 20% of the nominal value of any share class, or a book value greater than 20% of the Company's assets.

The Company's related undertakings along with the country of incorporation, the registered address, the class of shares held and the effective percentage of equity owned at 31 December 2019 are listed below. The list also includes holdings in open-ended investment companies ("OEICs"), sociétés d'investissement à capital variable ("SICAVs"), investment companies with variable capital ("ICVCs") and liquidity funds where the Company has a significant holding in the underlying assets of the fund, where information is available.

#### Direct related undertakings of the Company as at 31 December 2019 are listed below

Name of undertaking	Country of incorporation	Registered address	Share class	% owned by Aviva Life &
Acre Platforms Limited	England and Wales	Samuel House, 6 St. Albans Street, 4th floor, London, SW1Y 4SQ	£0.01 Preferred A2	20%
Aviva Investment Solutions UK Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA	£1.00 Ordinary shares	100%
Aviva Life & Pensions UK Limited	England and Wales	Aviva Wellington Row York YO90 1WR	£1.00 Ordinary shares	100%
Aviva Life Investments International (General Partner) Limited	England and Wales	Aviva Wellington Row York YO90 1WR	£1.00 Ordinary shares	100%
Aviva Life Services UK Limited	England and Wales	Aviva Wellington Row York YO90 1WR	£1.00 Ordinary shares	100%
Aviva Trustees UK Limited	England and Wales	Aviva Wellington Row York YO90 1WR	£1.00 Ordinary shares	
Aviva Wrap UK Limited	England and Wales	Aviva Wellington Row York YO90 1WR	£1.00 Ordinary shares	100%
Friends Life FPG Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA	£0.05 Ordinary	100%
Peak Re Designated Activity Company	Ireland	One Park Place Hatch Street Dublin 2	£1.00 Ordinary	100%
Sesame Bankhall Group Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA	£1.00 Ordinary shares	100%
Tenet Group Limited	England and Wales	5 Lister Hill Horsforth Leeds West Yorkshire LS18 5AZ	£0.0001 B Ordinary	47%

**Notes to the financial statements (continued)****The indirect related undertakings of the Company as at 31 December 2019 are listed below:**

<b>Name of undertaking</b>	<b>Country of incorporation</b>	<b>Registered address</b>	<b>Share class</b>	<b>% owned by Aviva Life &amp;</b>
1 Liverpool Street General Partner Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	100%
1 Liverpool Street Nominee 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	100%
1 Liverpool Street Nominee 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	100%
130 Fenchurch Street General Partner Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	100%
1-5 Lowndes Square Management Company Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£0.25 A Ordinary	1% 75%
20 Gracechurch (General Partner) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 A Ordinary	100%
20 Lowndes Square Management Company Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£0.25 A Ordinary	2% 75%
2-10 Mortimer Street (GP No.1) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
2-10 Mortimer Street GP Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 B Ordinary	50%
30-31 Golden Square Nominee 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
30-31 Golden Square Nominee 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
41-42 Lowndes Square Management Company Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£0.25 A Ordinary	3% 75%
43 Lowndes Square Management Company Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£0.25 A Ordinary	2% 75%

## Notes to the financial statements (continued)

44-49 Lowndes Square Management Company Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£0.25 A Ordinary	1% 75%
6-10 Lowndes Square Management Company Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£0.25 A Ordinary	1% 75%
AFRP Sarl	Luxembourg	16, Avenue de la Gare, Luxembourg, Grand duchy of Luxembourg, L-1610. Luxembourg	€25.00 Ordinary	100%
AIEREF Holding 1	Luxembourg	16, Avenue de la Gare, Luxembourg, Grand duchy of Luxembourg, L-1610. Luxembourg	€1.00 Ordinary shares	100%
AIEREF Holding 2	Luxembourg	16, Avenue de la Gare, Luxembourg, Grand duchy of Luxembourg, L-1610. Luxembourg	€1.00 Ordinary shares	100%
AIEREF Renewable Energy SRO	Czech Republic	5/482, Ve Svahu, Prague 4, 147 00. Czech Republic	CZK1.00 Ordinary shares	100%
Ascot Real Estate Investments GP LLP	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	N/A	50%
Ascot Real Estate Investments LP	England and Wales	1 Poultry, London, EC2R 8EJ, United Kingdom	Limited Partnership	50%
Ashtown Management Company Limited	Ireland	Friends First House, Cherrywood Science & Technology Park, Loughlinstown, Dublin. Ireland	€1.27 Ordinary shares	50%
Aspire Financial Management Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%
Atrium Nominees Limited	Ireland	13-18 City Quay, Dublin 2, Ireland	€1.27 Ordinary shares	100%
Aviva Investors (FP) Limited	Scotland	Pitheavlis, Perth. PH2 0NH	£1.00 Ordinary shares	100%
Aviva Investors (GP) Scotland Limited	Scotland	Pitheavlis, Perth. PH2 0NH	£1.00 Ordinary shares	100%
Aviva Investors EBC GP Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
Aviva Investors EBC SARL	Luxembourg	16 Avenue de la Gare, Luxembourg, 1610, Luxembourg, .	€125 A Ordinary €125 B Ordinary €125 C Ordinary €125 D Ordinary €125 E Ordinary €125 F Ordinary	100%



