



Annual Members' Review

31 December 2019

Incorporating the Financial Statements

Contents

01 / Society Information	3
02 / Introduction	4
Strategic Report	
03 / Chairman and Chief Executive Officer's Statement	5
04 / Community Matters	10
05 / Directors' Report	14
06 / Corporate Governance Report	18
07 / Directors' Remuneration Report	20
08 / Statement of Directors' Responsibilities	22
09 / Independent Auditor's Report	24
10 / Financial Statements	
/ Statement of Comprehensive Income	30
/ Statement of Financial Position	31
/ Reconciliation of Members' Funds	32
/ Statement to Cash Flows	32
/ Notes to The Accounts	33

01

Society Information

Directors:

Andy Golding (Chairman and Chief Executive Officer)
Clive Kornitzer
John Paddick
April Talintyre

Secretary:

Jason Elphick

Registered Office:

Reliance House
Sun Pier, Chatham
ME4 4ET

Auditor:

Deloitte LLP, Statutory Auditor
1 New Street Square
London
EC4A 3HQ

Registered Number:

31056R

02

Introduction

The Directors have pleasure in presenting the summary Report and Financial Statements for the year ended 31 December 2019. These Financial Statements are an extract of the audited accounts and the Directors' Report which will be available to Members free of charge on demand from the Kent Reliance Provident Society Limited's (the Society) Registered Office from 13 August 2020 (and on the Society's website, www.krps.com).

The Society is regulated under the Co-operative and Community Benefit Societies Act 2014. The Society is a mutual organisation and operates exclusively for the benefit of its Members.

Andy Golding
Chairman and Chief Executive Officer

03 STRATEGIC REPORT

Chairman and Chief Executive Officer's Statement

I am pleased to report on the performance of the Kent Reliance Provident Society Limited ('the Society') for 2019, together with a brief outline of the performance of OneSavings Bank plc ('OSB' or 'the Bank'), in which the Society retains its shareholding and which is the legal entity providing the banking services to the Society's Members.

OSB continues to enjoy a close working relationship with the Society, utilising dialogue directly with the Society's membership to inform its service and product development by bringing the voice of its customers ('the Members') directly into the key operational committees of the Bank.

The Society held a number of Member events in 2020 and actively used its online consultation portal, seeking input into a variety of issues to assist the Bank in refining its services.

The Society has retained its shareholding in OSB, the value of which has increased in line with OSB's share price.

Members will recall that at last year's Annual General Meeting ('the AGM'), the Society's Board once again recommended that the revenue received by the Society, by way of dividends from its shareholding in OSB, be donated to worthwhile causes through the Society's own Community Fund, and once more this proposal was overwhelmingly endorsed by Members. Continuing in that spirit of mutuality and community giving, this year the Directors have once again recommended that the dividends received be similarly donated and Members will have the opportunity to indicate their preference by voting at the AGM.

The Bank and the Society share a common ancestry going back over 150 years, and continue to share the common interests of their respective customers/Members and the integrity of the trading name of Kent Reliance.

For providing these services and customer insight, OSB continues to underwrite the operational and governance costs of the Society and also funds the Society's monthly prize draw and community giving programme. The following information gives an overview of the Bank, how it performed during 2019 and the dividend paid to the Bank's shareholders.

Statutory results

In this extract from the 2019 Annual Report & Accounts, statutory results reflect 12 months of OSB's results and CCFS' results from 4 October 2019, the date on which the Combination with CCFS completed and became effective, to 31 December 2019. Comparative period results reflect 12 months of OSB's results only as presented in the OSB 2018 Annual Report.

Pro forma underlying results

Pro forma underlying results assume that the Combination occurred on 1 January 2018, and include 12 months of results from CCFS. They also exclude exceptional items, integration costs and other acquisition-related items.

Overview of OneSavings Bank plc

(Extracted from the 2019 Annual Report & Accounts)

We successfully completed our Combination with Charter Court

I am delighted with OneSavings Bank's achievements in 2019 and particularly pleased that we successfully completed our Combination with Charter Court Financial Services Group plc ('CCFS'), whilst delivering strong results for the year, in both Banks. We are in the early stages of integration, however, I am pleased with progress so far and I am particularly happy to have so many talented staff from both organisations working really well together to benefit the combined Group.

