

Scope and application of the requirements

The disclosures in this document are made in respect of Cofunds Limited, a wholly owned subsidiary of Aegon UK plc.

The Capital Requirements (country-by-country) Reporting Regulations 2013 ("the regulations") implement Article 89 of the Capital Requirements Directive IV (CRD IV – Directive 2013/36/EU). The regulations impose reporting obligations on institutions in the United Kingdom that are in scope of CRD IV.

Cofunds Limited Company is authorised by the Financial Conduct Authority ('FCA'). The company is within the scope of CRD IV country by country reporting obligations and must comply with the UK Regulations which bring these requirements into force in the UK.

1. Name, nature of activities and locations of the institution and any subsidiaries and branches
2. Turnover
3. Average number of employees on a full time equivalent basis
4. Profit or loss before tax
5. Corporation tax paid
6. Public subsidies received

Name of entity covered

Cofunds Limited

Basis of preparation

The Capital Requirements Directive Country by Country Reporting disclosure is prepared in line with the financial statements of the entity listed above and have been prepared on the going concern basis, under the historic cost convention. This is in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework' and with the Companies Act 2006.

Nature of activities

The Company's principal activity is the provision of a consolidated investment platform.

Location of the institution and any related subsidiaries and branches

The Company is incorporated and domiciled in England and Wales.

Turnover

Turnover for the accounting period ended 31 December 2018 was £104.2m (2017: £108.7m).

Average number of employees on a full time equivalent basis

The company had no employees on a full time equivalent basis during the accounting period ended 31 December 2018 (2017: nil). All administrative expenses are recharged by Aegon UK Corporate Services Limited (a fellow Aegon UK plc group undertaking).

Profit or Loss before tax

Cofunds Limited made a loss before tax of £46.9m during the year ended 31 December 2018 (2017: loss of £26.7m).

Corporation tax paid

Cofunds Limited recorded a tax credit of £9.9m (2017: £3.6m tax credit) and made no corporation tax payments for the year ended 31 December 2018 (2017: nil). Losses are surrendered to other group companies under Group Relief rules.

Public subsidies received

Cofunds Limited received no public subsidies for the year ended 31 December 2018 (2017: nil).

Independent auditors' report to the Directors of Cofunds Limited

We have audited the accompanying schedule of Cofunds Limited for the year ended 31 December 2018 ("the schedule"). The schedule has been prepared by the directors based on the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Directors' Responsibility for the schedule

The directors are responsible for the preparation of the schedule in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013, for the appropriateness of the basis of preparation and the interpretation of the Regulations as they affect the preparation of the schedule, and for such internal control as the directors determine is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the schedule based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the country-by-country information in the schedule as at 31 December 2018 is prepared, in all material respects, in accordance with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Basis of Preparation and Restriction on Distribution

Without modifying our opinion, we draw attention to the schedule, which describes the basis of preparation. The schedule is prepared to assist the directors to meet the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013. As a result, the schedule may not be suitable for another purpose.

Our report is intended solely for the benefit of the directors of Cofunds Limited. We do not accept or assume any responsibility or liability to any other party save where terms are agreed between us in writing.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants

17 April 2019
Edinburgh



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