

Legal and General Assurance (Pensions Management) Limited

Annual PRA Insurance Returns for the year ended

31 December 2015

IPRU(INS) Appendices 9.1, 9.3, 9.4, 9.6

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Statement of solvency - long-term insurance businessName of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

Solo solvency calculation

	Company registration number	GL/UK/CM	day month year			Units	
	R2	1006112	GL	31	12	2015	£000
				As at end of this financial year		As at end of the previous year	
				1		2	

Capital resources

Capital resources arising within the long-term insurance fund	11	31632	30000
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	12	241829	230205
Capital resources available to cover long-term insurance business capital resources requirement (11+12)	13	273462	260205

Guarantee fund

Guarantee fund requirement	21	13735	9718
Excess (deficiency) of available capital resources to cover guarantee fund requirement	22	259727	250487

Minimum capital requirement (MCR)

Long-term insurance capital requirement	31	41204	29154
Resilience capital requirement	32		
Base capital resources requirement	33	2657	2902
Individual minimum capital requirement	34	41204	29154
Capital requirements of regulated related undertakings	35		
Minimum capital requirement (34+35)	36	41204	29154
Excess (deficiency) of available capital resources to cover 50% of MCR	37	252860	245628
Excess (deficiency) of available capital resources to cover 75% of MCR	38	242559	238339

Enhanced capital requirement

With-profits insurance capital component	39		
Enhanced capital requirement	40	41204	29154

Capital resources requirement (CRR)

Capital resources requirement (greater of 36 and 40)	41	41204	29154
Excess (deficiency) of available capital resources to cover long-term insurance business CRR (13-41)	42	232258	231051

Contingent liabilities

Quantifiable contingent liabilities in respect of long-term insurance business as shown in a supplementary note to Form 14	51		
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Components of capital resources

Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

Company registration number	GL/UK/CM	day	month	year	Units	
R3	1006112	GL	31	12	2015	£000
		General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3	Total as at the end of the previous year 4	

Core tier one capital

Permanent share capital	11		100	100	100
Profit and loss account and other reserves	12		285771	285771	278116
Share premium account	13				
Positive valuation differences	14				
Fund for future appropriations	15				
Core tier one capital in related undertakings	16				
Core tier one capital (sum of 11 to 16)	19		285871	285871	278216

Tier one waivers

Unpaid share capital / unpaid initial funds and calls for supplementary contributions	21				
Implicit Items	22				
Tier one waivers in related undertakings	23				
Total tier one waivers as restricted (21+22+23)	24				

Other tier one capital

Perpetual non-cumulative preference shares as restricted	25				
Perpetual non-cumulative preference shares in related undertakings	26				
Innovative tier one capital as restricted	27				
Innovative tier one capital in related undertakings	28				

Total tier one capital before deductions (19+24+25+26+27+28)	31		285871	285871	278216
Investments in own shares	32				
Intangible assets	33				
Amounts deducted from technical provisions for discounting	34				
Other negative valuation differences	35		12409	12409	18011
Deductions in related undertakings	36				
Deductions from tier one (32 to 36)	37		12409	12409	18011
Total tier one capital after deductions (31-37)	39		273462	273462	260205

Components of capital resources

Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

Company registration number	GL/UK/CM	day	month	year	Units	
R3	1006112	GL	31	12	2015	£000
	General insurance business	Long-term insurance business	Total as at the end of this financial year	Total as at the end of the previous year		
	1	2	3	4		

Tier two capital

Implicit items, (tier two waivers and amounts excluded from line 22)	41				
Perpetual non-cumulative preference shares excluded from line 25	42				
Innovative tier one capital excluded from line 27	43				
Tier two waivers, innovative tier one capital and perpetual non-cumulative preference shares treated as tier two capital (41 to 43)	44				
Perpetual cumulative preference shares	45				
Perpetual subordinated debt and securities	46				
Upper tier two capital in related undertakings	47				
Upper tier two capital (44 to 47)	49				

Fixed term preference shares	51				
Other tier two instruments	52				
Lower tier two capital in related undertakings	53				
Lower tier two capital (51+52+53)	59				

Total tier two capital before restrictions (49+59)	61				
Excess tier two capital	62				
Further excess lower tier two capital	63				
Total tier two capital after restrictions, before deductions (61-62-63)	69				

Components of capital resources

Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

Company registration number	GL/UK/CM	day	month	year	Units	
R3	1006112	GL	31	12	2015	£000
	General insurance business	Long-term insurance business	Total as at the end of this financial year	Total as at the end of the previous year		
	1	2	3	4		

Total capital resources

Positive adjustments for regulated non-insurance related undertakings	71				
Total capital resources before deductions (39+69+71)	72		273462	273462	260205
Inadmissible assets other than intangibles and own shares	73				
Assets in excess of market risk and counterparty limits	74				
Deductions for related ancillary services undertakings	75				
Deductions for regulated non-insurance related undertakings	76				
Deductions of ineligible surplus capital	77				
Total capital resources after deductions (72-73-74-75-76-77)	79		273462	273462	260205

Available capital resources for GENPRU/INSRU tests

Available capital resources for guarantee fund requirement	81		273462	273462	260205
Available capital resources for 50% MCR requirement	82		273462	273462	260205
Available capital resources for 75% MCR requirement	83		273462	273462	260205

Financial engineering adjustments

Implicit items	91				
Financial reinsurance - ceded	92				
Financial reinsurance - accepted	93				
Outstanding contingent loans	94				
Any other charges on future profits	95				
Sum of financial engineering adjustments (91+92-93+94+95)	96				

Analysis of admissible assets

Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

Category of assets **Total other than long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	1006112	GL	31	12	2015	£000	1
					As at end of this financial year	As at end of the previous year	
					1	2	
Land and buildings			11				

Investments in group undertakings and participating interests

UK insurance dependants	Shares	21		
	Debts and loans	22		
Other insurance dependants	Shares	23		
	Debts and loans	24		
Non-insurance dependants	Shares	25		
	Debts and loans	26		
Other group undertakings	Shares	27		
	Debts and loans	28		
Participating interests	Shares	29		
	Debts and loans	30		

Other financial investments

Equity shares	41			
Other shares and other variable yield participations	42			
Holdings in collective investment schemes	43	22	306	
Rights under derivative contracts	44			
Fixed interest securities	Approved	45	229470	228084
	Other	46		
Variable interest securities	Approved	47		
	Other	48		
Participation in investment pools	49			
Loans secured by mortgages	50			
Loans to public or local authorities and nationalised industries or undertakings	51			
Loans secured by policies of insurance issued by the company	52			
Other loans	53			
Bank and approved credit & financial institution deposits	One month or less withdrawal	54	65518	76344
	More than one month withdrawal	55		
Other financial investments	56			
Deposits with ceding undertakings	57			
Assets held to match linked liabilities	Index linked	58		
	Property linked	59		

Analysis of admissible assets

Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

Category of assets **Total other than long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	1006112	GL	31	12	2015	£000	1
					As at end of this financial year	As at end of the previous year	
					1	2	

Reinsurers' share of technical provisions

Provision for unearned premiums	60		
Claims outstanding	61		
Provision for unexpired risks	62		
Other	63		

Debtors and salvage

Direct insurance business	Policyholders	71	
	Intermediaries	72	
Salvage and subrogation recoveries		73	
Reinsurance	Accepted	74	
	Ceded	75	
Dependants	due in 12 months or less	76	
	due in more than 12 months	77	
Other	due in 12 months or less	78	
	due in more than 12 months	79	

Other assets

Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81		
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		
Accrued interest and rent	84		
Deferred acquisition costs (general business only)	85		
Other prepayments and accrued income	86		

Deductions from the aggregate value of assets	87		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	295009	304734
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Analysis of admissible assets

Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

Category of assets **Total other than long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	1006112	GL	31	12	2015	£000	1
					As at end of this financial year	As at end of the previous year	
					1	2	

Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	295009	304734
Admissible assets in excess of market and counterparty limits	92		
Inadmissible assets directly held	93		
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98		
Deferred acquisition costs excluded from line 89	99		
Reinsurers' share of technical provisions excluded from line 89	100		
Other asset adjustments (may be negative)	101		
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	295009	304734

Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		
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Analysis of admissible assets

Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

Category of assets **Total long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	1006112	GL	31	12	2015	£000	10
					As at end of this financial year	As at end of the previous year	
					1	2	
Land and buildings			11				

Investments in group undertakings and participating interests

UK insurance dependants	Shares	21		
	Debts and loans	22		
Other insurance dependants	Shares	23		
	Debts and loans	24		
Non-insurance dependants	Shares	25		
	Debts and loans	26		
Other group undertakings	Shares	27		
	Debts and loans	28		
Participating interests	Shares	29		
	Debts and loans	30		

Other financial investments

Equity shares	41			
Other shares and other variable yield participations	42			
Holdings in collective investment schemes	43			
Rights under derivative contracts	44			
Fixed interest securities	Approved	45	31632	31463
	Other	46		
Variable interest securities	Approved	47		
	Other	48		
Participation in investment pools	49			
Loans secured by mortgages	50			
Loans to public or local authorities and nationalised industries or undertakings	51			
Loans secured by policies of insurance issued by the company	52			
Other loans	53			
Bank and approved credit & financial institution deposits	One month or less withdrawal	54	114564	58780
	More than one month withdrawal	55		
Other financial investments	56			
Deposits with ceding undertakings	57			
Assets held to match linked liabilities	Index linked	58		
	Property linked	59	257139276	260377671

Analysis of admissible assets

Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

Category of assets **Total long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	1006112	GL	31	12	2015	£000	10
					As at end of this financial year	As at end of the previous year	
					1	2	

Reinsurers' share of technical provisions

Provision for unearned premiums	60		
Claims outstanding	61		
Provision for unexpired risks	62		
Other	63		

Debtors and salvage

Direct insurance business	Policyholders	71	97129	40443
	Intermediaries	72		
Salvage and subrogation recoveries		73		
Reinsurance	Accepted	74	570	1263
	Ceded	75		
Dependants	due in 12 months or less	76		
	due in more than 12 months	77		
Other	due in 12 months or less	78	14025	13903
	due in more than 12 months	79		

Other assets

Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81	1857	25477
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		
Accrued interest and rent	84	4	3
Deferred acquisition costs (general business only)	85		
Other prepayments and accrued income	86	102839	91022

Deductions from the aggregate value of assets	87		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	257501897	260640025
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Analysis of admissible assets

Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

Category of assets **Total long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	1006112	GL	31	12	2015	£000	10
					As at end of this financial year	As at end of the previous year	
					1	2	

Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	257501897	260640025
Admissible assets in excess of market and counterparty limits	92		
Inadmissible assets directly held	93		
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98		
Deferred acquisition costs excluded from line 89	99		
Reinsurers' share of technical provisions excluded from line 89	100	697893	319076
Other asset adjustments (may be negative)	101		
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	258199789	260959101

Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		
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Long term insurance business liabilities and marginsName of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**Total business/Sub fund **Total long term business**Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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Mathematical reserves, after distribution of surplus	11	252228995	256309133
Cash bonuses which had not been paid to policyholders prior to end of the financial year	12		
Balance of surplus/(valuation deficit)	13	31632	30000
Long term insurance business fund carried forward (11 to 13)	14	252260627	256339133
Claims outstanding	Gross	15	
	Reinsurers' share	16	
	Net (15-16)	17	
Provisions	Taxation	21	
	Other risks and charges	22	
Deposits received from reinsurers	23		
Creditors	Direct insurance business	31	214629
	Reinsurance accepted	32	1718
	Reinsurance ceded	33	
Debenture loans	Secured	34	
	Unsecured	35	
Amounts owed to credit institutions	36		
Creditors	Taxation	37	9181
	Other	38	5014122
Accruals and deferred income	39	1620	299
Provision for "reasonably foreseeable adverse variations"	41		
Total other insurance and non-insurance liabilities (17 to 41)	49	5241269	4300892
Excess of the value of net admissible assets	51		
Total liabilities and margins	59	257501897	260640025