**Notes to the financial statements (continued)**

Aviva Investors Polish Retail GP Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
Aviva Investors Polish Retail SARL	Luxembourg	46a Avenue John F Kennedy, L-1855, Luxembourg, Grand Duchy of Luxembourg	€100 Ordinary Shares	100%
Aviva Life Investments International LP	England and Wales	Aviva, Wellington Row, York, YO90 1WR	£1.00 Ordinary shares	100%
Aviva Special PFI Limited Partnership	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited Partnership	95%
Barratt House Nominee 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
Barratt House Nominee 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
Cannock Designer Outlet (GP Holdings) Limited	England and Wales	Nations House, 3rd Floor, 103 Wigmore Street. London	£0.01 Ordinary shares	37%
Cannock Designer Outlet (GP) Limited	England and Wales	Nations House, 3rd Floor, 103 Wigmore Street. London	£0.01 Ordinary shares	37%
Cannock Designer Outlet (Nominee 1) Limited	England and Wales	Nations House, 3rd Floor, 103 Wigmore Street. London	£0.01 Ordinary shares	37%
Cannock Designer Outlet (Nominee 2) Limited	England and Wales	Nations House, 3rd Floor, 103 Wigmore Street. London	£0.01 Ordinary shares	37%
Chesterford Park Limited Partnership	England and Wales	Nations House, 3rd Floor, 103 Wigmore Street. London	Limited Partnership	50%
Chesterford Park (General Partner) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 A Ordinary Shares	50%
Chesterford Park (Nominee) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
Crieff Road Limited	Jersey	3rd Floor, One The Esplanade, St Helier. JE2 3QA	Ordinary shares	100%
Eólica Almatret S.L.	Spain	1D, 13 Edificio America, Av. de Bruselas, 28108,, Alcobendas (Madrid), Spain	€2861.9427 Ordinary shares	50%

## Notes to the financial statements (continued)

EPI Nu Sarl	Luxembourg	46a Avenue John F Kennedy, L-1855, Luxembourg, Grand Duchy of Luxembourg	€25 Ordinary	100%
Exeter Properties Inc.	USA	Cogency Global Inc., 850 New Burton Road, Suite 201. Dover Delaware Kent County	Common Stock WPV shares	95%
FF UK Select Limited	Jersey	3rd Floor, One The Esplanade, St Helier. JE2 3QA	£1 Ordinary shares	100%
Fitzroy Place GP 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Fitzroy Place Management Co Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Fitzroy Place Residential Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Focus Mall Zielona Gora Sp. Z.o.o	Poland	A1., Jana Pawla II 25,, Warsaw, Poland	PLZ50 Ordinary Shares	100%
Focus Park Piotrkow Trybunalski Sp.Zo.o	Poland	A1., Jana Pawla II 25,, Warsaw, Poland	PLZ500 Ordinary Shares	100%
Friends First Managed Pensions Funds DAC	Ireland	Friends First House, Cherrywood Business Park, Loughlinstown, Dublin 18. Ireland	€1.27 Ordinary shares	100%
Friends First US Property Company Limited	Ireland	Friends First House, Cherrywood Business Park, Loughlinstown, Dublin 18. Ireland	€1 Ordinary shares	100%
Gobafoss General Partner Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
Gobafoss Partnership Nominee No 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	100%
Houlton Commercial Management Company Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited by Guarantee	100%
Houlton Community Management Company Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited by Guarantee	100%
Igloo Regeneration (Butcher Street) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%

**Notes to the financial statements (continued)**

Igloo Regeneration (General Partner) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 A Ordinary	50%
Igloo Regeneration (Nominee) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Igloo Regeneration Developments (General Partner) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Igloo Regeneration Developments (Nominees) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Igloo Regeneration Partnership	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited Partnership	30%
Irongate House Nominee 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
Irongate House Nominee 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
Living in Retirement Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%
Lodz B.C. Sp. Zoo	Poland	A1., Jana Pawla II 25,, Warsaw, Poland	PLZ50 Ordinary Shares	100%
Mortimer Street Associated Co 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Mortimer Street Associated Co 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Mortimer Street Nominee 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Mortimer Street Nominee 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Mortimer Street Nominee 3 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
New Broad Street House Nominee 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%

