

COUNTRYWIDE ASSURED TRUSTEE COMPANY LIMITED

PERSONAL RETIREMENT ACCOUNT SIMPLIFIED PENSION SCHEME ANNUAL REPORT YEAR ENDED 31 DECEMBER 2016

CHAIRMAN'S STATEMENT

In accordance with regulation 25 of The Occupational Pension Schemes (Charges and Governance) Regulations 2015, an assessment has been made by the trustees of the charges and transaction costs within this scheme. The assessment considered the benefits received by members, the investment performance achieved by the fund managers alongside the charges made within the policies. The charges within the policies resulted in a reduction in the final pay-out of between 1.31% and 2.50%. Following the assessment, the Trustees feel that the charges represent reasonable value for money. The trustees were not able to assess fund transaction costs during this scheme year as the way in which these costs are disclosed is still under consultation by the regulators of the Asset Managers.

The trustees work closely with both the provider and their administration service providers to ensure that the scheme is administered for the benefit of members. The provider regularly monitors the services provided and report to the trustees at their meetings. During 2016 all core financial transactions, including contributions to and payment out of the scheme, were processed promptly and accurately.

About the Personal Retirement Account Simplified Pension Scheme

The Save & Prosper Personal Retirement Account Simplified Pension Scheme ("the Scheme") is an ear-marked money-purchase (defined contribution) group occupational pension scheme. The Scheme is a registered pension scheme under the Finance Act 2004. To the knowledge of the Trustee there is no reason why the registration of the Scheme should at any time be prejudiced or withdrawn.

The Scheme was established under a Declaration of Trust dated 21st November 1988. As at 31 December 2016 there were 4 participating employers in the Scheme.

The summary of contributions has been prepared and audited in accordance with the relevant parts of regulations made under Section 41(1) and (6) of the Pensions Act 1995. The scheme is an earmarked scheme as defined under the Pensions Act 1995 and is therefore exempt from the requirements to prepare annual accounts.

Accounting Date

The accounting reference date of the Scheme is 31 December. As the Scheme is an individual ear-marked money purchase plan it is exempt from the requirement to produce full audited financial statements.

Member Nominated Trustees

The Scheme is a Relevant Centralised Scheme and is therefore exempt from the requirement to appoint Member Nominated Trustees.

Auditor Disclaimer of Opinion about Contributions

The Trustee has considered the auditor's disclaimer statement about contributions and does not feel that there is a significant issued on the basis that each member is advised on an annual basis of the contributions paid by their employer in the previous 12 months and no notifications have been received that these contributions have been at the

incorrect level as a result. However the trustee will review the current processes to ensure that they are in compliance with best practice.

About Countrywide Assured Trustee Company Limited

Countrywide Assured Trustee Company Limited is the Trustee of the Scheme and is a wholly owned subsidiary within the Chesnara group.

The policyholder funds of the Scheme continue to be managed by JP Morgan Asset Management. Further details of these funds to which the policies in the Scheme are linked can be found on the Countrywide Assured plc website, the address of which is www.countrywideassured.co.uk.

Directors of Countrywide Assured Trustee Company Limited

Directors at 31 December 2016

Mr. John Deane (Chairman)

Mr. Frank Hughes

Mr. Ian King

John Deane is the CEO of Chesnara plc, Countrywide Assured Trustee Company Limited's ultimate holding company. He is a qualified Actuary and has over 30 years experience in the life assurance industry. John joined Century Life, a closed book acquisition company in 1993. As CEO, he oversaw the creation of the outsourcing company Adepta in 2000. He joined Old Mutual plc in 2003 becoming their Corporate Development Director later that year. In 2007 he joined the Board of Royal London with responsibility for its open businesses in the UK, Ireland and Isle of Man.

Frank Hughes has been a Director of Countrywide Assured for 14 years. He has over 25 years of experience working in the life assurance industry. He has been a member of the Countrywide Assured Investment Committee and a member of the Countrywide Assured with Profits committee.

Ian King serves as the Compliance Officer of Countrywide Assured. He has the necessary skills for this role with over 20 years experience working in roles within Countrywide Assured. Ian has both a Law Degree and relevant industry qualifications, along with day to day involvement with the running of this pension scheme and others.

How are Directors appointed and removed?