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	61	97874	53011
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	62	252228995	256309133

Total liabilities (11+12+49)	71	257470265	260610025
Increase to liabilities - DAC related	72		
Reinsurers' share of technical provisions	73	697893	319076
Other adjustments to liabilities (may be negative)	74		
Capital and reserves and fund for future appropriations	75	31632	30000
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (71 to 75)	76	258199789	260959101

Liabilities (other than long term insurance business)Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

	Company registration number	GL/UK/CM	day	month	year	Units	
	R15	1006112	GL	31	12	2015	£000
						As at end of this financial year	As at end of the previous year
						1	2

Technical provisions (gross amount)

Provisions for unearned premiums		11		
Claims outstanding		12		
Provision for unexpired risks		13		
Equalisation provisions	Credit business	14		
	Other than credit business	15		
Other technical provisions		16		
Total gross technical provisions (11 to 16)		19		

Provisions and creditors

Provisions	Taxation	21		(3102)	(4503)
	Other risks and charges	22		15512	22514
Deposits received from reinsurers		31			
Creditors	Direct insurance business	41			
	Reinsurance accepted	42			
	Reinsurance ceded	43			
Debenture loans	Secured	44			
	Unsecured	45			
Amounts owed to credit institutions		46			
Creditors	Taxation	47		671	469
	Foreseeable dividend	48			
	Other	49		40100	56049
Accruals and deferred income		51			
Total (19 to 51)		59		53180	74529
Provision for "reasonably foreseeable adverse variations"		61			
Cumulative preference share capital		62			
Subordinated loan capital		63			
Total (59 to 63)		69		53180	74529

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance		71		40100	56050
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Amounts deducted from technical provisions for discounting		82			
Other adjustments (may be negative)		83		(12409)	(18011)
Capital and reserves		84		254239	248216
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (69-82+83+84)		85		295009	304734

Profit and loss account (non-technical account)Name of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**

		Company registration number	GL/ UK/ CM	day	month	year	Units
	R16	1006112	GL	31	12	2015	£000
				This financial year		Previous year	
				1		2	
Transfer (to)/from the general insurance business technical account	From Form 20		11				
	Equalisation provisions		12				
Transfer from the long term insurance business revenue account			13		146848		157851
Investment income	Income		14		1		2
	Value re-adjustments on investments		15		(165)		295
	Gains on the realisation of investments		16		1225		663
Investment charges	Investment management charges, including interest		17		50		50
	Value re-adjustments on investments		18				
	Loss on the realisation of investments		19				
Allocated investment return transferred to the general insurance business technical account			20				
Other income and charges (particulars to be specified by way of supplementary note)			21		(3)		(5)
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)			29		147856		158756
Tax on profit or loss on ordinary activities			31		202		181
Profit or loss on ordinary activities after tax (29-31)			39		147655		158575
Extraordinary profit or loss (particulars to be specified by way of supplementary note)			41				
Tax on extraordinary profit or loss			42				
Other taxes not shown under the preceding items			43				
Profit or loss for the financial year (39+41-(42+43))			49		147655		158575
Dividends (paid or foreseeable)			51		140000		156000
Profit or loss retained for the financial year (49-51)			59		7655		2575

Long-term insurance business : Revenue account

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Total business / subfund **Total long term business**
 Financial year ended **31 December 2015**
 Units **£000**

Financial year 1	Previous year 2
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Income

Earned premiums	11	35191804	28005550
Investment income receivable before deduction of tax	12	5789032	6177900
Increase (decrease) in the value of non-linked assets brought into account	13	327	
Increase (decrease) in the value of linked assets	14	(1487907)	24745238
Other income	15	341836	314260
Total income	19	39835092	59242948

Expenditure

Claims incurred	21	43473192	49946892
Expenses payable	22	196506	141950
Interest payable before the deduction of tax	23	800	1107
Taxation	24	96251	112175
Other expenditure	25		
Transfer to (from) non technical account	26	146848	157851
Total expenditure	29	43913597	50359975

Business transfers - in	31		
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	(4078506)	8882973
Fund brought forward	49	256339133	247456160
Fund carried forward (39+49)	59	252260627	256339133

Long-term insurance business : Analysis of premiums

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Total business / subfund **Total long term business**
 Financial year ended **31 December 2015**
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

Gross

Regular premiums	11					
Single premiums	12		34892770	684197	35576968	28017623

Reinsurance - external

Regular premiums	13					
Single premiums	14		385164		385164	12073

Reinsurance - intra-group

Regular premiums	15					
Single premiums	16					

Net of reinsurance

Regular premiums	17					
Single premiums	18		34507607	684197	35191804	28005550

Total

Gross	19		34892770	684197	35576968	28017623
Reinsurance	20		385164		385164	12073
Net	21		34507607	684197	35191804	28005550

Long-term insurance business : Analysis of claims

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Total business / subfund **Total long term business**
 Financial year ended **31 December 2015**
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

Gross

Death or disability lump sums	11					
Disability periodic payments	12					
Surrender or partial surrender	13		42590603	917399	43508002	49983881
Annuity payments	14		625		625	719
Lump sums on maturity	15					
Total	16		42591229	917399	43508628	49984600

Reinsurance - external

Death or disability lump sums	21					
Disability periodic payments	22					
Surrender or partial surrender	23		34810		34810	36989
Annuity payments	24					
Lump sums on maturity	25					
Total	26		34810		34810	36989

Reinsurance - intra-group

Death or disability lump sums	31					
Disability periodic payments	32					
Surrender or partial surrender	33					
Annuity payments	34		625		625	719
Lump sums on maturity	35					
Total	36		625		625	719

Net of reinsurance

Death or disability lump sums	41					
Disability periodic payments	42					
Surrender or partial surrender	43		42555793	917399	43473192	49946892
Annuity payments	44					
Lump sums on maturity	45					
Total	46		42555793	917399	43473192	49946892

Long-term insurance business : Analysis of expenses

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Total business / subfund **Total long term business**
 Financial year ended **31 December 2015**
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

Gross

Commission - acquisition	11					
Commission - other	12					
Management - acquisition	13		31784	645	32429	26236
Management - maintenance	14		137978	2801	140779	106531
Management - other	15		23298		23298	9183
Total	16		193060	3446	196506	141950

Reinsurance - external

Commission - acquisition	21				
Commission - other	22				
Management - acquisition	23				
Management - maintenance	24				
Management - other	25				
Total	26				

Reinsurance - intra-group

Commission - acquisition	31				
Commission - other	32				
Management - acquisition	33				
Management - maintenance	34				
Management - other	35				
Total	36				

Net of reinsurance

Commission - acquisition	41					
Commission - other	42					
Management - acquisition	43		31784	645	32429	26236
Management - maintenance	44		137978	2801	140779	106531
Management - other	45		23298		23298	9183
Total	46		193060	3446	196506	141950

Long-term insurance business : Linked funds balance sheet

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Total business
 Financial year ended **31 December 2015**
 Units **£000**

Financial year 1	Previous year 2
---------------------	--------------------

Internal linked funds (excluding cross investment)

Directly held assets (excluding collective investment schemes)	11	233021606	239551721
Directly held assets in collective investment schemes of connected companies	12	20543274	17357618
Directly held assets in other collective investment schemes	13	8408	27274
Total assets (excluding cross investment) (11+12+13)	14	253573287	256936613
Provision for tax on unrealised capital gains	15		
Secured and unsecured loans	16	1489	5460
Other liabilities	17	1342803	622020
Total net assets (14-15-16-17)	18	252228995	256309133

Directly held linked assets

Value of directly held linked assets	21		
--------------------------------------	----	--	--

Total

Value of directly held linked assets and units held (18+21)	31	252228995	256309133
Surplus units	32		
Deficit units	33		
Net unit liability (31-32+33)	34	252228995	256309133

Long-term insurance business : Revenue account for internal linked fundsName of insurer **Legal and General Assurance (Pensions Management) Limited**

Total business

Financial year ended **31 December 2015**Units **£000**

Financial year 1	Previous year 2
---------------------	--------------------

Income

Value of total creation of units	11	35191804	28005550
Investment income attributable to the funds before deduction of tax	12	5786139	6193135
Increase (decrease) in the value of investments in the financial year	13	(1487907)	24752884
Other income	14		
Total income	19	39490035	58951569

Expenditure

Value of total cancellation of units	21	43473192	49948480
Charges for management	22	37070	8698
Charges in respect of tax on investment income	23	59202	109528
Taxation on realised capital gains	24		
Increase (decrease) in amount set aside for tax on capital gains not yet realised	25		
Other expenditure	26	709	1890
Total expenditure	29	43570173	50068596

Increase (decrease) in funds in financial year (19-29)	39	(4080138)	8882973
Internal linked fund brought forward	49	256309133	247426160
Internal linked funds carried forward (39+49)	59	252228995	256309133

Long-term insurance business : Summary of new businessName of insurer **Legal and General Assurance (Pensions Management) Limited**

Total business

Financial year ended **31 December 2015**Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Number of new policyholders/
scheme members for direct insurance business**

Regular premium business	11				
Single premium business	12				
Total	13				

Amount of new regular premiums

Direct insurance business	21				
External reinsurance	22				
Intra-group reinsurance	23				
Total	24				

Amount of new single premiums

Direct insurance business	25		26588365	684197	27272562	23875517
External reinsurance	26		5037443		5037443	2006560
Intra-group reinsurance	27		3261982	4980	3266962	1936075
Total	28		34887790	689177	35576968	27818152

Long-term insurance business : Analysis of new business

Name of insurer

Legal and General Assurance (Pensions Management) Limited

Total business

Financial year ended

31 December 2015

Units

£000

UK Pension / Direct Insurance Business

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
755	Trustee investment plan				2954243
765	Group managed fund				23634122

Long-term insurance business : Analysis of new business

Name of insurer

Legal and General Assurance (Pensions Management) Limited

Total business

Financial year ended

31 December 2015

Units

£000

UK Pension / Reinsurance accepted external

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
755	Trustee investment plan				4994682
765	Group managed fund				42760

Long-term insurance business : Analysis of new business

Name of insurer

Legal and General Assurance (Pensions Management) Limited

Total business

Financial year ended

31 December 2015

Units

£000

UK Pension / Reinsurance accepted intra-group

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
755	Trustee investment plan				3261982

Long-term insurance business : Analysis of new business

Name of insurer

Legal and General Assurance (Pensions Management) Limited

Total business

Financial year ended

31 December 2015

Units

£000

Overseas / Direct Insurance Business

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
765	Group managed fund				684197

Long-term insurance business : Analysis of new business

Name of insurer

Legal and General Assurance (Pensions Management) Limited

Total business

Financial year ended

31 December 2015

Units

£000

Overseas / Reinsurance accepted intra-group

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
755	Trustee investment plan				
765	Group managed fund				4980

Long-term insurance business : Assets not held to match linked liabilities

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Category of assets **10 Total long term insurance business assets**
 Financial year ended **31 December 2015**
 Units **£000**

Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
1	2	3	4	5

Assets backing non-profit liabilities and non-profit capital requirements

Land and buildings	11					
Approved fixed interest securities	12	31632	31632		0.46	
Other fixed interest securities	13					
Variable interest securities	14					
UK listed equity shares	15					
Non-UK listed equity shares	16					
Unlisted equity shares	17					
Other assets	18	330989	330989	1443	0.21	
Total	19	362621	362621	1443	0.23	

Assets backing with-profits liabilities and with-profits capital requirements

Land and buildings	21					
Approved fixed interest securities	22					
Other fixed interest securities	23					
Variable interest securities	24					
UK listed equity shares	25					
Non-UK listed equity shares	26					
Unlisted equity shares	27					
Other assets	28					
Total	29					

Overall return on with-profits assets

Post investment costs but pre-tax	31					
Return allocated to non taxable 'asset shares'	32					
Return allocated to taxable 'asset shares'	33					