**Notes to the financial statements (continued)**

New Broad Street House Nominee 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
Paddington Central III (GP) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 A Ordinary	100%
Paragon Insurance Company Guernsey Limited	Guernsey	St Martin's House, Le Bordage, St Peter Port	£1 Ordinary Shares	23%
Pegasus House and Nuffield House Nominee 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
Pegasus House and Nuffield House Nominee 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
Porth Teigr Management Company Limited	England and Wales	St Helen's, 1 Undershaft, LONDON. EC3P 3DQ	£1.00 Ordinary B shares	50%
Quantum Property Partnership (General Partner) Limited	England and Wales	180 Great Portland Street, London, England. W1W 5QZ	£1.00 Ordinary shares	50%
Quantum Property Partnership (Nominee) Limited	England and Wales	180 Great Portland Street, London, England. W1W 5QZ	£1 Ordinary shares	50%
Quarryvale Three Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
Reschop Carre Hattingen GmbH	Germany	Thurn-und-Taxis-Platz 6, 60313, Frankfurt am Main. Germany	€0.00 Ordinary	95%
Reschop Carre Marketing GmbH	Germany	Thurn-und-Taxis-Platz 6, 60313, Frankfurt am Main. Germany	€1.00 Ordinary	100%
Rugby Radio Sation (Nominee) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Rugby Radio Station (General Partner) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary B shares	50%
Sapphire Ile de France 1 Sarl	Luxembourg	16, Avenue de la Gare, Luxembourg, Grand duchy of Luxembourg, L-1610. Luxembourg	€25.00 Ordinary	100%
Sapphire Ile de France 2 Sarl	Luxembourg	16, Avenue de la Gare, Luxembourg, Grand duchy of Luxembourg, L-1610. Luxembourg	€25.00 Ordinary	100%

**Notes to the financial statements (continued)**

Sapphire Ile de France SCI	France	24 - 26, rue de la Pepiniere, 75008 Paris. France	€1.23 Ordinary	100%
Serviced Offices UK GP Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 A Ordinary shares	50%
Southgate General Partner Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 A Ordinary shares	100%
Southgate LP (Nominee 1) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Southgate LP (Nominee 2) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Station Road General Partner LLP	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	100%
30 Station Road Nominee 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	100%
30 Station Road Nominee 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	100%
50-60 Station Road Nominees 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	100%
50-60 Station Road Nominees 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	100%
SUE Developments Limited Partnership	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited Partnership	50%
SUE GP LLP	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Sue GP Nominee Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	50%
Tenet Platform Services Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%
Tenet Business Solutions Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%

**Notes to the financial statements (continued)**

Tenet Client Services Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%
Tenet Connect Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%
Tenet Connect Services Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%
Tenet Financial Services Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1 A Ordinary shares	18%
Tenet Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%
TenetFinancial Solutions Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%
TenetLime Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%
TenetSelect Limited	England and Wales	5 Lister Hill, Horsforth, Leeds, West Yorkshire. LS18 5AZ	£1.00 Ordinary shares	23%
10-11 GNS LIMITED	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
Anna Livia Properties Limited	Ireland	25/28, North Wall Quay, Dublin 1. Ireland	€1.00 Ordinary shares	100%
Atlas Park Management Company Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited by Guarantee	100%
Aviva Equity Release UK Limited	England and Wales	Aviva, Wellington Row , York. YO90 1WR	£1.00 Ordinary shares	100%
Aviva ERFA 15 UK Limited	England and Wales	Aviva, Wellington Row , York. YO90 1WR	£1.00 Ordinary shares	100%
Aviva Investors European Renewable Energy S.A	Luxembourg	16, Avenue de la Gare, Luxembourg, Grand duchy of Luxembourg, L-1610. Luxembourg	€1.00 Ordinary shares	100%
Aviva Investors Property Fund Management Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%

## Notes to the financial statements (continued)

Aviva Life & Pensions Ireland DAC (“ALPI”)	Ireland	Friends First House, Cherrywood Business Park, Loughlinstown, Dublin 18.	€1.27 Ordinary A shares	100%
Aviva Pension Trustees UK Limited (“UKPTL”)	England and Wales	Aviva, Wellington Row , York. YO90 1WR	£1.00 Ordinary shares	100%
Aviva UKLAP De-Risking Limited	England and Wales	St Helen's, 1 Undershaft, LONDON. EC3P 3DQ	£1.00 Ordinary shares	100%
Aviva Undershaft Four Limited	Ireland	One Park Place, Hatch Street, Dublin 2. Ireland	€1.25 Ordinary shares	100%
AXA Property Trust Limited	Guernsey	Trafalgar Court, Les Banques, St Peter Port. Guernsey	Ordinary – no par value	28%
AXA UK Infrastructure SAS	France	20 Place Vendome, Paris, 75001. France	€1.00 Ordinary Shares	100%
Access 10 Management Company Limited	United Kingdom	St Helen's, 1 Undershaft, LONDON. EC3P 3DQ	limited by guarantee	100%
Barwell Business Park Nominee Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
BMO Commercial Property Trust Limited	Guernsey	PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey. GY1 3QL	£0.01 Ordinary Shares	21%
Cannock Consortium LLP	England and Wales	Nations House, 3rd Floor, 103	N/A (Limited Liability)	43%
Centaurus CER (Aviva Investors) Sarl	Luxembourg	47 Avenue John F. Kennedy, L - 1855, Luxembourg.	€100.00 Ordinary shares	100%
Cornerford Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 A Ordinary £1.00 B Ordinary	100%
EPI NU Societe a responsabilite limitee	Luxembourg	47 Avenue John F. Kennedy, L - 1855. Luxembourg	€25.00 Ordinary shares	100%
FPB Holdings GmbH	Germany	c/o WSWP Weinert GmbH, Theatinerstr. 31, 80333, Munich. Germany	€1.00 A Ordinary	100%
FPPE Fund Public Limited Company	Ireland	Georges Court, 54-62 Townsend Street, Dublin 2. Ireland	€1.00 Shares of No Par Value	100%

