

COMPANY REGISTRATION NUMBER: 06295782

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

Company Limited by Guarantee

UNAUDITED FINANCIAL STATEMENTS

31 DECEMBER 2019

MEADOWS & CO LIMITED

Chartered Accountants
Headlands House
1 Kings Court
Kettering Parkway
Kettering
NN15 6WJ

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

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INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

Mr S Casey
Mr R Champion
Mrs E J McWilliam
Mrs V S Oak
Mrs S Rice
Mrs C Worsley
Mrs P Bennett
Mr G Mead
Mr C J Thorndycraft
Mr A J Young
Mr M R Watson
Mrs S Pandita-Gunawardena
Mr N Reilly
Mr S J Tragheim

REGISTERED OFFICE

1 Kings Court
Kettering Parkway
Kettering
United Kingdom
NN15 6WJ

ACCOUNTANTS

Meadows & Co Limited
Chartered Accountants
Headlands House
1 Kings Court
Kettering Parkway
Kettering
NN15 6WJ

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2019

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

DIRECTORS

The directors who served the Company during the year were as follows:

Mr S Casey	
Mr R Champion	
Mrs E J McWilliam	
Mrs V S Oak	
Mrs S Rice	
Mrs C Worsley	
Mrs P Bennett	
Mr G Mead	
Mr C J Thorndycraft	
Mr A J Young	
Mr M R Watson	
Mrs S Pandita-Gunawardena	(Appointed 4 July 2019)
Mr N Reilly	(Appointed 4 July 2019)
Mr S J Tragheim	(Appointed 4 July 2019)
Mr D Greenall	(Resigned 4 July 2019)
Mr R Wheatcroft	(Resigned 4 July 2019)
Mrs R St Louis	(Resigned 31 October 2019)

CHAIR'S STATEMENT

I am pleased to attach the financial report and accounts for ILAG Ltd - it has again been a busy and successful year.

Our objectives and key themes

Our overall aims are to support ILAG members and the wider Financial Services Industry, to continue developing and implementing positive change for the benefit of consumers and business.

ILAG supports its membership through practitioner-led activities, facilitating the development and enhancement of good and positive culture, through the sharing of best practice and through being a positive influencing force within the Industry.

These are particularly important in the areas of:

- delivering better customer outcomes
- improving customer engagement and self-reliance
- navigating the regulatory landscape
- preparing for the future in a changing environment

Our membership

As at 31 December 2019, we had over 50 member firms from across the Financial Services sector, including providers, distributors and advisors to the Industry.

We remain committed to our mission to spread technical knowledge and to share good practice, designed to improve customer outcomes.

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2019

From a membership perspective we have gone from strength to strength, providing a platform for the practitioner's voice to a stronger Industry.

In 2019 we welcomed the following new members:

- British Friendly
- Holloway Friendly
- Old Mutual Wealth (now part of ReAssure)
- ReAssure
- Scottish Friendly
- Transport Friendly

Our Practitioner Groups

We have 16 groups working across a wide variety of industry related topics and issues including: digital technology and innovation, financial crime, pensions technical, protection, financial reporting, regulation and risk management.

During 2019, we introduced the Cyber Security Advisory Group, established to facilitate cyber-related mitigation practices.

The Senior Managers & Certification Regime Focus Group provided support to members throughout the year in the lead up to the implementation of SM&CR.

Towards the end of 2019 we formed the Handbook Review Focus Group, which is collating feedback from across the membership in preparation for FCA's consultation.

Our industry events

A key priority is to reach all members, not just those involved in practitioner groups. We achieve this through regular seminars, briefing sessions and Industry roundtables.

Our success depends on the support of our members, the individual participants on our practitioner groups and the hard work of our Management Team. This is demonstrated by the number of member-facing sessions, which included over 75 practitioner meetings and discussions and 25 industry events. These covered a variety of topics including risk, regulatory and financial reporting, organisational culture, mental health in the workplace, operational resilience, vulnerable customers and a series of roundtables aimed at NEDs.

ILAG events and meetings

74 Practitioner Group Meetings	3 Roundtable discussions
13 Industry Seminars	5 Industry Forums
4 Briefings	

I am grateful to all our presenters, and to those members who have made their facilities available as event hosts. In total, more than 1,200 delegate places were booked during the year, and attendees were overwhelmingly positive in the feedback provided post event.