Long-term insurance business : Fixed and variable interest assets

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Category of assets **10 Total long term insurance business assets**
 Financial year ended **31 December 2015**
 Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
UK Government approved fixed interest securities	11	31632	0.12	0.46	0.46
Other approved fixed interest securities	21				
Other fixed interest securities					
AAA/Aaa	31				
AA/Aa	32				
A/A	33				
BBB/Baa	34				
BB/Ba	35				
B/B	36				
CCC/Caa	37				
Other (including unrated)	38				
Total other fixed interest securities	39				
Approved variable interest securities	41				
Other variable interest securities	51				
Total (11+21+39+41+51)	61	31632	0.12	0.46	0.46

Long-term insurance business : Summary of mathematical reserves

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Total business / subfund **Total long term business**
 Financial year ended **31 December 2015**
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

Gross

Form 51 - with-profits	11				
Form 51 - non-profit	12		3427	3427	4121
Form 52	13				
Form 53 - linked	14		248926586	3996874	252923461
Form 53 - non-linked	15				
Form 54 - linked	16				
Form 54 - non-linked	17				
Total	18		248930014	3996874	252926888

Reinsurance - external

Form 51 - with-profits	21				
Form 51 - non-profit	22				
Form 52	23				
Form 53 - linked	24		694465	694465	314955
Form 53 - non-linked	25				
Form 54 - linked	26				
Form 54 - non-linked	27				
Total	28		694465	694465	314955

Reinsurance - intra-group

Form 51 - with-profits	31				
Form 51 - non-profit	32		3427	3427	4121
Form 52	33				
Form 53 - linked	34				
Form 53 - non-linked	35				
Form 54 - linked	36				
Form 54 - non-linked	37				
Total	38		3427	3427	4121

Net of reinsurance

Form 51 - with-profits	41				
Form 51 - non-profit	42				
Form 52	43				
Form 53 - linked	44		248232121	3996874	252228995
Form 53 - non-linked	45				
Form 54 - linked	46				
Form 54 - non-linked	47				
Total	48		248232121	3996874	252228995

Long-term insurance business : Unit prices for internal linked funds

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Total business
 Financial year ended **31 December 2015**
 Units **£000**

Fund name 1	Type of fund 2	Net assets 3	Main series 4	Unit management charge 5	Price at previous valuation date 6	Price at current valuation date 7	Change in price during year 8
PMC CASH	24 - group managed fund - other managed fund	1522136207			6.4668	6.4960	0.45
PMC ACTIVE CORP BOND ALL ST FD	24 - group managed fund - other managed fund	6184595427			2.3405	2.3575	0.73
PMC ACTIVE CORP BOND > 10YR FD	24 - group managed fund - other managed fund	3706345157			3.0453	3.0430	(0.07)
PMC HIGH YIELD BOND FUND	24 - group managed fund - other managed fund	414580366			1.7080	1.7151	0.42
PMC PAN EUROPEAN CREDIT FUND	24 - group managed fund - other managed fund	355506149			1.7603	1.7738	0.77
PMC CORE PLUS	24 - group managed fund - other managed fund	994987459			1.9434	1.9636	1.04
PMC LIQUIDITY FUND	24 - group managed fund - other managed fund	2125210445			1.0860	1.0920	0.55
PMC ACTIVE USD CRD ALL STK FD	24 - group managed fund - other managed fund	188984815			1.5352	1.6143	5.15
N AMERICA EQUITY (NET US WHT)	24 - group managed fund - other managed fund	997034411			13.2902	13.9706	5.12
PMC ACTIVE GBP CRDT ALL ST FD	24 - group managed fund - other managed fund	5985854088			2.3437	2.3621	0.78
PMC USD ACT CDT DUR NEUTRAL	24 - group managed fund - other managed fund	193791798			1.2200	1.2777	4.73
PMC ACT GBP CR +10YR FD	24 - group managed fund - other managed fund	3592632982			3.0519	3.0506	(0.04)
US HIGH YIELD BOND	24 - group managed fund - other managed fund	157931951				1.0075	
ACTIVE GBL CORP (GBP HDG) BD F	24 - group managed fund - other managed fund	1347328377			1.1598	1.1744	1.26
DIVERSIFIED FUND	24 - group managed fund - other managed fund	1962114699			1.3099	1.3293	1.48
PRE-RETIREMENT CREDIT ONLY FD	24 - group managed fund - other managed fund	1056389290			1.1563	1.1558	(0.04)
2040 LEVERAGED IND-LK GILT FD	24 - group managed fund - other managed fund	305695273			1.6505	1.5767	(4.47)
HYBRID PROPERTY (70:30)	24 - group managed fund - other managed fund	317792240			1.5316	1.6998	10.98

Long-term insurance business : Unit prices for internal linked funds

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Total business
 Financial year ended **31 December 2015**
 Units **£000**

Fund name 1	Type of fund 2	Net assets 3	Main series 4	Unit management charge 5	Price at previous valuation date 6	Price at current valuation date 7	Change in price during year 8
BUY & MAINTAIN CREDIT (SICAV)	24 - group managed fund - other managed fund	458829572			1.0833	1.0771	(0.57)
PMC LDI ACT CORP BD (2040)	24 - group managed fund - other managed fund	248405788			1.5604	1.4226	(8.83)
BUY & MAINTAIN CREDIT (DIST - SICAV)	24 - group managed fund - other managed fund	168058026			1.0091	1.0035	(0.56)
2037 LEVERAGED INDEXLINKED GILT	24 - group managed fund - other managed fund	136747436			1.1407	1.0449	(8.40)
2068 LEVERAGED GILT FUND	24 - group managed fund - other managed fund	151457215			1.4881	1.5246	2.45
2035 FIXED FUND	24 - group managed fund - other managed fund	128518212			2.4078	2.3539	(2.24)
MATCHING CORE REAL LONG SER 1	24 - group managed fund - other managed fund	167866085			1.0432	1.0279	(1.46)
PMC AAA AA A ALL IDX 2040RPI	24 - group managed fund - other managed fund	140712996			2.1972	2.2586	2.80
2040 REAL FUND	24 - group managed fund - other managed fund	123805771			1.9268	1.7102	(11.24)
2042 LEVERAGED GILT FUND	24 - group managed fund - other managed fund	269919360			2.0054	1.9513	(2.70)
2047 LEVERAGED GILT FUND	24 - group managed fund - other managed fund	152732676			1.8564	1.6892	(9.01)
2049 LEVERAGED GILT FUND	24 - group managed fund - other managed fund	137077461			2.0523	2.0511	(0.06)
2050 LEVERAGED IND-LK GILT FUND	24 - group managed fund - other managed fund	207009555			1.8859	1.7647	(6.43)
2055 LEVERAGED GILT FUND	24 - group managed fund - other managed fund	215143237			1.9204	1.9338	0.70
2055 LEVERAGED IND-LK GILT FUND	24 - group managed fund - other managed fund	295926128			1.9717	2.0830	5.64
2062 LEVERAGED IND-LK GILT FUND	24 - group managed fund - other managed fund	182262080			6.3179	6.3386	0.33
PMC CASH (CHARGES INCLUDED)	24 - group managed fund - other managed fund	331865277			1.1659	1.1839	1.55
LIBOR PLUS	24 - group managed fund - other managed fund	161397728			1.0187	1.0409	2.18

Long-term insurance business : Distribution of surplus

Name of insurer **Legal and General Assurance (Pensions Management) Limited**
 Total business / subfund **Total long term business**
 Financial year ended **31 December 2015**
 Units **£000**

Financial year 1	Previous year 2
---------------------	--------------------

Valuation result

Fund carried forward	11	252260627	256339133
Bonus payments in anticipation of a surplus	12		
Transfer to non-technical account	13	146848	157851
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	252407475	256496984
Mathematical reserves	21	252228995	256309133
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	178480	187851

Composition of surplus

Balance brought forward	31	30000	30000
Transfer from non-technical account	32		
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	148480	157851
Total	39	178480	187851

Distribution of surplus

Bonus paid in anticipation of a surplus	41		
Cash bonuses	42		
Reversionary bonuses	43		
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46		
Net transfer out of fund / part of fund	47	146848	157851
Total distributed surplus (46+47)	48	146848	157851
Surplus carried forward	49	31632	30000
Total (48+49)	59	178480	187851

Percentage of distributed surplus allocated to policyholders

Current year	61		
Current year - 1	62		
Current year - 2	63		
Current year - 3	64		

Long-term insurance capital requirementName of insurer **Legal and General Assurance (Pensions Management) Limited**

Global business

Financial year ended **31 December 2015**Units **£000**

LTICR factor	Gross reserves / capital at risk	Net reserves / capital at risk	Reinsurance factor	LTICR Financial year	LTICR Previous year
1	2	3	4	5	6

Insurance death risk capital component

Life protection reinsurance	11	0.0%				
Classes I (other), II and IX	12	0.1%				
Classes I (other), II and IX	13	0.15%				
Classes I (other), II and IX	14	0.3%				
Classes III, VII and VIII	15	0.3%				
Total	16					

Insurance health risk and life protection reinsurance capital component

Class IV supplementary classes 1 and 2 and life protection reinsurance	21					
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Insurance expense risk capital component

Life protection and permanent health reinsurance	31	0%					
Classes I (other), II and IX	32	1%	3427		0.85	29	35
Classes III, VII and VIII (investment risk)	33	1%	1699	1699	1.00	17	21
Classes III, VII and VIII (expenses fixed 5 yrs +)	34	1%					
Classes III, VII and VIII (other)	35	25%				41019	28929
Class IV (other)	36	1%					
Class V	37	1%					
Class VI	38	1%					
Total	39					41065	28985

Insurance market risk capital component

Life protection and permanent health reinsurance	41	0%					
Classes I (other), II and IX	42	3%	3427		0.85	87	105
Classes III, VII and VIII (investment risk)	43	3%	1699	1699	1.00	51	64
Classes III, VII and VIII (expenses fixed 5 yrs +)	44	0%					
Classes III, VII and VIII (other)	45	0%	252223869	252223869			
Class IV (other)	46	3%					
Class V	47	0%					
Class VI	48	3%					
Total	49		252228995	252225568		138	169

Long term insurance capital requirement	51					41204	29154
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**Returns under the Accounts and Statements Rules
 Supplementary Notes
 Legal and General Assurance (Pensions Management) Limited
 Financial year ended 31 December 2015**

***0301* Reconciliation of Net Admissible Assets to the capital resources shown on Form 3**

	£'000
Form 13, Line 89 (other than long-term)	295,009
Form 13, Line 89 (long-term)	257,501,897
LESS:	
Form 14, Line 11	(252,228,995)
Form 14, Line 49	(5,241,269)
Form 15, Line 69	(53,180)
Core tier one capital (line 39)	<u>273,462</u>
Total capital resources after deductions (line 79)	<u>273,462</u>

***0310* Net valuation differences**

In accordance with GENPRU 1.3.9R(2) this relates to the firms' share of the group pension deficit reduction amount (net of tax)

***0313* Reconciliation of Profit and Loss account and other reserves Form 3 line 12 to the profit and loss retained Form 16 line 59**

	£'000
Form 3, Line 12, (Profit and Loss account and other reserves 2015)	285,771
Form 3, Line 12, (Profit and Loss account and other reserves 2014)	(278,116)
Form 16, Line 59 (Profit and Loss retained for the financial year)	<u>7,655</u>

***1301* OLTB: Aggregate Value of Certain Investments**

The Company has no assets of the types specified in instruction 5 to Form 13.

***1302* OLTB: Hybrid Securities**

The Company has no hybrid securities.

***1303* OLTB: Salvage or Subrogation Recoveries**

The Company has not included any salvage or subrogation recoveries in Form 13.

**Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015**

***1304* OLTB: Set Off**

In accordance with paragraph 8 of Appendix 9.1, amounts shown in Forms 13 and 15 have been calculated by netting amounts to the extent permitted by generally accepted accounting principles.