**Notes to the financial statements (continued)**

Friends AEL Trustees Limited	England and Wales	Pixham End, Dorking, Surrey. RH4 1QA	£1.00 Ordinary Shares	100%
Friends AELRIS	England and Wales	Pixham End, Dorking, Surrey. RH4 1QA	£1.00 Ordinary Shares	100%
Friends SL Nominees Limited	England and Wales	Pixham End, Dorking, Surrey. RH4 1QA	£1.00 Ordinary Shares	100%
Goodman European Business Park Fund (Lux) Sarl	Luxembourg	47 Avenue John F. Kennedy, L - 1855. Luxembourg	€2.50 Ordinary	42%
Hemel Hempstead Estate Management Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
Hexagone Sarl	Luxembourg	16, Avenue de la Gare, Luxembourg, Grand duchy of Luxembourg, L-1610. Luxembourg	€25.00 Ordinary	100%
Hillswood Management Limited	England and Wales	Shakespeare House, 42 Newmarket Road, Cambridge. CB5 8EP	£0.10 B Ordinary	24%
Matthew Parker Street (Nominee no 1) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
Matthew Parker Street (Nominee no 2) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
MPS L014 S.ar.l	Luxembourg	16, Avenue de la Gare, Luxembourg, Grand duchy of Luxembourg, L-1610. Luxembourg	£1.00 Ordinary shares	100%
Norwich Union (Shareholder GP) Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
Norwich Union Life Insurance Company Limited	England and Wales	Aviva, Wellington Row , York. YO90 1WR	£1.00 Ordinary shares	100%
Opus Park Management Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited by Guarantee	100%
Origo Services Limited	Scotland	7 Lochside View, Edinburgh,	£1.00 Ordinary shares	22%
Quarryvale One Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%



**Notes to the financial statements (continued)**

Stonebridge Cross Management Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited by Guarantee	100%
Suntrust Limited	England and Wales	Pixham End, Dorking, Surrey. RH4 1QA	£1.00 Ordinary shares	100%
Swan Valley Management Limited	England and Wales	St Helen's, 1 Undershaft, LONDON. EC3P 3DQ	£1 A Ordinary shares	—%
Synergy Sunrise (Sentinel House) Limited	England and Wales	Aviva, Wellington Row , York. YO90 1WR	£1.00 Ordinary shares	100%
Tenet Group Limited	England and Wales	5 Lister Hill, Horsforth, Leeds,	£0.0001 B Ordinary Shares	23%
UKP Holdings Inc.	United States	2711 Centreville Road, Suite 400, Wilmington, New Castle, Delaware, 19808. USA	\$100.00 Non-Cumulative Preferred Stock \$1.00 Common Stock	100%
Victor Hugo 1 Sarl	Luxembourg	16, Avenue de la Gare, Luxembourg, Grand duchy of Luxembourg, L-1610. Luxembourg	€25.00 Ordinary Shares	100%
Voyager Park South Management Company Limited	England and Wales	Aviva, Wellington Row , York. YO90 1WR	Ordinary shares	52%
Winslade Investments Inc	United States	Cogency Global Inc., 850 New Burton Road, Suite 201, Dover Delaware Kent County, 19904., USA	US\$ Common Stock	100%
Aviva Administration Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 (£.25 paid up) Ordinary shares	100%
Aviva Management Services UK Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Aviva Client Nominees UK Limited	England and Wales	Aviva, Wellington Row , York. YO90 1WR	£1 Ordinary shares	100%
Friends Life FPL Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£0.10 Ordinary shares	100%
London and Manchester Group Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£0.25 Ordinary shares	100%
SB Loan Administration Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%