Most of our events earn CPD, with delegates gaining insights from over 80 speakers from member and external companies, including regulatory bodies and other Industry associations. In total more than 2,000 CPD hours were awarded

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2019

Consultation responses

During the year we responded to consultation and discussion papers from the regulators and Government including:

9 from the FCA	2 from Financial Reporting Council
5 from EIOPA	2 from HM Treasury
5 from HMRC	1 from Cabinet Office
4 from Dept Work & Pensions	1 from International Financial Reporting Standards Board
3 from PRA	1 from Dept Health & Social Care
2 from FOS	

We expect 2020 to continue to be a busy and challenging year for Financial Services, not just in response to the demands of coping with COVID-19 but with all the other challenges facing the Industry. The health, wellbeing and safety of ILAG, its members and their customers remains our priority.

The ILAG Board

In 2019 we welcomed three new Board members:

- Shalini Pandita, AIG
- Nick Reilly, Royal London
- Stuart Tragheim, Holloway Friendly Society

I am confident that with our strong Board of Directors, experienced and hardworking Management Team and, most importantly of all, our practitioner groups, we will continue to deliver vital and valuable services to our members.

Our financial results, shown on page 3, confirm our anticipated deficit of £10,742 for the year and a satisfactory level of reserves representing approximately 80% of our annual operating expenses. Over the next three years, we will be investing a portion of our surplus funds to ensure we can respond to increasing regulatory and digital requirements.

Finally, I would like to take this opportunity to thank all my colleagues on the Board, practitioner groups and the excellent Management Team for their support during the last year.

Board Members' Attendance 2019

The Board met eight times in 2019 (this included one Nominations Group and six Operations Group Meetings)

Existing Members	8 Meetings
Pat Bennett	7/8
Steve Casey	7/8
Bob Champion	6/8
Gordon Mead	6/8
Emma McWilliam	7/8
Veronica Oak	5/8
Rose St Louis	6/8
Chris Thorndycraft	7/8
Martin Watson	2/8
Ceri Worsley	4/8
Andy Young	8/8

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2019

Joined the Board July 2019	4 Meetings
Shalini Pandita	2/4
Nick Reilly	3/4
Stuart Tragheim	2/4
Resigned from the Board July 2019	4 Meetings
David Greenall	2/4
Ron Wheatcroft	3/4

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on and signed on behalf of the board by:

Mrs E McWilliam
Chair

Registered office:
1 Kings Court
Kettering Parkway
Kettering
United Kingdom
NN15 6WJ

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF INCOME AND RETAINED EARNINGS

YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
TURNOVER		503,949	499,897
Cost of sales		39,455	42,714
GROSS PROFIT		464,494	457,183
Administrative expenses		479,049	426,238
OPERATING (LOSS)/PROFIT		(14,555)	30,945
Other interest receivable and similar income		4,707	3,520
(LOSS)/PROFIT BEFORE TAXATION	6	(9,848)	34,465
Tax on (loss)/profit		894	669
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		(10,742)	33,796
RETAINED EARNINGS AT THE START OF THE YEAR		386,296	352,500
RETAINED EARNINGS AT THE END OF THE YEAR		375,554	386,296

All the activities of the Company are from continuing operations.

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION (continued)

31 DECEMBER 2019					
	Note	2019	£	2018	£
FIXED ASSETS					
Tangible assets	7		1,003		–
CURRENT ASSETS					
Debtors	8	183,316		252,576	
Cash at bank and in hand		678,030		650,089	
		<u>861,346</u>		<u>902,665</u>	
CREDITORS: amounts falling due within one year	9	<u>486,795</u>		<u>516,369</u>	
NET CURRENT ASSETS			<u>374,551</u>		<u>386,296</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>375,554</u>		<u>386,296</u>
CAPITAL AND RESERVES					
Profit and loss account			<u>375,554</u>		<u>386,296</u>
MEMBERS FUNDS			<u>375,554</u>		<u>386,296</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31 December 2019 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on, and are signed on behalf of the board by:

Mr A J Young
Director

Company registration number: 06295782

The notes on pages 8 to 11 form part of these financial statements.

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

1. GENERAL INFORMATION

The Company is a private Company limited by guarantee, registered in England and Wales. The address of the registered office is 1 Kings Court, Kettering Parkway, Kettering, NN15 6WJ, United Kingdom.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A small entities. There were no material departures from that standard.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover primarily relates to members' subscriptions and is recognised to the extent that it is probable that the associated economic benefits will flow to the entity.

Members' subscriptions received in respect of future periods is recorded as income in advance within creditors and will be released as it is due.

An Annual Dinner is also held. Income is recognised when the event is held and the costs incurred in respect of the Dinner can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2019

3. ACCOUNTING POLICIES (continued)

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	33% reducing balance
Computers	-	33% straight line
Website	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Company are assigned to those units.