***1305* OLTB: Counterparty Limits**

- (a) The Investment Manager is assigned diversification limits to manage shareholder exposures to external counterparties. The diversification policy is set by the Counterparty Credit Committee on behalf of the Risk Compliance Committee and the Company's Board of Directors. Diversification limits are subject to the Investment Manager's independent portfolio monitoring and breach reporting processes.
- (b) These limits were not exceeded during the financial year.

***1307* OLTB: Secured Obligations**

The Company has no OLTB rights to which paragraph 14 of Part I of Appendix 4.2 applies. For the Company's secured LTB rights, see Note 1313 below.

***1308* LTB: Aggregate Value of Certain Investments**

The Company has no assets of the types specified in instruction 5 to Form 13.

***1309* LTB: Hybrid Securities**

The Company has no hybrid securities.

***1310* LTB: Set Off**

In accordance with paragraph 8 of Appendix 9.1, amounts shown in Forms 13 and 15 have been calculated by netting amounts to the extent permitted by generally accepted accounting principles.

The amount in line 78 relates to segregated clients.

***1312* LTB: Counterparty Limits**

The non-linked assets held within the long-term insurance fund are treated as shareholders' funds for this purpose (see Note 1305).

**Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015**

***1313* LTB: Secured Obligations**

The Company has rights to which paragraph 14 of Part I of Appendix 4.2 applies under its reinsurance treaty with Swiss Re Europe S.A (see section 9 of the Abstract of the Valuation Report prepared by the Actuarial Function Head). The potential value of these rights at the Valuation Date was equal to the deduction for Reinsurance Ceded shown on Form 53.

***1401* LTB: Provision for Adverse Changes**

The Company has no obligations to which rule INSPRU 3.2 applies. Accordingly there is no method used to determine any provision for adverse changes.

***1402* LTB: Details of Charges over Assets, Contingent Liabilities etc.**

- (i) No charge has been made on the assets of the Company to secure the liabilities of any other person.
- (ii) Generally the fund has no liability to tax on capital gains that might arise if the Company disposed of its assets.
- (iii) Provision for the liabilities arising under contracts with policyholders is based on certain assumptions. The variance of actual experience from that assumed may result in such liabilities differing from the provisions made for them. Liabilities may also arise in respect of claims relating to the interpretation of such contracts, or the circumstances in which policyholders have entered into them. In addition, the extent of liabilities in respect of contracts with policyholders may be affected by Court judgments, Ombudsman rulings, regulatory action and industry compensation schemes. Whilst it is not possible to predict with certainty the resultant financial impact or timing of all these factors, the Company considers that provisions have been made on a prudent basis and that it has adequate capital and reserves to meet all reasonably foreseeable eventualities.
- (iv) There are no guarantees, indemnities or other contractual commitments other than in the ordinary course of insurance business in respect of the existing or future liabilities of any related Company.
- (v) There is no other fundamental uncertainty.

***1501* OLTB: Provision for Adverse Changes**

The Company has no obligations to which rule INSPRU 3.2 applies. Accordingly there is no method used to determine any provision for adverse changes.

Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015

***1502* OLTB: Details of Charges over Assets, Contingent Liabilities etc.**

- (i) No charge has been made on the assets of the Company to secure the liabilities of any other person.
- (ii) There is no liability to tax on capital gains that might arise if the Company disposed of its assets.
- (iii) Provision for the liabilities arising under contracts with policyholders is based on certain assumptions. The variance of actual experience from that assumed may result in such liabilities differing from the provisions made for them. Liabilities may also arise in respect of claims relating to the interpretation of such contracts, or the circumstances in which policyholders have entered into them. In addition, the extent of liabilities in respect of contracts with policyholders may be affected by Court judgements, Ombudsman rulings, regulatory action and industry compensation schemes. Whilst it is not possible to predict with certainty the resultant financial impact or timing of all these factors, the Company considers that provisions have been made on a prudent basis and that it has adequate capital and reserves to meet all reasonably foreseeable eventualities.
- (iv) There are no guarantees, indemnities or other contractual commitments other than in the ordinary course of insurance business in respect of the existing or future liabilities of any related Company.
- (v) There is no other fundamental uncertainty.

***1507* Net valuation differences**

In accordance with GENPRU 1.3.9R(2) this relates to the firm's share of the group pension deficit reduction amount (net of tax).

***1601* Basis of Conversion of Foreign Currency**

Assets, liabilities and revenue transactions in foreign currencies are translated to sterling at rates of exchange ruling at the end of the period other than certain revenue transactions which are translated to sterling at the appropriate rates prevailing during the period.

***1603* Other Income and Charges**

Other charges consist of custody charges for OLTB assets.

***1700* Omission of Form**

Form omitted as all entries (including comparatives) would be blank.

Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015

***4002* Other Income and Expenditure**

Other income consists of: -

	£'000	£'000
	2015	2014
Investment management fees for pension fund management contracts	341,730	314,566
Specific charges to clients on asset allocation, subsidies, ex-gratia payments, service charges and stock reservation recoveries	476	196
Interest claims	(370)	(502)
	341,836	314,260
	341,836	314,260

***4006* Allocation of Income, Appreciation/Depreciation, Expenses and Taxation**

As there is only one long-term insurance fund all investment income, increase or decrease in the value of the assets brought into account, expenses and taxation is directly allocated to the fund.

***4008* Provision of Management Services to or by the Company**

- (a) Legal & General Investment Management (Holdings) Limited (“LGIM(H)”) provides, either directly or indirectly, administration services to the Company.
- (b) Legal & General Investment Management Limited, a wholly owned subsidiary of LGIM(H), provides investment management services to the Company.
- (c) Legal & General Investment Management Corporate Director Limited, a wholly owned subsidiary of LGIM(H), provides management services to the Company.

***4009* Material Connected Party Transactions**

Names of transacting parties	Legal & General Investment Management (Holdings) Limited
Relationship between transacting parties	Parent
Description of transaction	Administration services
Amounts involved £'000	69,702
Other relevant elements of the transaction	None
Amounts written off in respect of debts due to/from connected parties	None

Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015

Names of transacting parties	Legal & General Investment Management Limited
Relationship between transacting parties	Fellow subsidiary undertakings
Description of transaction	Investment management services
Amounts involved £'000	88,810
Other relevant elements of the transaction	None
Amounts written off in respect of debts due to/from connected parties	None
Names of transacting parties	LGIM Corporate Director Limited
Relationship between transacting parties	Fellow subsidiary undertakings
Description of transaction	Management services
Amounts involved £'000	13,816
Other relevant elements of the transaction	None
Amounts written off in respect of debts due to/from connected parties	None
Names of transacting parties	Legal & General Assurance Society
Relationship between transacting parties	Fellow subsidiary undertakings
Description of transaction	Fund management fees receivable
Amounts involved £'000	9,896
Other relevant elements of the transaction	None
Amounts written off in respect of debts due to/from connected parties	None

***4401* Basis of Valuation of Assets**

The long-term insurance business assets have been valued at bid or single price of the underlying securities.

Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015

***4402* Rights under Derivative Contracts**

Rights under derivative contracts are held as assets by the internal linked funds as follows:

	£'000
APAD: Infrastructure Equity MFG	18
APAE: Infrastrct Eqty MFG - GBPHgd	8,358
APAF: Asia Pac(exJp)Dev RealEstEqInd	3
APAM: RusFundmntl Glbl Lrg CoIndx	10
APAN: Russ Glbl Lge Cap Def Index	14
APAS: Glo Real Est Equ Ind - GBP Hgd	844
APAT: Infrastructure Eq MFG Net WHT	0
APAU: Infra Eqty MFG NetWHT-GBP Hgd	29
APAV: Glo Real Estate Eq Net WHT Ind	0
APAW: Glo Real Est Eq NetWHT-GBP Hgd	24
B: UK Fixed Interest - All Stocks	20
BC: GEM Stock Fund	735
CCAH: GBP Corp Pass 6A Fund EUR Hdg	4
CFAB: USD Corp Pass 6A Fund EUR Hdg	107
CG: >5Yr US Inflation-Linked Index	7
CS: Eurozone Equity Index (NetWHT)	28
CSAG: Active Global Corp Bond GBPHgd	2
DD: Eur exUK & Eurozone Ind NetWHT	0
DJ: Americas/Africa Adv Emerging	5
DX: UK Fixed Interest - Over 15 Yr	14
EC: Japan Equity Index-GBP Hedged	59,216
ED: Europe (ex UK) Index-GBP Hdgd	36,941
EE: N America Eq Index-GBP Hedged	115,942
EF: A/Pac exJap Dev Index-GBP Hdgd	27,923
EPAA: Europe (exUK) Equ (NetWHT) Ind	9
EPAB: Europe(exUK) NetWHT Ind GBPHgd	76
EPAD: Eur exUK&Eurozone EqNtWH EuHgd	93
EW: N America Net US WHT Euro Hed	10,570
EX: Japan Eq Net WHT Ind-Euro Hedg	462
FA: Overseas Bond Index-GBP Hedged	8,715
FG: UK World Eq IndEuro Hgd NetWHT	1,969
G: Index-Linked Bond	22
GC: N America Net US WHT GBP Hedg	139
GPAB: MSCI Value Weighted Dev Ind	0
GPAB: MSCI Value Weighted Dev Ind	0
GPAC: MSCI Val Weight Dev Ind-GBPHgd	373
GPAE: FTSE-RAFI Dev 1000 Equity Fund	5
GPAH: FTSE RAFI AW 3000 GBP Hedged	4,744
GPAS: FTSE RAFI AW 3000 (NetWHT) Ind	-

**Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015**

GPBA: FTSE RAFI AW3k Dev Eq Ind DesE	1
GPBB: Ethical Global Eqty Ind-GBPHgd	251
GPBK: MSCI Wrld Mini Volatility Indx	13
GPBL: FTSE World Dev ex Tobacco Indx	2
GPBM: FTSEWoDev exTobacco IndxGBPHdg	630
GPBN: Client Specific Unitised 35759	1
GPBP: FTSE GlobalDvlpd Small CapIndx	15
GPBR: FTSE RAFI AW3000 NWInd GBPHgd	32
GPBW: FTSE RAFI All World Low Vol In	39
GW: N America Equity (Net US WHT)	2
HN: World Emerging Markets Equ Ind	1,245
HP: UK FTSE 100 Equity Index	244
JR: Ethical US Equity Index Fund	0
JT: Ethical US Equ Net US WHT Ind	0
JV: Ethical Global Equ ex US Ind	1
KN: Japan Equity (Net WHT) Index	0
KR: Japan Eq Net WHT Ind-GBP Hedge	62
KT: High Yield Bond	458
LG: Client Specific Unitised 34447	35,971
LK: Client Specific Unitised 35032	3,402,196
LR: Client Specific Unitised 35113	357,808
LV: Client Specific Unitised 35112	935,176
MAAD: Overlay DynamicDiversified	1,496
MAAL: EuroDynamicDiversifiedOverlay	262
MAAP: Ret IncMultiAsset Overlay	15
MC: Global Lst Private Eq Pas Fund	0
MD: Global Real Estate Equity Ind	27
N: UK Equity Index	5,798
NB: LDI 6A Cor Bond Int Rate Hdgd	360
NC: LDI Act Cor Bond Int Rate Hdgd	2,095
PPAA: AsiaPac exJpDv EqtyIndx EURHgd	792
PT: World Equity Index (MSCI)	19
PV: World Eqty Ind (MSCI)-GBP Hdgd	2,289
R: Japan Equity Index	26
S: North America Equity Index	0
STAC: CSUF 32705 - Emerging Mkts	45
T: Europe (ex UK) Equity Index	993
TE: Act GBP Collateralized & Corps	67
TLAH: CSUF 35112 Global Credit	61
TLAJ: CSUF 35113 Global Credit	34
TLAR: Client Specific Unitised 31783	90,733

Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015

TLAS: Client Specific Unitised 31495	21,981
TLAT: Client Specific Unitised 31181	47,946
TR: Mid East/Afr Dev Equ-GBP Hdg	108
TSBD: CSUF - 32705 High Div	8
TSCS: Client Specific Unitised 34883	96
TSDE: CSUF 31847 - FTSE4Good Global	0
TSDF: CSUF32705 MSCI ACWI MomentumEM	224
TSDG: CSUF32705 MSCI ACWIMomentumDEV	39
TSDJ: CSUF 35759	1,235
UPAB: UK FTSE 250 Index Fund	13
VA: EUR Corp Pass 6A Fund GBP Hdg	487
VB: CSUF 35032 Global Credit	210
VF: USD Corp Pass 6A Fund GBP Hdg	3,414
W: Asia Pac exJap Dev Eqty Index	518
WJ: Act USD Dur Neutral Long Dated	15
WS: Active GBP Credit All Stocks	1,475
WT: Act GBP Credit Over 10 Yr Fund	195
XG: USDAct Credit Duration Neutral	209
XJ: A/Pac exJap&Kor Dev Equity Ind	2
XP: Client Specific Unitised 31421	1,618
XPAA: FTSE-RAFI Emerging Markets Equ	0
XPAB: EM Passive Local Ccy Govt Bond	4
XPAC: EM Passive USD Gov Bond GBPHgd	593
YAAG: Sterling Liquidity Euro Hedged	480
YX: FTSE RAFI AW 3000 Eq Ind	288
	5,197,839

Liabilities in relation to derivative contracts are held by the internal linked funds as follows:

	£'000
AG: Overseas Bond Index	(1)
APAD: Infrastructure Equity MFG	-
APAE: Infrastrct Eqty MFG - GBPHgd	(43,796)
APAF: Asia Pac(exJp)Dev RealEstEqInd	(5)
APAM: RusFundmntl Glbl Lrg CoIndx	-
APAS: Glo Real Est Equ Ind - GBP Hgd	(5,777)
APAU: Infra Eqty MFG NetWHT-GBP Hgd	(158)
APAV: Glo Real Estate Eq Net WHT Ind	-
APAW: Glo Real Est Eq NetWHT-GBP Hgd	(170)

Returns under the Accounts and Statements Rules
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Legal and General Assurance (Pensions Management) Limited
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B: UK Fixed Interest - All Stocks	(53)
BC: GEM Stock Fund	(1)
BJ: Active Corp Bond - Over 10 Yr	(4,858)
CCAH: GBP Corp Pass 6A Fund EUR Hdg	-
CFAB: USD Corp Pass 6A Fund EUR Hdg	(31)
CS: Eurozone Equity Index (NetWHT)	(3)
CSAG: Active Global Corp Bond GBPHgd	(293)
DC: Active Corp Bond - All Stocks	(10,792)
DD: Eur exUK & Eurozone Ind NetWHT	(1)
DJ: Americas/Africa Adv Emerging	(16)
DX: UK Fixed Interest - Over 15 Yr	(35)
EC: Japan Equity Index-GBP Hedged	(193,202)
ED: Europe (ex UK) Index-GBP Hdgd	(288,689)
EE: N America Eq Index-GBP Hedged	(350,832)
EF: A/Pac exJap Dev Index-GBP Hdgd	(71,467)
EPAA: Europe (exUK) Equ (NetWHT) Ind	(5)
EPAB: Europe(exUK) NetWHT Ind GBPHgd	(1,209)
EPAD: Eur exUK&Eurozone EqNtWH EuHgd	(84)
EW: N America Net US WHT Euro Hed	(2,352)
EX: Japan Eq Net WHT Ind-Euro Hedg	(382)
FA: Overseas Bond Index-GBP Hedged	(68,433)
FG: UK World Eq IndEuro Hgd NetWHT	(121)
G: Index-Linked Bond	(73)
GC: N America Net US WHT GBP Hedg	(783)
GPAB: MSCI Value Weighted Dev Ind	(1)
GPAC: MSCI Val Weight Dev Ind-GBPHgd	(2,700)
GPAE: FTSE-RAFI Dev 1000 Equity Fund	(9)
GPAH: FTSE RAFI AW 3000 GBP Hedged	(31,582)
GPAS: FTSE RAFI AW 3000 (NetWHT) Ind	(3)
GPAW: FTSE RAFI AW3000 DevEur (exUK)	(2)
GPAX: FTSE RAFI AW3000 N America	(1)
GPBA: FTSE RAFI AW3k Dev Eq Ind DesE	(2)
GPBB: Ethical Global Eqty Ind-GBPHgd	(1,951)
GPBD: CSUF - 32705 Developed Markets	(14)
GPBK: MSCI Wrlld Mini Volatility Indx	(14)
GPBL: FTSE World Dev ex Tobacco Indx	(7)
GPBM: FTSEWoDev exTobacco IndxGBPHgd	(4,398)
GPBN: Client Specific Unitised 35759	(7)
GPBP: FTSE GlobalDvlpd Small CapIndx	(0)
GPBR: FTSE RAFI AW3000 NWInd GBPHgd	(228)
GPBV: MSCI World Min Vol Net WHT Ind	-
GPBW: FTSE RAFI All World Low Vol In	-
HN: World Emerging Markets Equ Ind	(286)
HS: Middle East/Africa Dev Equ Ind	(1)

Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015

JR: Ethical US Equity Index Fund	-
JT: Ethical US Equ Net US WHT Ind	-
JV: Ethical Global Equ ex US Ind	-
KR: Japan Eq Net WHT Ind-GBP Hedge	(617)
KT: High Yield Bond	(10,368)
KV: Asia Pacific Adv Em Equ Ind	(1)
LK: Client Specific Unitised 35032	(2,374,971)
LR: Client Specific Unitised 35113	(313,286)
LV: Client Specific Unitised 35112	(567,724)
MAAD: Overlay DynamicDiversified	(1,163)
MAAL: EuroDynamicDiversifiedOverlay	(113)
MAAP: Ret IncMultiAsset Overlay	(45)
MB: Infrastct Equity Macquarie Idx	(21)
MC: Global Lst Private Eq Pas Fund	(5)
MD: Global Real Estate Equity Ind	(23)
NPAA: US Real Estate Equity Index	-
PPAA: AsiaPac exJpDv EqtyIndx EURHgd	(171)
PT: World Equity Index (MSCI)	(16)
PV: World Eqty Ind (MSCI)-GBP Hdgd	(15,653)
R: Japan Equity Index	(170)
S: North America Equity Index	(440)
T: Europe (ex UK) Equity Index	(279)
TE: Act GBP Collateralized & Corps	(148)
TLAH: CSUF 35112 Global Credit	(20,441)
TLAJ: CSUF 35113 Global Credit	(11,458)
TLAR: Client Specific Unitised 31783	(24,414)
TLAS: Client Specific Unitised 31495	(5,626)
TLAT: Client Specific Unitised 31181	(10,970)
TR: Mid East/Afr Dev Equ-GBP Hdgd	(894)
TS: EUR Corp Fin Pass 6A Fund	-
TSBD: CSUF - 32705 High Div	(12)
TSCA: Client Specific Unitised 31847	(5)
TSCS: Client Specific Unitised 34883	(1)
TSDE: CSUF 31847 - FTSE4Good Global	(2)
TSDJ: CSUF 35759	(9,065)
TT: EUR Corp Ex Fin Pass 6A Fund	-
VA: EUR Corp Pass 6A Fund GBP Hdg	(10,646)
VB: CSUF 35032 Global Credit	(70,180)
VF: USD Corp Pass 6A Fund GBP Hdg	(19,652)
W: Asia Pac exJap Dev Eqty Index	(709)
WJ: Act USD Dur Neutral Long Dated	(260)
WS: Active GBP Credit All Stocks	(4,164)
WT: Act GBP Credit Over 10 Yr Fund	(3,195)
XG: USDAct Credit Duration Neutral	(182)

Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015

XJ: A/Pac exJap&Kor Dev Equity Ind	(4)
XP: Client Specific Unitised 31421	(1,006)
XPAA: FTSE-RAFI Emerging Markets Equ	(19)
XPAB: EM Passive Local Ccy Govt Bond	(2)
XPAC: EM Passive USD Gov Bond GBPHgd	(3,414)
YAAG: Sterling Liquidity Euro Hedged	(1)
YX: FTSE RAFI AW 3000 Eq Ind	(320)
	<u>(4,566,686)</u>

Rights under contracts which have the effect of derivative contracts are held as assets by the internal linked funds as follows:

	£'000
W: Asia Pacific ex Japan Dev Equity Index	2
BC: Asia Emerging Markets Equity Index Fund	729
HN: World Emerging Markets Equity Index	191
MD: Global Real Estate Equity Index	24
PT: World Equity Index (MSCI)	1
PT: World Equity Index (MSCI)	1
GPAA: FSTE - RAFI Dev 1000 Equity Fund	1
GPBD: FTSE RAFI AW 3000 Dev Equity Ind Des	1
TSBD: Client Specific Unitised	2
	<u>952</u>

***4502* Other Income and Expenditure**

Other expenditure consists of: -

	£'000
Interest expense	709
	<u>709</u>

***4701* Analysis of New Business**

All business is regarded as recurrent single premium business. The number of new policyholders/scheme members is zero as the benefits at member level is unknown. The number of new group schemes by product code is 240.

***4801* Asset mix**

The Company has only one fund to which assets covering long-term insurance business liabilities are appropriated.

**Returns under the Accounts and Statements Rules
Supplementary Notes
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015**

***5200* Omission of Form**

Form omitted as all entries (including comparatives) would be blank.

***5400* Omission of Form**

Form omitted as all entries (including comparatives) would be blank.

***5600* Omission of Form**

Form omitted as all entries (including comparatives) would be blank.

***5700* Omission of Form**

A total Form 57 has been omitted, as it would be the same as the underlying Form 57.

***5900* Omission of Form**

Form omitted as all entries (including comparatives) would be blank.

***5900* Omission of Form**

Form omitted as all entries (including comparatives) would be blank.

Return under the Accounts and Statements Rules
Statements required by the Rules
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015

Rule 9.29: Additional information on derivative contracts

- a) Investment objectives and guidelines are set for each fund. These reflect the specific objectives of the fund in terms of its asset structure, permitted holdings and performance targets. Compliance with the rules and Guidance in respect of the derivatives is taken fully into account during drafting. The overriding principles are to have adequate controls in place to ensure long term funds are not exposed excessively to risks related to derivative contracts. Specific guidelines are set and these are summarised below:
- (i) The use of derivatives must be appropriately justified as efficient portfolio management or as a reduction of investment risks.
 - (ii) Adequate cover must be maintained to enable obligations to be met and rights to be exercised.
 - (iii) Regular monitoring should be performed in order to determine aggregate exposure to each asset and counterparty exposure (for which a limit is set).
 - (iv) Monitoring and valuation procedures must enable the external reporting on derivative contracts to be completed satisfactorily.
 - (v) Derivatives must be based on assets which are themselves admissible or based on an index of such assets or based on an official index of retail prices.
 - (vi) Derivatives transactions should only be undertaken in the full knowledge of their treatment for tax purposes to ensure that such transactions are financially appropriate.
- b) The investment objectives and guidelines do not specifically refer to derivative contracts as referred to in sub-paragraph (b) of the rule.
- c) The Company has not been party to any derivative contract during the financial year of the kind described in sub-paragraph (b) of the rule.
- d) There were no circumstances surrounding the use, during the year, of any derivative or quasi derivative which required a significant provision under INSPRU 3.2.17R or that did not fall under the definition of a permitted derivatives contract under the permitted link rules.
- e) No considerations were received by the firm during the year for granting rights under derivatives or quasi derivatives. (The company received £534,102 of underwriting commission).

**Return under the Accounts and Statements Rules
Statements required by the Rules
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015**

Rule 9.30: Additional information on controllers

Legal & General Group Plc ("the Group") was, throughout the year, a shareholder controller of the Company. The Group holds all the ordinary share capital and voting rights in Legal & General Investment Management (Holdings) Limited, which holds all the share capital and voting rights in the Company.