## Notes to the financial statements (continued)

Sesame Bankhall Valuation Services Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary A shares	75%
Sesame General Insurance Services Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Sesame Group India Private Limited	India	A-47 (L.G.F) Hauz Khas New Delhi Delhi India	INR10.00 Equity shares	100%
Sesame Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Sesame Regulatory Services Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Sesame Services Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary A shares	100%
Premier Mortgage Service Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Bankhall Support Services Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Gateway Specialist Advice Services Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Synergy Financial Products Limited	England and Wales	Centrium 1 Griffiths Way St Albans AL1 2RD England	£1 Ordinary shares	29%
Wealth Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Opal (UK) Holdings Limited	England and Wales	Centrium 1 Griffiths Way St Albans AL1 2RD England	£1 Ordinary shares	29%
Opal Information Systems Limited	England and Wales	Centrium 1 Griffiths Way St Albans AL1 2RD England	£1 Ordinary shares	29%
Outsourced Professional Administration Limited	England and Wales	Centrium 1 Griffiths Way St Albans AL1 2RD England	£1 Ordinary shares	29%
Undershaft FAL Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%

## Notes to the financial statements (continued)

Friends Provident Investment Holdings Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary A shares	100%
Friends Provident Life Assurance Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Friends' Provident Managed Pension Funds Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Undershaft FPLLA Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
NDF Administration Limited	England and Wales	Grant Thornton UK LLP 30 Finsbury Square London EC2P 2YU United Kingdom	£1 B non-voting shares	67%
Friends Life and Pensions Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Friends Life Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Friends Provident Pension Scheme Trustees Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Friends Provident Distribution Holdings Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Friends Life Distribution Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Friends Life WL Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Friends Life FPLMA Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Friends Life Assurance Society Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£0.05 Ordinary shares	100%
Friends Life Company Limited	England and Wales	Pixham End Dorking Surrey RH4 1QA United Kingdom	£1 Ordinary shares	100%
Defined Returns Limited	England and Wales	Grant Thornton UK LLP 30 Finsbury Square London EC2P 2YU United Kingdom	£1 Ordinary shares	100%

## Notes to the financial statements (continued)

Acre Platforms Limited	England and Wales	Samuel House, 6 St. Albans Street, 4th floor, London, SW1Y 4SQ	£0.01 Preferred A2	20%
Yatra Capital Jersey		C/O Citco Jersey Limited, Second Floor, No. 4 The Forum, Grenville Street, St Helier, JE2 4UF. Jersey	Ordinary - no par value	27%
Equity Release Funding (No.1) plc	England and Wales	c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London. EC2R 7AF		
Equity Release Funding (No.2) plc	England and Wales	c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London. EC2R 7AF		
Equity Release Funding (No.3) plc	England and Wales	c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London. EC2R 7AF		
Equity Release Funding (No.4) plc	England and Wales	c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London. EC2R 7AF		
Equity Release Funding (No.5) plc	England and Wales	c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London. EC2R 7AF		
Equity Release Holdings Limited	England and Wales	c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London. EC2R 7AF		
ERF Trustee (No. 4) Limited	England and Wales	c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London. EC2R 7AF		
ERF Trustee (No. 5) Limited	England and Wales	c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London. EC2R 7AF		
Equity Equity Release Holdings (Jersey) Limited	Jersey	c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London. EC2R 7AF		
Equity Equity Release Holdings (No. 5) Limited	England and Wales	c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London. EC2R 7AF		
Yatra Capital	Jersey	C/O Citco Jersey Limited, Second Floor, No. 4 The Forum, Grenville Street, St Helier, JE2 4UF. Jersey	Ordinary - no par value shares	27.27%
20 Gracechurch Unit Trust - Closed	Jersey	Lime Grove House, Green Street, St Helier, Jersey, Channel Islands. JE1 2ST	Unit Trust	100%
30 Warwick Street Nominee 1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%

## Notes to the financial statements (continued)

30 Warwick Street Nominee 2 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary Shares	50%
40 Spring Gardens Unit Trust-Closed Ended Fund	Jersey	FUND 3rd Floor, Liberation House, Castle Street, St Helier, Jersey, JE1 1BL	Unit trust	100%
Aep Feeder Fund V	USA	200 Clarendon Street, 55th Floor, Boston, Massachusetts. USA	Unit trust	100%
AIEREF Holding 1	Luxembourg	16, Avenue de la Gare, Luxembourg, Grand duchy of Luxembourg, L-1610. Luxembourg	€1.00 Ordinary shares	100%
Architas Multi-Manager Diversified Protector 70	England and Wales	5 Old Broad Street, London. EC2N 1AD	OEIC	50%
Architas Multi-Manager Diversified Protector 80	England and Wales	5 Old Broad Street, London. EC2N 1AD	OEIC	37%
Artemis UK Special Situations Fund	England and Wales	Artemis Fund Managers Limited, 57-59 St James's Street, London. SW1A 1LD	Unit trust	24%
Asl Infrastructure Equity Npv	England and Wales	50 Lothian Road, Festival Square, Edinburgh. EH3 9WJ1	Private Equity	100%
Aviva Investors 30 70 Global Eq Ccy Hedged Ind Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors 40 60 Global Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors 50 50 Global Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors 60 40 Global Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Alt Income Solutions Fund Open Ended	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	Limited Partnership	55%
Aviva Investors Asia Pacific Ex Japan Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Asia Pacific Property Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	80%