The logic for the Combination remains compelling: to create a leading specialist lender, focused on providing fair financial solutions to our customers, with greater scale and resources to deploy on growth opportunities.

Statutory pre-tax profit was up 14% to £209m for 2019, as a result of strong growth at attractive margins and the inclusion of CCFS' profits from the date of Combination, more than offsetting the impact of exceptional items, integration costs and other acquisition-related adjustments. Despite the increase in profit, statutory basic earnings per share decreased by 5% to 52.6 pence per share, due to the increased share count post Combination.

On a pro forma underlying basis, profit before tax and basic earnings per share both increased by 9%, due to strong growth at attractive margins and continued cost-efficiency and discipline.

Overview of OneSavings Bank plc

(Extracted from the 2019 Annual Report & Accounts)

An award-winning secured lender

Through the Combination and underlying growth, the Group's statutory loan book more than doubled in 2019 to £18.4bn. On a pro forma underlying basis, it grew by 16% from £15.6bn in 2018, or 23% excluding the impact of structured asset sales in CCFS.

Mortgage originations in the year were £6.5bn for the combined Group on a pro forma underlying basis. Such strong new business volumes reflect the attractiveness of our lending propositions to borrowers, particularly to professional landlords, and the excellent levels of customer service the Banks provide.

Our buy to let businesses grew in the year as landlords continued to professionalise and look for a reliable lender with specialism and expertise in lending to limited companies and portfolio landlords. Both OSB and CCFS have distinct, but complementary, propositions in their target lending market segments, meaning different customer and intermediary preferences can be satisfied, ensuring the Group can maximise its share of new originations. We intend to preserve and build on the value of OSB's and CCFS' individual lending brands through a multi-brand lending strategy.

OSB and CCFS have further strengthened broker networks and relationships with mortgage intermediaries in the year, especially amongst those that support borrowers with more complex needs. The Combination allows us to underwrite a wider range of customer cases than would have been possible as standalone businesses.

Overview of OneSavings Bank plc

(Extracted from the 2019 Annual Report & Accounts)

We now have a larger footprint in the UK buy to let and residential markets

On a pro forma underlying basis, the Group sustained its market share as industry-wide gross buy to let advances reached £41bn in the year.

We continued to gain recognition from mortgage customers and intermediaries, and in 2019 we won multiple awards. For OSB these included Best Buy-to-Let Lender and Best Specialist Lender at the Mortgage Strategy Awards. I am particularly pleased that Kent Reliance was awarded Best Specialist Lender from the UK's largest mortgage distributor: L&G Mortgage Club. Our more specialist businesses were also recognised with the Bridging Funding Partner of the Year award at the Bridging and Commercial Awards. CCFS was recognised by Mortgage Introducer, being named both Mortgage Lender of the Year and Specialist Lender of the Year.

We are excited about opportunities arising from the Combination with CCFS and continue to believe in the advantages that will come from a more resilient, diversified funding platform, together with greater scale and resources. We now have a larger footprint in the UK buy to let and residential markets, with an enhanced proposition to the broker community to ensure we remain at the forefront of UK specialist mortgage lending.

Overview of OneSavings Bank plc

(Extracted from the 2019 Annual Report & Accounts)

91%

Customer retention rate

40,000

New savings customers in 2019

Sophisticated funding model

Through the Combination with CCFS we brought together OSB's established Kent Reliance retail deposit franchise with Charter Savings Bank's savings deposit platform, and CCFS' sophisticated securitisation funding and balance sheet management. These capabilities create a more resilient and diversified funding platform to support our future growth, with cost efficient funding for the combined Group.

Our vision remains to become our customers' favourite bank and we continue to put our customers at the heart of everything we do. This was reflected in a retention rate of 91% amongst Kent Reliance customers with maturing fixed rate bonds and ISAs and a Net Promoter Score ('NPS') of +66 for the year. Of Charter Savings Bank's customers, 97% had a good or excellent experience with the Bank and the NPS was exceptional, at +72 for 2019. Charter Savings Bank had a retention rate of 88% at the end of 2019.

I am delighted that Kent Reliance was highly commended with the Savers' Choice Award by Savings Champion and we won Best Business Easy Access Account Provider, also from Savings Champion.