Returns under the Accounts and Statements Rules (IPRU (INS))
Appendix 9.4 (Rule 9.31):
Legal and General Assurance (Pensions Management) Limited
Abstract of the Valuation Report
Financial year ended 31 December 2015

1. Introduction
 - 1.(1) The date to which this investigation relates, namely the valuation date, is 31 December 2015.
 - 1.(2) The date of the previous investigation under rule 9.4 was 31 December 2014.
 - 1.(3) There have been no valuations (for the purposes of rule 9.4) since the previous investigation.
2. Product range
 - 2.(1) The pooled fund contract provides for investment of the assets of defined benefit and defined contribution pension schemes into linked funds. The name of the fund section generally indicates the nature of the underlying assets.
 - 2.(2) 240 new sections were created in 2015. These are listed and include the internal reference code.

2015 Opened Funds (Code Name)

1.	BSAB	2017 Gilt Fund
2.	BSAC	2018 Gilt Fund
3.	BSAD	2019 Gilt Fund (Mar)
4.	BSAE	2019 Gilt Fund (Sept)
5.	LSAE	2019 Index-Linked Gilt
6.	BSAF	2020 Gilt Fund
7.	BSAH	2022 Gilt Fund (Mar)
8.	BSAJ	2022 Gilt Fund (Sept)
9.	BSAG	2023 Gilt Fund
10.	BSAK	2024 Gilt Fund
11.	LSAF	2024 Index-Linked Gilt
12.	FABW	2024 leveraged Ind Linked Gilt
13.	RAAD	2025 Inflation Fund
14.	BSAL	2027 Gilt
15.	BSAM	2034 Gilt
16.	FABX	2034 Leveraged Ind Linked Gilt
17.	FAAY	2042Leveraged IndexLinked Gilt
18.	FABV	2045 Leveraged Gilt Fund
19.	FAAR	2060 Leveraged Gilt Fund
20.	FABM	2068Leveraged IndexLinked Gilt
21.	TWAA	Diversified(inc chgs) Series 1
22.	XPAG	EM Pass USDGov Bond GBPHgd chg
23.	XPAF	EM Passive Lc Ccy Gov Bond chg
24.	MAAR	Euro Diversified Fund
25.	BFAL	Eurozone Gov Bond <5Y Ind
26.	BFAN	Eurozone Gov Bond 10-15Y Ind
27.	BFAM	Eurozone Gov Bond 5-10Y Ind
28.	LFAC	FRA/GER>5Yr InflationLink Indx

Returns under the Accounts and Statements Rules (IPRU (INS))
Appendix 9.4 (Rule 9.31):
Legal and General Assurance (Pensions Management) Limited
Abstract of the Valuation Report
Financial year ended 31 December 2015

29.	GPBP	FTSE GlobalDvlpd Small CapIndx
30.	GPBW	FTSE RAFI All World Low Vol In
31.	GPBR	FTSE RAFI AW3000 NWInd GBPHgd
32.	CCAH	GBP Corp Pass 6A Fund EUR Hdg
33.	APAW	Glo Real Est Eq NetWHT-GBP Hgd
34.	APAV	Glo Real Estate Eq Net WHT Ind
35.	AABF	Global High Yield Bond
36.	AABG	High Yield Bond - EM
37.	APAU	Infra Eqty MFG NetWHT-GBP Hgd
38.	APAT	Infrastructure Eq MFG Net WHT
39.	FABR	Matching Core Fix Long Ser 1
40.	FABP	Matching Core Fix Short Ser 1
41.	FABS	Matching Core Real Short Ser 1
42.	GPBT	MSCI World Low Carbon Target
43.	GPBV	MSCI World Min Vol Net WHT Ind
44.	GPBU	MSCI Wrld Low Carbon Trgt DesE
45.	CYAK	PreRetire Inflation Linkd chgs
46.	MAAV	Ret Income Multi Asset (chgs)
47.	FABU	Synthetic Leveraged Credit
48.	LUAH	Under 15Yr I-L Gilts Ind(chgs)
49.	AABE	US High Yield Bond
50.	CFAB	USD Corp Pass 6A Fund EUR Hdg
51.	GPBS	World Eqty NetWHT-GBP Curr Hgd
52.	TLBC	Client Specific Unitised Fund
53.	TLBG	Client Specific Unitised Fund
54.	TSCT	Client Specific Unitised Fund
55.	TSCU	Client Specific Unitised Fund
56.	TSDD	Client Specific Unitised Fund
57.	TLBD	Client Specific Unitised Fund
58.	TSCY	Client Specific Unitised Fund
59.	TSCS	Client Specific Unitised Fund
60.	TSCX	Client Specific Unitised Fund
61.	TSCW	Client Specific Unitised Fund
62.	TSBZ	Client Specific Unitised Fund
63.	TLAZ	Client Specific Unitised Fund
64.	TSCP	Client Specific Unitised Fund
65.	TSCR	Client Specific Unitised Fund
66.	STAJ	Client Specific Unitised Fund
67.	TSDE	Client Specific Unitised Fund
68.	STAC	Client Specific Unitised Fund
69.	TSDH	Client Specific Unitised Fund

Returns under the Accounts and Statements Rules (IPRU (INS))
Appendix 9.4 (Rule 9.31):
Legal and General Assurance (Pensions Management) Limited
Abstract of the Valuation Report
Financial year ended 31 December 2015

70.	TSDJ	Client Specific Unitised Fund
71.	TSCB	Client Specific Unitised Fund
72.	TSCC	Client Specific Unitised Fund
73.	TSCD	Client Specific Unitised Fund
74.	STAG	Client Specific Unitised Fund
75.	STAN	Client Specific Unitised Fund
76.	STAF	Client Specific Unitised Fund
77.	STAD	Client Specific Unitised Fund
78.	STAE	Client Specific Unitised Fund
79.	TSDF	Client Specific Unitised Fund
80.	TSDG	Client Specific Unitised Fund
81.	DABP	DC investment only fund
82.	DACE	DC investment only fund
83.	DABN	DC investment only fund
84.	DACD	DC investment only fund
85.	DABM	DC investment only fund
86.	DABR	DC investment only fund
87.	DABS	DC investment only fund
88.	DABJ	DC investment only fund
89.	DAHV	DC investment only fund
90.	DABH	DC investment only fund
91.	DABL	DC investment only fund
92.	DABK	DC investment only fund
93.	DAGF	DC investment only fund
94.	DAGJ	DC investment only fund
95.	DAGH	DC investment only fund
96.	DAGL	DC investment only fund
97.	DAGB	DC investment only fund
98.	DAGG	DC investment only fund
99.	DAGD	DC investment only fund
100.	DAGE	DC investment only fund
101.	DAGC	DC investment only fund
102.	DAGA	DC investment only fund
103.	DAGK	DC investment only fund
104.	DADN	DC investment only fund
105.	DADR	DC investment only fund
106.	DADT	DC investment only fund
107.	DADL	DC investment only fund
108.	DADJ	DC investment only fund
109.	DADS	DC investment only fund
110.	DADK	DC investment only fund

Returns under the Accounts and Statements Rules (IPRU (INS))
Appendix 9.4 (Rule 9.31):
Legal and General Assurance (Pensions Management) Limited
Abstract of the Valuation Report
Financial year ended 31 December 2015

111.	DADP	DC investment only fund
112.	DADG	DC investment only fund
113.	DADM	DC investment only fund
114.	DADH	DC investment only fund
115.	DACF	DC investment only fund
116.	DACT	DC investment only fund
117.	DACS	DC investment only fund
118.	DACJ	DC investment only fund
119.	DACH	DC investment only fund
120.	DACN	DC investment only fund
121.	DACM	DC investment only fund
122.	DACP	DC investment only fund
123.	DACV	DC investment only fund
124.	DACW	DC investment only fund
125.	DACG	DC investment only fund
126.	DACU	DC investment only fund
127.	DACL	DC investment only fund
128.	DACK	DC investment only fund
129.	DACR	DC investment only fund
130.	DABF	DC investment only fund
131.	DAAY	DC investment only fund
132.	DABC	DC investment only fund
133.	DAAW	DC investment only fund
134.	DABA	DC investment only fund
135.	DAAU	DC investment only fund
136.	DAGX	DC investment only fund
137.	DAGS	DC investment only fund
138.	DAHB	DC investment only fund
139.	DAGN	DC investment only fund
140.	DAGW	DC investment only fund
141.	DAHC	DC investment only fund
142.	DAGU	DC investment only fund
143.	DAHA	DC investment only fund
144.	DAGR	DC investment only fund
145.	DAGV	DC investment only fund
146.	DAGY	DC investment only fund
147.	DAGZ	DC investment only fund
148.	DAGP	DC investment only fund
149.	DAJJ	DC investment only fund
150.	DAEL	DC investment only fund
151.	DAEK	DC investment only fund

Returns under the Accounts and Statements Rules (IPRU (INS))
Appendix 9.4 (Rule 9.31):
Legal and General Assurance (Pensions Management) Limited
Abstract of the Valuation Report
Financial year ended 31 December 2015

152.	DAEJ	DC investment only fund
153.	DAFY	DC investment only fund
154.	DAFZ	DC investment only fund
155.	DAFV	DC investment only fund
156.	DAFU	DC investment only fund
157.	DAFS	DC investment only fund
158.	DAFW	DC investment only fund
159.	DAFR	DC investment only fund
160.	DAFP	DC investment only fund
161.	DAFX	DC investment only fund
162.	DAHE	DC investment only fund
163.	DAHf	DC investment only fund
164.	DAJR	DC investment only fund
165.	DAJS	DC investment only fund
166.	DAJT	DC investment only fund
167.	DAJP	DC investment only fund
168.	DAEF	DC investment only fund
169.	DACX	DC investment only fund
170.	DACY	DC investment only fund
171.	DADA	DC investment only fund
172.	DADB	DC investment only fund
173.	DADC	DC investment only fund
174.	DACZ	DC investment only fund
175.	DADD	DC investment only fund
176.	DADE	DC investment only fund
177.	DADF	DC investment only fund
178.	DAHP	DC investment only fund
179.	DAHK	DC investment only fund
180.	DAHL	DC investment only fund
181.	DAHU	DC investment only fund
182.	DAHJ	DC investment only fund
183.	DAHT	DC investment only fund
184.	DAHH	DC investment only fund
185.	DAHM	DC investment only fund
186.	DAHS	DC investment only fund
187.	DAHG	DC investment only fund
188.	DAHR	DC investment only fund
189.	DAHn	DC investment only fund
190.	DAER	DC investment only fund
191.	DMBV	DC investment only fund
192.	DAEV	DC investment only fund

Returns under the Accounts and Statements Rules (IPRU (INS))
Appendix 9.4 (Rule 9.31):
Legal and General Assurance (Pensions Management) Limited
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193.	DMBR	DC investment only fund
194.	DAEM	DC investment only fund
195.	DAFG	DC investment only fund
196.	DAEN	DC investment only fund
197.	DAFE	DC investment only fund
198.	DAFC	DC investment only fund
199.	DAEZ	DC investment only fund
200.	DAEW	DC investment only fund
201.	DAFF	DC investment only fund
202.	DAEY	DC investment only fund
203.	DAET	DC investment only fund
204.	DMBN	DC investment only fund
205.	DAFK	DC investment only fund
206.	DMBJ	DC investment only fund
207.	DAEP	DC investment only fund
208.	DAFJ	DC investment only fund
209.	DAEX	DC investment only fund
210.	DAFA	DC investment only fund
211.	DMBL	DC investment only fund
212.	DABZ	DC investment only fund
213.	DACA	DC investment only fund
214.	DABW	DC investment only fund
215.	DACB	DC investment only fund
216.	DABV	DC investment only fund
217.	DABX	DC investment only fund
218.	DACC	DC investment only fund
219.	DABU	DC investment only fund
220.	DABY	DC investment only fund
221.	DAGM	DC investment only fund
222.	DABG	DC investment only fund
223.	DABE	DC investment only fund
224.	DAGT	DC investment only fund
225.	DABT	DC investment only fund
226.	DMBC	DC investment only fund
227.	DMBB	DC investment only fund
228.	DMBY	DC investment only fund
229.	DMCB	DC investment only fund
230.	DMAW	DC investment only fund
231.	DMBX	DC investment only fund
232.	DMBA	DC investment only fund
233.	DMAE	DC investment only fund

Returns under the Accounts and Statements Rules (IPRU (INS))
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234.	DMBG	DC investment only fund
235.	DMAZ	DC investment only fund
236.	DMBH	DC investment only fund
237.	DMAU	DC investment only fund
238.	DMAX	DC investment only fund
239.	DMCD	DC investment only fund
240.	DMBK	DC investment only fund

36 sections were withdrawn in 2015. These are listed below and include the internal reference code.