**Notes to the financial statements (continued)**

Aviva Investors Asian Equity Income Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	99%
Aviva Investors Balanced Life Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Balanced Pension Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Cash Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	56%
Aviva Investors Cautious Pension Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Continental Euro Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Continental European Eq Alpha Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Continental European Long Lease Strategy Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	PLP	44%
Aviva Investors Corporate Bond Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	93%
Aviva Investors Dev Asia Pacific Ex Japan Eq Ind Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Dev Euro Ex UK Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Dev World Ex UK Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Developed Overseas Gov Bd Ex UK Ind Fd	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Distribution Life Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Emerging Markets Bond Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	83%

**Notes to the financial statements (continued)**

Aviva Investors Emerging Markets Corporate Bond Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	84%
Aviva Investors Emerging Markets Equity Income Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	100%
Aviva Investors Emerging Markets Equity Small Cap Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	85%
Aviva Investors Emerging Markets Local Currency Bond Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	90%
Aviva Investors Global Aggregate Bond Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	96%
Aviva Investors Global Convertibles Absolute Return Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	78%
Aviva Investors Global Emerging Markets Index Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	90%
Aviva Investors Global Equity Alpha Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Global Equity Endurance Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	100%
Aviva Investors Global Equity Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Global Equity Income Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	78%
Aviva Investors Global High Yield Bond Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	68%
Aviva Investors Global Investment Grade Corporate Bond Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	88%
Aviva Investors High Yield Bond Fund	Luxembourg	St Helen's, 1 Undershaft, London, EC3P 3DQ	SICAV	40%
Aviva Investors Idx-Lkd Gilts Ovr 5 Yrs Idx Fd	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Scheme	100%

**Notes to the financial statements (continued)**

Aviva Investors Index Linked Gilt Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors International Index Tracking Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	70%
Aviva Investors Japan Equity Alpha Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Japan Equity Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Japan Equity Mom 1 Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	100%
Aviva Investors Japanese Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Managed High Income Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	63%
Aviva Investors Money Market Vnav Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Multi-Asset 40 85 Shares Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Multi-Asset I Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	50%
Aviva Investors Multi-Asset Ii Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	87%
Aviva Investors Multi-Asset Iii Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	50%
Aviva Investors Multi-Asset Iv Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	87%
Aviva Investors Multi-Asset V Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	40%
Aviva Investors Multi-Manager 20-60% Shares Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	75%



**Notes to the financial statements (continued)**

Aviva Investors Multi-Manager 40-85% Shares Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	71%
Aviva Investors Multi-Manager Flexible Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	82%
Aviva Investors Multi-Strategy Target Income Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	44%
Aviva Investors Multi-Strategy Target Return Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	44%
Aviva Investors Non-Gilt Bond All Stocks Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Non-Gilt Bond Over 15 Yrs Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Non-Gilt Bond Up To 5 Years Index Fd	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors North American Equity Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors North American Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Pacific Ex Japan Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Pre-Annuity Fixed Interest Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Private Equity Programme 2008 Onshore Closed	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited Partnership	40%
Aviva Investors Sterling Corporate Bond Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Sterling Gilt Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Sterling Government Liquidity Fund	Ireland	25/28 North Wall Quay, Dublin, Ireland	Liquidity Fund	94%

**Notes to the financial statements (continued)**

Aviva Investors Sterling Liquidity Fund	Ireland	25/28 North Wall Quay, Dublin, Ireland	Liquidity Fund	77%
Aviva Investors Sterling Strategic Liquidity Fund	Ireland	25/28 North Wall Quay, Dublin, Ireland	Liquidity Fund	77%
Aviva Investors Stewardship Fixed Interest Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Stewardship International Equity Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Stewardship UK Equity Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Stewardship UK Equity Income Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Strategic Bond Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	43%
Aviva Investors Strategic Global Equity Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors UK Eq Ex Aviva Inv Trusts Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors UK Equity Alpha Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors UK Equity Dividend Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Uk Equity Ex Tobacco Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme Scheme	100%
Aviva Investors UK Equity Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors UK Equity Income Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors UK Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%

**Notes to the financial statements (continued)**

Aviva Investors UK Equity Mom 1 Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	40%
Aviva Investors UK Gilts All Stocks Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors UK Gilts Over 15 Years Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors Uk Gilts Up To 5 Years Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors UK Index Tracking Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	61%
Aviva Investors UK Listed High Alpha Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	94%
Aviva Investors Us Equity Index Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
AXA Ethical Distribution Fund	England and Wales	AXA Investment Managers UK Limited, 7 Newgate Street,	OEIC	33%
AXA LBO Fund IV Feeder	France	20, Place Vendome, 75001 Paris, France	Private Equity Fund	39%
AXA Rosenberg American Fund	England and Wales	AXA Investment Managers UK Limited, 7 Newgate Street,	OEIC	89%
AXA Rosenberg Asia Pacific Ex-Japan Fund	England and Wales	AXA Investment Managers UK Limited, 7 Newgate Street,	OEIC	88%
AXA Rosenberg Global Fund	England and Wales	AXA Investment Managers UK Limited, 7 Newgate Street,	OEIC	89%
AXA Rosenberg Japan Fund	England and Wales	AXA Investment Managers UK Limited, 7 Newgate Street,	OEIC	95%
AXA SUN LIFE PRIVATE EQUITY (NO1) LP	Jersey	22 Grenville Street, St. Helier, Jersey, JE4 8PX Channel Islands	Unit Trust	100%
Baillie Gifford Investment Funds II ICVC-Baillie Gifford UK Equity Core Fund	England and Wales	Calton Square, 1 Greenside Row	OEIC	20%