The Directors of Countrywide Assured Trustee Company Limited ("the Company") and Chesnara plc (as sole shareholder) have the power to appoint or remove Directors at any time, provided that the total number of Directors remains within regulatory limits laid down by the Companies Act 2006.

Professional Advisers who have acted for the Scheme

In the course of the period ended 31 December 2016, the following advisers acted for the Scheme:

Deloitte LLP	- Scheme auditor
JPMorgan Asset Management (UK) Ltd.	- investment manager
Countrywide Assured plc	- administrator of the Scheme
Barclays Bank plc	- banker to the Scheme
JPMorgan Chase & Co	- custodian of the Scheme assets

Scheme Membership

The breakdown of the membership of the Scheme as at 31 December 2016 was as follows:

31 December 2015

Active Members	Deferred Members	Total
2	21	23

31 December 2016

Active Members	Deferred Members	Total
2	19	21

Scheme Investments

Contributions to the Scheme are held in earmarked policies of insurance issued by Countrywide Assured plc. The value of these policies is determined by reference to assets held by Countrywide Assured plc.

The Scheme has no default investment arrangements.

Statement of Trustee's responsibilities

The Trustee is responsible for making available certain other information about the scheme in the form of an Annual Report.

The Trustee is responsible under pensions legislation for ensuring that there is prepared, maintained and from time to time revised a payment schedule showing the rates of contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme and the dates on or before which such contributions are to be paid. The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for monitoring whether contributions are made to the Scheme by the employer in accordance with the payment schedule. Where breaches of the schedule occur, the trustee is required by the Pensions Act 1995 to consider making reports to The Pensions Regulator and the members.

The Trustee also has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

Statement of Trustee Knowledge

The trustee directors bring a wide variety of knowledge and experience to the Scheme. Each director brings specialist knowledge to the Board of Trustees with all individually having the degree of knowledge and understanding appropriate for the purposes of enabling them to exercise the function of a Trustee under the s247 and s248 Pensions Act 2004.



John Deane
Chairman of the Trustee Company
Countrywide Assured Trustee Company Limited
23 May 2017

MEMBERS' INFORMATION

Obtaining more information about the Scheme

If you need further information about the Scheme or your own benefits within it, write to:

Life & Pension Services
Countrywide Assured Trustee Company Limited
HCL House
28-36 Eastern Road
ROMFORD
RM1 3PJ

Alternatively, you can call the Customer Services Team on 0345 3000 144, between 9.00 am and 5.30 pm, Monday to Friday.

If you need to complain

If you have any complaints about the Scheme or your benefits, these should be directed in the first instance in writing to the Trustee:

Countrywide Assured Trustee Company Limited
HCL House
28-36 Eastern Road
ROMFORD
RM1 3PJ

If you are not happy with the response from the Trustee, you should refer your complaint to:

The Pensions Advisory Service (TPAS)
11 Belgrave Road
London
SW1V 1RB Tel: 0300 123 1047 Fax: 020 7592 7001

If TPAS are unable to assist, they will in turn refer the complaint to:

The Office of the Pensions Ombudsman
11 Belgrave Road
London
SW1V 1RB Tel: 020 7630 2200 Fax: 020 7821 0065

INVESTMENT REPORT

The Trustee invests the contributions received into the Scheme as premiums under the Earmarked Policies issued by Save & Prosper Pensions Limited and now administered by Countrywide Assured plc. The Policies invest these premiums in the Countrywide Assured Pensions funds chosen by the member or in one of the J.P.Morgan Open Ended Investment Companies in a selected range, although the majority of Scheme members choose to invest their contributions in the Countrywide Assured Managed Pension Fund (S&P Series).

The Countrywide Assured Managed Pension Fund (S&P Series) is managed by J.P.Morgan Asset Management. The objective of the Fund is to provide a balanced portfolio invested in a combination of fixed-interest securities, property, equities and deposits suitable for the provision of pension benefits.

Investment Review and Performance to 31 December 2016

Average Percentage Growth	1 Year	3 Years	5 Years	10 Years
Countrywide Assured Managed Pension Fund (S&P Series)	14.22%	8.54%	11.41%	5.69%
ABI Average fund UK – Mixed Investment 40% - 85% Shares Pension	13.36%	6.83%	8.735%	5.18%

Source: Lipper – Bid to Bid

In the fourth quarter, equity markets rallied, while fixed income fell. The moves were sparked by the surprise outcome of the US election, as markets priced Trump's victory and the Republican clean sweep as reflationary amid expectations for significant fiscal stimulus that would boost growth in 2017. Against this backdrop, and with continued strength in US data, the Federal Reserve raised interest rates at its December meeting.