2015 Closed Funds (Code Name)

1.	AJ	UK Concentrated Equity
2.	APAP	Infrastructure Net WHT Ind ETF
3.	APAR	Glo Real Est Eq NetWHT Ind ETF
4.	CFAA	Glo Cor Ex Fin Pas 6A 60:20:20
5.	CYAE	Pre-Retire Inflation Linkd chg
6.	DABF	DC investment only fund
7.	DACK	DC investment only fund
8.	DACL	DC investment only fund
9.	FAAB	2015 Fixed Fund
10.	FRAB	2015 Real Fund
11.	GM	Overseas Consensus Net WHT
12.	JF	AAA-AA-A Corp Bd All Stks 2035
13.	JG	AAA-AA-A Corp Bd All Stks 2045
14.	JJ	AAAAAA Corp Bd All Stk RPI2025
15.	JK	AAAAAA Crp Bd All Stks RPI2035
16.	JL	AAAAAA Crp Bd All Stks RPI2045
17.	JM	AAA-AA-A Corp Bd All Stks RPI
18.	MN	Act Cor Bond-All Stock-RPI2050
19.	NN	AAAAAA Crp Bd All Stks RPI2020
20.	P	UK Smaller Companies
21.	PK	AAAAAA Crp Bd All Stks RPI2050
22.	PL	AAA-AA-A Corp Bd All Stks 2055
23.	PM	AAAAAA Crp Bd All Stks RPI2055
24.	STAE	Client Specific Unitised Fund
25.	TLAN	Client Specific Unitised Fund
26.	TSAN	Client Specific Unitised Fund
27.	TSBL	Client Specific Unitised Fund

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28.	TSBY	Client Specific Unitised Fund
29.	TSCB	Client Specific Unitised Fund
30.	TSCC	Client Specific Unitised Fund
31.	TSCD	Client Specific Unitised Fund
32.	TSCX	Client Specific Unitised Fund
33.	VR	N America Large Cap Equ Des B
34.	WC	Mega Cap Index Designation B
35.	XA	OLAB Nth America Eq Index CCF
36.	XL	Client Specific Unitised Fund

- 2.(3) All policies have an embedded annuity option which gives the policyholder the right but not obligation to purchase an annuity for retiring underlying members at prevailing market rates. In addition, the money market additional voluntary contribution contract (MMAVC) has an embedded guarantee on the capital value of the investments made.
 - 2.(4) The MMAVC contract included at outset, guaranteed annuity rates for members retiring at normal retirement date within the first ten years of the scheme. No members are now entitled to this guarantee.
 - 2.(5) There are certain Overseas Life Assurance Benefit (OLAB) contracts where the benefits are paid in a non-Sterling currency, either Euro or US dollars.
 - 2.(6) There have been no changes to the product brand name.
 - 2.(7) None of the contracts contain a with-profits option.
 - 2.(8) The terms and conditions of the policy may be changed with four months' notice to policyholders.
3. Discretionary charges and benefits
 - 3.(1) The company does not have the option of applying market value reductions
 - 3.(2) The company does not write non-linked protection business
 - 3.(3) The company does not write non-profit deposit administration benefits
 - 3.(4) The company does not use benefit charges
 - 3.(5) The contracts are not with-profits
 - 3.(6) The Company recovers its costs, other than flat charges for smaller schemes with less than £25m invested or for ancillary services, through the fund management fee which accrues daily as a proportion of the assets of the fund. The standard fees for internal linked funds vary from 0.05% to 0.70% p.a. for active funds and from 0.03% to 0.55% p.a. for index tracking funds; the fees also vary within these ranges depending upon the amount invested. There are extra fixed fees for other related services including asset allocation, blended prices and scheme benchmarking.
 - 3.(7) The Company maintains a spread between the bid and offer prices of units. This covers the Company's dealing costs, including stamp duty. As at the investigation date the default bid/offer spreads vary from nil to a maximum of 6.55% on a property fund (of which a significant proportion is for stamp duty levied on purchases of direct property).

Returns under the Accounts and Statements Rules (IPRU (INS))

Appendix 9.4 (Rule 9.31):

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- 3.(8) Where policyholder investments match policyholder disinvestments from the internal fund, the saving in external dealing costs are routinely passed to the trading policyholders.
- 3.(9) (i) Internal linked funds:
For all current internal linked funds custodial costs are paid by the Company and recouped as part of the fund management fee. Whilst it is possible for the fund management fee to be deducted as part of the unit price (these funds have ‘charges’ after the fund name), the majority of policyholders pay fund management fees quarterly in arrears.

There are three methods used in the creation and cancellation of units for the internal linked funds. The methods are daily midday, daily close, and weekly pricing series. For all pricing series the Company determines the bid and offer price around the mid value on a basis which reflects the typical spread for dealing in the market, including where applicable, local tax and stamp duties and brokerage. The timing of the valuation of the pricing series are described below, however all units are created or cancelled as at the valuation point in time. For all pricing series the Company does not retain a “box” of units.

A weekly pricing series is available to clients. On the day before a dealing day all existing investments of each fund are valued at the closing mid- market price (or last traded price in some markets) by reference to at least one recognised pricing service. Where a bid/offer spread exists and the fund is due to receive an inflow, units are typically created at the offer price; conversely if the fund is due to pay an outflow then units are cancelled typically at the bid price. Dealing days occur on the first business day of each calendar month, with the balance spread over the rest of the month.

A daily close of business single swinging price series is also available to clients for a subset of the weekly funds. On the valuation day (normally weekly), all funds are valued at bid, mid and offer. Prices are struck for each subsequent business day based upon the either the daily fund valuation or the latest available weekly valuation adjusted by the total return on the relevant index to allow for movements, including currency if applicable, between the weekly valuation and the pricing day for the fund. If the fund is due to receive a net inflow then new units are created at the offer price; if the fund is due to pay a net outflow then units are cancelled at the bid price. When the net flow in either direction is small the mid-price is used for both the creation and cancellation of units.

A midday single swinging pricing series is also available to clients for a sub-set of the daily funds. The midday pricing series is typically valued using the last night’s close daily unit price rolled forward by the relevant index (or close proxy) where available and currency if applicable.

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The MMAVC contract is an internal linked fund which has a single unit price i.e. it does not have a bid/offer spread. The fund management fee is currently 0.125% p.a. of the total value of the fund.

Liability Driven Investments (LDI) and Client Specific Unitised Funds (CSUF's) are valued using the unit prices as described above for the underlying funds together with the value of any directly held assets and swap(s). OTC swaps are valued using external vendor valuations, or curves for use within internal model valuations, and verified against the counterparty valuation.

(ii) External linked funds:

Where the Company on behalf of its policyholders' purchases shares in the LGIM (Ireland) Risk Management Solutions PLC Qualifying Investor Scheme, the Company charges a fund management fee which includes the cost of providing the relevant sub-fund of the Qualifying Investor Scheme. All shares created allow for the associated costs of underlying asset purchases, and where shares are cancelled the cost of sale of underlying assets is allowed for (in both cases subject to certain minimums). In the underlying vehicle there is no timing difference between valuation and share transactions. The Company does not retain for itself any discount, commission or other allowance on purchase or sale of units.

Where the Company on behalf of its policyholders' purchases shares in the LGIM Commodity Composite Source ETF, a sub-fund of Source Markets plc, a proportion of the on-fund fee is paid to a related company Legal & General Investment Management (LGIM). All shares created allow for the associated costs of underlying asset purchases, and where shares are cancelled the cost of sale of underlying assets is also allowed for. In the underlying vehicle there is no timing difference between valuation and share transactions. Neither the Company nor LGIM receive any allowances from the UCITS compliant fund on purchase or sale of shares.

Where the Company on behalf of its policyholders' purchases shares in LGIM Liquidity Funds PLC UCITS scheme, the Company charges a fund management fee which includes the cost of providing the relevant sub-fund of the UCITS scheme. In the underlying vehicle there is no impact from timing differences between valuation and share transactions. The Company does not receive any allowances from the UCITS compliant fund on purchase or sale of shares.

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Where the Company on behalf of its policyholders' purchases shares in sub-funds of the Legal & General Investment Management Funds ICVC ('LGIM OEIC') scheme, the Company charges a fund management fee which includes the cost of providing the relevant sub-fund of the OEIC scheme. All shares created allow for the associated costs of underlying asset purchases, and where shares are cancelled the cost of sale of underlying assets is allowed for (in both cases subject to certain minimums). In the underlying vehicle there is no timing difference between the valuation and the actual share transactions. The Company does not receive any allowances from the UCITS compliant sub-fund on purchase or sale of shares. Where the Company on behalf of its policyholders' purchases shares in sub-funds of the Legal & General UCITS compliant SICAV ('L&G SICAV') scheme, the Company charges a fund management fee which includes the cost of providing the relevant sub-fund of the SICAV scheme. All shares created allow for the associated costs of underlying asset purchases, and where shares are cancelled the cost of sale of underlying assets is allowed for (in both cases subject to certain minimums). In the underlying vehicle there is no timing difference between the valuation and the actual share transactions. The Company does not receive any allowances from the UCITS compliant sub-fund on purchase or sale of shares.

Where the Company on behalf of its policyholders' purchases units in other linked funds, the Company charges a fee which includes the cost of providing the relevant sub-fund. All units created allow for the associated costs of underlying asset purchases, and where shares are cancelled the cost of sale of underlying assets is allowed for (in both cases subject to certain minimums). The Company does not receive any allowances from the manager of the linked funds on purchase or sale of units.

- 3.(10) No general method is required to provide for UK tax on realised or unrealised capital gains although there are a small number exceptions; namely territories in which the Company invests may levy a tax on capital gains at a local level and specific assets held by PMC's managed property fund, for which gains are charged to the relevant unit linked funds. If deemed appropriate by the Company an adjustment to income for the recovery of overseas withholding tax is allowed for in the unit price. In addition transactional taxes are included as appropriate in the spread on the unit linked funds.
3. (11) Double charging for expenses is eliminated in unit cross holdings.
4. Valuation basis
 - 4.(1) The mathematical reserve for the pooled fund contracts has been calculated using as applicable the bid or single swung price of the underlying securities, accrued interest, and units standing to the credit of the policies on the valuation date. No allowance is made for persistency, interest or mortality in the valuation of linked contracts. Unit liabilities are valued at valuation unit prices without any discounting.

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The mathematical reserve for immediate annuities is obtained by discounting future payments on the basis shown below. Individual contracts are valued with explicit allowance for future expenses.

- i. Due regard has been given to the duty to treat customers fairly through their contractual entitlements and the valuation is in line with those expectations. No increases in policy charges are anticipated in deriving the mathematical reserves. Policyholders are not eligible to participate in any established surplus.
 - ii. The net premium method of valuation is not used.
 - iii. The valuation methods do not give rise to negative values and do not allow any contract to be treated as an asset.
 - iv. The contracts are non-profit and so no reserve has been made for future bonuses.
 - v. No provision has been made for any liability to taxation on unrealised capital gains.
 - vi. The potential cost associated with the timing difference between quoting and purchase of immediate annuities has been reviewed and no reserve has been deemed necessary.
- 4.(2) The annual rate of interest used to value annuities in the course of payment is 3.33% (3.04% 2014).
- 4.(3) The yield has been adjusted for valuation margins and allowance for default risk.
- 4.(4) The mortality tables used are set out below:

75.6% of PCMA00 for males and 83.5% of PCFA00 for females for ages below 90. For ages above 90 bespoke mortality rates are used.