**Notes to the financial statements (continued)**

Blackrock Aquila Connect Currency Hedged Gbl Equit	England and Wales	BlackRock Pensions, 33 King William Street	OEIC	72%
Blackrock Market Advantage Fund Class X Accu Gbp	England and Wales	12 Throgmorton Avenue,	Unit Trust	32%
Bmo Investment Funds Uk ICVC	England and Wales	Exchange House, Primrose Street, London, EC2A 2NY	Unit Trust	50%
Cambridge Research + Innovatio Ord Shares	England and Wales	Wellington House, East Road, Cambridge CB1 1BH	Unit Trust	100%
Capital Residential Fund - Life Co Holdings Only	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Unit Trust	88%
Cardiff Bay GP Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1.00 Ordinary shares	100%
CGU Equilibre	France	47 rue du Faubourg Saint-Honoré, 75008, Paris 8, France	FCP	100%
DB X-Trackers li Iboxx Eur Sovereigns Eurozone 15+	Luxembourg	2, boulevard Konrad Adenauer, 1115 Luxembourg,	SICAV	27%
Designer Retail Outlet Centres Unit Trust	Jersey	Lime Grove House, Green Street, St Helier, Jersey, Channel Islands, JE1 2ST	Unit Trust	97%
Dif Infrastructure lii Off-Shore Open Ended	Netherlands	Schiphol, Neterlands	Unit Trust	100%
Eif Uspf Iv Blocker Fund Closed	USA	Three Charles River Place, Needham, Massachusetts	Unit Trust	100%
EPI Nu Sarl	Luxembourg	46a Avenue John F Kennedy, L-1855, Luxembourg, Grand Duchy of Luxembourg	Sarl	100%
F&C Diversified Growth Fund	Luxembourg	49 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg	Unit Trust	87%
F&C Diversified Growth Fund A Gbp Inc Hedged	Luxembourg	50 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg	Unit Trust	187%
F&C Diversified Growth X Eur Inc	Luxembourg	50 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg	Unit Trust	287%

**Notes to the financial statements (continued)**

F&C European Growth & Income Fund	Luxembourg	49 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg	Unit Trust	87%
F&C European Growth & Income A Gbp Inc	Luxembourg	50 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg	Unit Trust	87%
F&C Mm Navigator Progressive Fund	England and Wales	Exchange House, Primrose Street, London, EC2A 2NY, United Kingdom	Unit Trust	94%
F&C Strategic Bond 1 Acc	England and Wales	Exchange House, Primrose Street, London, EC2A 2NY, United Kingdom	Unit Trust	50%
F&C Strategic Bond 1 Inc	England and Wales	Exchange House, Primrose Street, London, EC2A 2NY, United Kingdom	Unit Trust	100%
F&C Strategic Bond 4 Inc	England and Wales	Exchange House, Primrose Street, London, EC2A 2NY, United Kingdom	Unit Trust	100%
German Retail Fund	Germany	Max-Planck-Strasse, 3,85609 Aschheim- Dornach, Germany	Ordinary Shares	98%
Gobafoss Equity Value – 1	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited Partnership	100%
Gs Mezzanine Partners V Offshore Lp	Cayman Islands	George Town, Cayman Islands	Unit Trust	100%
Haspa Trendkonzept	Luxembourg	3 rue des Labours, L-1912 Luxembourg, Luxembourg	FCP	55%
Hexagpone Sarl Equity	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	Ordinary Shares	100%
Irongate House LP Property Unit Trust	Jersey	19-21 Broad Street, St Helier, Jersey, Channel Islands, JE1 3PB	Unit Trust	50%
Lazard Multicap UK Income R Acc	England and Wales	50 Stratton Street, London, W1J 8LL	OEIC	50%
Liontrust Sustainable Future Absolute Growth Fund	England and Wales	Liontrust Fund Partners LLP, 2 Savoy Court, London. WC2R 0EZ	OEIC	54%
Liontrust Sustainable Future Corporate Bond Fund	England and Wales	Liontrust Fund Partners LLP, 2 Savoy Court, London. WC2R 0EZ	OEIC	37%