Financial instruments

As the company is limited by guarantee, and not by shares, all financial instruments are classed as financial liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2019

4. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee. The members have each agreed to contribute to the assets in the event of winding up to an amount not exceeding £1.

5. EMPLOYEE NUMBERS

The average number of persons employed by the Company during the year amounted to 9 (2018: 7).

6. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging:

	2019	2018
	£	£
Depreciation of tangible assets	501	–
	<u>501</u>	<u>–</u>

7. TANGIBLE ASSETS

		Computer equipment £
Cost		
At 1 January 2019		–
Additions		1,504
At 31 December 2019		<u>1,504</u>
Depreciation		
At 1 January 2019		–
Charge for the year		501
At 31 December 2019		<u>501</u>
Carrying amount		
At 31 December 2019		<u>1,003</u>
At 31 December 2018		<u>–</u>

8. DEBTORS

	2019	2018
	£	£
Trade debtors	179,605	250,557
Other debtors	3,711	2,019
	<u>183,316</u>	<u>252,576</u>

INVESTMENT & LIFE ASSURANCE GROUP LIMITED**COMPANY LIMITED BY GUARANTEE****NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 DECEMBER 2019****9. CREDITORS: amounts falling due within one year**

	2019	2018
	£	£
Corporation tax	874	668
Social security and other taxes	10,022	8,107
Other creditors	475,899	507,594
	<u>486,795</u>	<u>516,369</u>

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

MANAGEMENT INFORMATION

YEAR ENDED 31 DECEMBER 2019

The following pages do not form part of the financial statements.

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

COMPANY LIMITED BY GUARANTEE

CHARTERED ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF INVESTMENT & LIFE ASSURANCE GROUP LIMITED

YEAR ENDED 31 DECEMBER 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Investment & Life Assurance Group Limited for the year ended 31 December 2019, which comprise the statement of income and retained earnings, statement of financial position and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/en/membership/regulations-standards-and-guidance.

This report is made solely to the Board of Directors of Investment & Life Assurance Group Limited, as a body, in accordance with the terms of our engagement letter dated 31 October 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Investment & Life Assurance Group Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Investment & Life Assurance Group Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Investment & Life Assurance Group Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Investment & Life Assurance Group Limited. You consider that Investment & Life Assurance Group Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Investment & Life Assurance Group Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

MEADOWS & CO LIMITED
Chartered Accountants

Headlands House
1 Kings Court
Kettering Parkway
Kettering
NN15 6WJ

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

DETAILED INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
TURNOVER		
Subscriptions	454,269	448,587
Annual dinner	49,680	51,310
	<u>503,949</u>	<u>499,897</u>
 COST OF SALES		
Annual dinner costs	39,455	42,714
	<u>464,494</u>	<u>457,183</u>
 GROSS PROFIT		
 OVERHEADS		
Administrative expenses	479,049	426,238
	<u>(14,555)</u>	<u>30,945</u>
 OPERATING (LOSS)/PROFIT		
Other interest receivable and similar income	4,707	3,520
	<u>(9,848)</u>	<u>34,465</u>
 (LOSS)/PROFIT BEFORE TAXATION		

INVESTMENT & LIFE ASSURANCE GROUP LIMITED

NOTES TO THE DETAILED INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
ADMINISTRATIVE EXPENSES		
Director's salaries	61,885	60,436
Director's national insurance	7,356	7,187
Director's pension contributions	5,046	4,935
Staff salaries	280,654	248,271
Staff pension contributions	21,052	18,789
Insurances	7,102	6,446
Travel and accommodation	31,275	22,107
Telephone	9,655	8,149
AGM expenses	119	754
Website management	1,564	4,334
Website development	4,163	4,070
Computer management costs	–	848
Member development and acquisition	727	2,594
Office equipment and software	2,618	2,979
Printing postage and stationery	1,368	864
Technical meetings	15,880	12,785
General administrative expenses	11,439	7,203
Speakers and other gifts	3,597	2,627
GDPR	–	356
Cyber security	3,989	–
Entertaining (including PG lunches)	5,513	5,572
Over provision of accountancy fees	(888)	–
Accountancy fees	3,700	4,164
Depreciation of tangible assets	501	–
Bank charges	734	768
	<u>479,049</u>	<u>426,238</u>
 OTHER INTEREST RECEIVABLE AND SIMILAR INCOME		
Bank interest received	<u>4,707</u>	<u>3,520</u>