Save & Prosper fund performance data and other useful information can be found on the Save & Prosper section of the countrywideassured.co.uk website.

You should remember that past performance is not a guide to the future. The price of investments and the income from them may go down as well as up and you may not get back the full amount invested. Investments in emerging markets may involve a higher element of risk due to political and economic instability and underdeveloped markets and systems. Investing in smaller companies may involve a higher degree of risk as markets are usually more sensitive to price movements. Exchange rate changes may cause the value of overseas investments to rise or fall. The value of property assets is a matter of valuer's opinion, not fact – these assets may be more difficult to realise and may not be realisable at all. The level of tax benefits and liabilities will depend on individual circumstances and may change in the future. Where funds invest in non-investment grade bonds, that may increase the risk to capital.

Countrywide Assured plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Countrywide Assured plc. Registered in England No. 2261746. Registered Office: 2nd Floor, Building 4, West Strand Business Park, West Strand Road, Preston, Lancs. PR1 8UY.

INDEPENDENT AUDITOR'S STATEMENT ABOUT CONTRIBUTIONS TO THE TRUSTEE OF THE SAVE AND PROSPER PERSONAL RETIREMENT ACCOUNT SIMPLIFIED PENSION SCHEME

We were engaged to examine the summary of contributions to the Save & Prosper Personal Retirement Account Simplified Pension Scheme for the scheme year ended 31 December 2016 to which this statement is attached.

This statement is made solely to the Trustee, as a body, in accordance with regulation 4 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our work has been undertaken so that we might state to the Trustee those matters we are required to state to them in an auditor's statement about contributions and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustee as a body for our work, for this statement, or for the opinion we have formed.

Respective responsibilities of Trustee and the auditor

As explained more fully in the Statement of Trustee's Responsibilities, the Scheme's Trustee is responsible under section 87 of the Pensions Act 1995 for ensuring that there is prepared, maintained and from time to time revised a payment schedule showing the rates of normal contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme and the dates on or before which such contributions are to be paid. The Trustee is also responsible under regulation 12 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 for keeping records of contributions received in respect of any active member of the scheme and for the preparation of a Summary of Contributions and for making available certain information about the scheme in an annual report. The Trustee has a general responsibility for monitoring whether contributions are made to the scheme by the employer in accordance with the payment schedule.

Because of the matter described in the Basis for Disclaimer of Opinion on Statement about Contributions paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a Statement about Contributions paid under the payment schedule.

Scope of work on Statement about Contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the attached summary of contributions have in all material respects been paid at least in accordance with the payment schedule. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the scheme and the timing of those payments under the payment schedule.

Basis for Disclaimer of Opinion on Statement about Contributions

The evidence available to us was limited in that we do not have access to the underlying payroll records of multiple employers within the scheme or to records showing the timeliness of contributions received. This lack of access means that we were unable to obtain sufficient evidence that pension contributions had been properly calculated as a proportion of employees' salary and whether they were paid in accordance with the requirements of the payment schedule.

Disclaimer of Opinion on Statement about Contributions payable under the payment schedule

Because of the significance of the matter described in the Basis for Disclaimer of Opinion on Statement about Contributions paragraph, we have not been able to obtain sufficient appropriate evidence to provide a basis for an opinion on the Statement about Contributions payable under the payment schedule. Accordingly we do not express an opinion on the Statement about Contributions.

A handwritten signature in blue ink that reads "Deloitte LLP". The signature is stylized and cursive.

Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading, UK
23 May 2017

**The Save & Prosper Personal Retirement Account Pension Scheme
Summary of Contributions during the year ended 31 December 2016**

The aggregate amount paid to the Scheme during the year ended 31 December 2016 in respect of employer and member contributions was £3,231.



John Deane
Chairman of the Trustee Company
Countrywide Assured Trustee Company Limited
23 May 2017

NOTE 1

For the period to 31 December 2016, the Trustee had set up a listing of contributions for each participating employer. Each schedule sets out a monthly timetable showing the amount of contributions due and the date upon which contributions must be received by the Trustee or the basis on which they are calculated.