**Notes to the financial statements (continued)**

Liontrust Sustainable Future European Growth Fund	England and Wales	Liontrust Fund Partners LLP, 2 Savoy Court, London. WC2R 0EZ	OEIC	57%
Liontrust Sustainable Future Global Growth Fund	England and Wales	Liontrust Fund Partners LLP, 2 Savoy Court, London. WC2R 0EZ	OEIC	45%
Liontrust Sustainable Future Managed Fund	England and Wales	Liontrust Fund Partners LLP, 2 Savoy Court, London. WC2R 0EZ	OEIC	68%
Liontrust Sustainable Future UK Growth Fund	England and Wales	Liontrust Fund Partners LLP, 2 Savoy Court, London. WC2R 0EZ	OEIC	47%
Liontrust UK Ethical Fund	England and Wales	Liontrust Fund Partners LLP, 2 Savoy Court, London. WC2R 0EZ	OEIC	69%
Mercer Diversified Retirement M-1 Acc	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2, Ireland	OEIC	27%
Mercer Multi Asset Defensive S5	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	37%
Mercer Multi Asset Defensive S8	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	37%
Mercer Multi Asset Growth S0	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	33%
Mercer Multi Asset Growth S3	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	33%
Mercer Multi Asset Growth S5	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	33%
Mercer Multi Asset Growth S8	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	33%
Mercer Multi Asset Growth Z	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	33%
Mercer Multi Asset High Growth S5	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	24%
Mercer Multi Asset High Growth S8	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	24%

**Notes to the financial statements (continued)**

Mercer Multi Asset Moderate Growth S5	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	47%
Mercer Multi Asset Moderate Growth S8	Ireland	Charlotte House, Charlemont St, Saint Kevin's, Dublin 2	OEIC	47%
Middlesex Hospital Site Property Unit Trust Open	England and Wales	Middlesex, UK	Fund	100%
Mountpark Logistics Eu 2017 23 Sarl	Luxembourg	16, Avenue de la Gare, L-1610 Luxembourg	Unit Trust	100%
Nordea 1 Swedish Bond Bp Sek Acc	Luxembourg	562, rue de Neudorf, L - 2220, Luxembourg LU	SICAV	32%
Nordea 1 Swedish Kroner Reserve Bp Sek Acc	Luxembourg	562, rue de Neudorf, L - 2220, Luxembourg LU	SICAV	32%
Paddington Central 3 Unit Trust Closed	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited Partnership	100%
PATRIARCH CLASSIC B&W GLOBAL FREESTYLE	Luxembourg	1c, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg	FCP	40%
Project Lion Vitus Group	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	Fund	100%
Qep Us Core I Acc	England and Wales	1 London Wall Place, London, UK	Unit Trust	44%
Quantum Unit Trust - Closed	Jersey	Lime Grove House , Green Street, St Helier, Jersey, Channel Islands, JE1 2ST	Unit Trust	50%
Rugby Radio	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited Partnership	50%
Schroder Institutional QEP Us Core I Inc	England and Wales	1 London Wall Place, London, UK	Unit Trust	44%
Slas Axa Private Equity	Jersey	22 Grenville Street, St. Helier, Jersey, JE4 8PX Channel Islands	Unit Trust	100%
Slas Venture Capital Ye Cash Ordinary Shares	Jersey	22 Grenville Street, St. Helier, Jersey, JE4 8PX Channel Islands	Unit Trust	100%

**Notes to the financial statements (continued)**

Southgate Property Unit Trust Open	Jersey	Lime Grove House, Green Street, St Helier, Jersey, Channel Islands, JE1 2ST	Unit Trust	50%
11-12 Hanover Square Lp Property Unit Trust	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited Partnership	50%
30-31 Golden Square S Lp Property Unit Trust	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited Partnership	50%
Aviva Investors Europe Equity Ex UK Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Collective Investment Scheme	100%
Aviva Investors European Corporate Bond Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	64%
Aviva Investors European Equity Income Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	100%
Aviva Investors European Property Fund	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	OEIC	77%
Aviva Investors European Real Estate Securities Fund	Luxembourg	2 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	66%
Aviva Investors European Renewable Energy Fund Sicav	Luxembourg	14 rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg	SICAV	100%
Aviva Investors Infrastructure Income No.1 Limited	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	£1 Ordinary shares	100%
Barratt House Lp Property Unit Trust	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Limited Partnership	50%
Cannock Consortium Llp Unit Trust Closed	England and Wales	St Helen's, 1 Undershaft, London. EC3P 3DQ	Ordinary Shares	43%
New Broad Street House LP Property Unit Trust	Jersey	19-21 Broad Street, St Helier, Jersey, Channel Islands, JE1 3PB	Unit Trust	50%
Pegasus House And Nuffield House LP Property Unit Trust	Jersey	19-21 Broad Street, St Helier, Jersey, Channel Islands, JE1 3PB	Unit Trust	50%
Station Road Cambridge LP NPV	England and Wales	St Helen's, 1 Undershaft, London, EC3P 3DQ	Limited Partnership	50%