Allowance for future improvement, commencing 01.01.2010, as per an adjusted version of CMIB mortality improvement model, CMI's 2013; with the following parameters:

Males: Long term rate of 2% p.a. up to age 85, tapering to 0% at 120.

Females: Long term rate of 1.5% p.a. up to age 85, tapering to 0% at 120.

The expectations of life for annuities in the course of payment are:

Age	65	75
Male	24.1	14.8
Female	25.3	15.9

The equivalent tables for 2014 were:

75.6% of PCMA00 for males and 83.5% of PCFA00 for females for ages below 90. For ages above 90 bespoke mortality rates are used.

Allowance for future improvement, commencing 01.01.2010, as per an adjusted version of CMIB mortality improvement model, CMI's 2013; with the following parameters:

Males: Long term rate of 2% p.a. up to age 85, tapering to 0% at 120.

Females: Long term rate of 1.5% p.a. up to age 85, tapering to 0% at 120.

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No allowance has been made for changes in the incidence of disease or developments in medical science other than for reductions in rates of mortality of annuitants as described above.

- 4.(5) Not relevant
- 4.(6) The valuation liability for immediate annuity contracts includes a per policy expense allowance of £20.33 p.a. increasing from 31.12.2015 at 3.5% p.a. The basis used in 2014 was £20.00 p.a. with increases of 3.5% p.a. from 31.12.2014. The Company itself does not incur expenses as part of the payment of annuities.
- 4.(7) Not relevant
- 4.(8) Not relevant
- 4.(9) Not relevant
- 4.(10) Not relevant
- 4.(11) Derivative assets are held by the Company only for the purposes set out in the FCA rules and guidance. In all cases the value of the derivatives matches the value of the assets held. No additional reserve has therefore been deemed necessary in respect of derivative holdings. When valuing derivatives as part of the unit pricing mechanism, warrants, futures and listed options are taken at market value, and currency forwards are valued using current exchange rates.
- 4.(12) The changes to INSPRU rules at 31 December 2006 have not resulted in any impact on the mathematical reserves.
- 5. Options and guarantees
 - 5. (1) Given the size of the MMAVC contract the value of the capital guarantee falls below the de-minimis threshold.
- 6. Expenses
 - 6.(1) The valuation basis for linked contracts does not require an explicit reserve for expenses since the amount required to meet expenses arising in future years will implicitly be covered by charges on the linked funds. The amount of fees expected in 2016, according to the 2016 Operating Plan, is in excess of the expected expenses. The basis of calculation of the requirement in respect of the expenses of continuing to transact new business during the 12 months following the valuation date is that used for the Company's Operating Plan and the budgets of the relevant cost centres. No reserve is required.
 - 6.(2) The terms under which the new business is written are such that there is no new business strain and as such no need to hold any such reserve.

Returns under the Accounts and Statements Rules (IPRU (INS))

Appendix 9.4 (Rule 9.31):

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Financial year ended 31 December 2015

- 6.(3) If the Company were to cease transacting new business 12 months after the valuation date then any closure costs would be borne by the Company. No provision is necessary for such costs. However the Company's capital and reserves have been reviewed as to their adequacy to cover costs arising from cessation of new business. The administration of the in-force portfolio is likely, in practice, to be transferred to a third party provider. The costs of the new arrangements would be reflected in revised fund management fees for the linked funds after due notice had been given. The cost of negotiating an arrangement with a third party, and of any expenses which could not be charged to the linked funds in the notification period, is not significant in the context of the excess of maintained capital and reserves over the required margin of solvency. It would also be less than any reasonable estimate of the value of future profits from the in-force business that would exist on cessation of new business.
- 6.(4) Projections of the fund, incorporating expected future expense levels, investment returns and fee income reflecting current experience and recent trends indicate that expenses will continue to be covered by fee income. These projections are performed using a model office and testing of the model office indicated that expense margins were in surplus even under adverse scenarios.
7. Apart from the immediate annuities, all of the contracts are unit linked and are run without a "box" and as a consequence there is no mismatch of reserves.
8. There are no "other special reserves"
9. Reinsurance ceded
 - 9.(1) No reinsurance is ceded on a facultative basis.
 - 9.(2) Reinsurance treaties
 - A Immediate annuities
 - i. The liability in respect of immediate annuities is wholly reinsured under a treaty with Legal and General Assurance Society Limited ("Society").
 - ii. The reinsurance is on original terms.
 - iii. No premiums were payable by the Company under the treaty during the report period and no new annuities written.
 - iv. There is no deposit back arrangement.
 - v. The treaty is not closed to new business.
 - vi. The value of the mathematical reserves under this treaty is £3.4m.
 - vii. Society is authorised to carry on insurance business in the United Kingdom.
 - viii. Society is a connected insurer.
 - ix. The Company has no liability to refund any amounts of reinsurance commission in the event of surrender of the contracts.
 - B Index Funds
 - i. The liability of the Index Funds in respect of exposure to the price of Legal & General Group Plc shares is wholly reinsured under a treaty with Swiss Re Europe S.A (SRE) ("Swiss Re") a company based in Luxembourg.

Returns under the Accounts and Statements Rules (IPRU (INS))

Appendix 9.4 (Rule 9.31):

Legal and General Assurance (Pensions Management) Limited

Abstract of the Valuation Report

Financial year ended 31 December 2015

- ii. The reinsurance is on original terms. The Company has a charge over the assets held by Swiss Re to match its liability.
 - iii. Premiums payable by the Company under the treaty totalled £17.7m for the reported period.
 - iv. The Company, in total, ceded investments of £336 million under the treaty.
 - v. There is no deposit back arrangement.
 - vi. The treaty is not closed to new business.
 - vii. Swiss Re is authorised to carry on insurance business in the United Kingdom under a branch structure and the assets and custodian are based in London and operate under English law.
 - viii. Swiss Re is not a connected insurer.
 - ix. The assets held by Swiss Re are subject to a floating charge.
 - x. The Company has no liability to refund any amounts of reinsurance commission in the event of surrender of the contracts.
10. The policies are all non-profit.

Returns under the Accounts and Statements Rules
Certificate required by rule 9.34
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015

We certify that:

- a) the return has been properly prepared in accordance with the requirements in IPRU (INS), GENPRU and INSPRU;
- b) we are satisfied that throughout the financial year in question, the insurer has complied in all material respects with the requirements of the Fundamental Rules, SYSC as well as the provisions of IPRU(INS), GENPRU and INSPRU;
- c) in our opinion premiums for contracts entered into during the financial year and the resulting income earned are sufficient, under reasonable actuarial methods and assumptions, and taking into account the other financial resources of the insurer that are available for the purpose, to enable the insurer to meet its obligations in respect of those contracts and, in particular, to establish adequate mathematical reserves;
- d) the sum of the mathematical reserves and the deposits received from reinsurers as shown in Form 14 constitute proper provision at the end of the financial year in question for the long-term insurance liabilities (including all liabilities arising from deposit back arrangements, but excluding other liabilities which had fallen due before the end of the financial year) including any increase in those liabilities arising from a distribution of surplus as a result of an actuarial investigation as at that date into the financial condition of the long-term insurance business;
- e) we have, in preparing the return, taken and paid due regard to:
 - i. advice from every actuary appointed by the insurer to perform the actuarial function in accordance with SUP 4.3.13R; and
- f) The certificate required by IPRU(INS) Appendix 9.6 paragraph 1(1)(b)(ii) in respect of compliance since the end of the financial year in question with the requirements in SYSC, Fundamental Rules and the provisions of IPRU(INS), GENPRU and INSPRU and ongoing compliance has not been provided. This is because these requirements have been replaced as from 1 January 2016, the commencement date of Solvency II, so the firm is subject to a new regulatory regime.

Returns under the Accounts and Statements Rules
Certificate required by rule 9.34
Legal and General Assurance (Pensions Management) Limited
Financial year ended 31 December 2015

..... S Aitken, Chief Executive

..... S Niebergall, Director

..... S Boylan, Director

..... J C Browne, Director

..... R A Hall, Company Secretary

29 March 2016

Auditors' report: Regulatory Return for a life insurance company

Legal and General Assurance (Pension Management) Limited Financial year ended 31 December 2015

Independent auditors' report to the directors pursuant to rule 9.35 of the Interim Prudential Sourcebook for Insurers

We have audited the following documents prepared by the insurer pursuant to the Accounts and Statements Rules set out in Part I and Part IV of Chapter 9 to IPRU(INS) the Interim Prudential Sourcebook for Insurers, GENPRU the General Prudential Sourcebook and INSPRU the Prudential Sourcebook for Insurers ('the Rules') made by the Prudential Regulation Authority under section 137G of the Financial Services and Markets Act 2000:

- Forms 2, 3, 13 to 16, 40 to 45, 48, 49, 58 and 60, (including the supplementary notes) on pages 1 to 51 ('the Forms');
- the statement required by IPRU(INS) rule 9.29 on page 52 ('the statement'); and
- the valuation report[s] required by IPRU(INS) rule 9.31[(a)] on pages 54 to 68 ('the valuation report[s]');¹.

We are not required to audit and do not express an opinion on:

- Forms 46, 47, and 50 to 55 (including the supplementary notes) on pages 20 to 36;
- the statements required by IPRU(INS) rules 9.30 on pages 53; and
- the certificate required by IPRU(INS) rule 9.34(1) on pages 71 to 72.

Respective responsibilities of the insurer and its auditors

The insurer is responsible for the preparation of an annual return (including the Forms, the statement and the valuation report) under the provisions of the Rules. Under IPRU(INS) rule 9.11 the Forms, the statement and the valuation report[s]¹ are required to be prepared in the manner specified by the Rules and to state fairly the information provided on the basis required by the Rules. The methods and assumptions determined by the insurer and used to perform the actuarial investigation as set out in the valuation report are required to reflect appropriately the requirements of INSPRU 1.2.

It is our responsibility to form an independent opinion as to whether the Forms, the statement and the valuation report meet these requirements, and to report our opinion to you. We also report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Forms, the statement and the valuation report are not in agreement with the accounting records and returns; or
- we have not received all the information we require for our audit.

This report has been prepared for the directors of the insurer to comply with their obligations under IPRU(INS) rule 9.35 and for no other purpose. We do not, in providing this report, accept or assume responsibility for any other purpose save where expressly agreed by our prior consent in writing.

Basis of opinion

We conducted our work in accordance with Practice Note 20 'The audit of insurers in the United Kingdom (Revised)' issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Forms, the statement and the valuation report. The evidence included that previously obtained by us relating to the audit of the financial statements of the insurer for the financial year. It also included an assessment of the significant estimates and judgements made by the insurer in the preparation of the Forms, the statement and the valuation report.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Forms, the statement and the valuation report are free from material misstatement, whether caused by fraud or other irregularity or error and comply with IPRU(INS) rule 9.11.

In accordance with IPRU(INS) rule 9.35(1A), to the extent that any document, Form, statement, analysis or report to be examined under IPRU(INS) rule 9.35(1) contains amounts or information abstracted from the actuarial investigation performed pursuant to IPRU(INS) rule 9.4, we have obtained and paid due regard to advice from a suitably qualified actuary who is independent of the insurer.

Opinion

In our opinion:

(i) the Forms, the statement and the valuation report fairly state the information provided on the basis required by the Rules and have been properly prepared in accordance with the provisions of those Rules; and

(ii) the methods and assumptions determined by the insurer and used to perform the actuarial investigation as set out in the valuation report appropriately reflect the requirements of INSPRU 1.2.

PricewaterhouseCoopers LLP
Chartered Accountants

Date