CCFS won ISA Provider of the Year and Best Bank Savings Provider from Moneyfacts and Best Savings Provider from Savings Champion amongst others.

Looking Forward to 2020

I am delighted that the Combination with CCFS was successfully completed and that all the hard work to achieve it did not distract the OSB and CCFS teams from continuing to develop, manage and grow the underlying businesses, achieving strong levels of originations during the year. We have made good progress to date on the integration.

The UK and global economies are currently experiencing unprecedented uncertainty stemming from COVID-19. Whilst we entered the year with a robust pipeline, strong application levels in our core businesses and stable margins, it is too soon to say what the impact will be and we therefore consider it imprudent to provide forward guidance for 2020.

We enter this period of uncertainty as an enlarged business with the strength of our combined lending and funding franchises, robust capital position, secured loan book and strong risk management capabilities.

Customers, community and the Society

The Bank and the Society continue to work closely to preserve the values of excellent service, innovation and value that have been a key part of the Kent Reliance history. The Society continues to play an important role for the OSB Group, with its principal function to act as the eyes, ears and voice of the customers and help it to shape its product and service offering in a way that meets the needs of both savers and borrowers.

This commitment to preserving the place of customers within the heart of the Bank is reflected in the measurement of its customer satisfaction, the scores for which have continued to improve, with the key performance indicator of Net Promoter Score ('NPS' – broadly a reflection of the number of customers who would definitely recommend the Bank to others) increasing to a record level of 70.8% by the end of 2019, averaging 66% for the year (up from 63% in 2018).

In addition, I am delighted to report that the Society has continued its monthly free prize draw for qualifying Members, with a further 12 Members receiving a prize of £1,000 each during the year. Details of the rules of the draw can be found on the Society's website (www.krps.com).

To match this prize fund, the Society also donates £1,000 each month to the Kent Reliance Community Fund, which is administered on its behalf by the Kent Community Foundation. In addition, the Society is also a member of the Medway 100 Club, a group of businesses which pool donations into a fund designed to support the many good community causes that operate within the Medway Area. More details of the causes that have benefited from these funds and others that OSB has supported directly appear in this Annual Member's Review.

COVID-19

In order for OSB to help serve the needs of businesses and households through the extraordinary challenges presented by COVID-19, the OSB Board has decided to cancel the payment of the final 2019 dividend in relation to ordinary shares, which was payable on 13 May 2020. The OSB Board will continue to assess the appropriateness of dividend payments and decide on any dividend policy and amounts at year-end 2020.

OSB remains highly liquid and well-capitalised, and on a pro forma basis, excluding the final dividend for 2019, the CET1 ratio would have been c.0.6% higher at c.16.6% as at 31 December 2019.

This decision does not affect the going concern status of the Society as its costs are not met by dividend income from its holding of OSB shares. Whilst it will impact upon the level of charitable giving in 2021, the Society will continue to support the good causes of Kent wherever it can with the monies it does have available and will review what funds should be allocated for charitable giving at the end of the year.

Summary

Once again, I am happy to report that the Bank and the Society have continued to grow and deliver against their joint mandates; working in partnership to bring our customer values to life, and through the generosity of Members, providing financial assistance to a wide range of community causes and organisations. Despite regulatory, political and economic uncertainty, OSB has shown itself as resilient and will maintain its focus on delivering its stated strategy and objectives. Our achievements in 2019 are a testament to our management and employees and I would like to thank my colleagues for their hard work and commitment throughout the year.

Andy Golding

Chairman and Chief Executive Officer
26 June 2020

04

Community Matters

For over 150 years, Kent Reliance has been synonymous with the county of Kent and a passionate supporter of its local community. This passion is equally shared across the OSB Group, most significantly via the charitable activity of Kent Reliance and the Society.

It has been six years since we announced that the Society had developed a community fund and committed to donating £1,000 each month to it, together with the dividend received by the society in respect of its holding of ordinary shares in OSB.

During 2019, the Society donated over £196,000 into its Community Fund, ready for distribution to community and charitable organisations throughout Kent via its relationship with the Kent Community Foundation, which provides the administration for the fund. It provides the Society with a suggested shortlist of worthy causes and specific requests which is then passed to a panel of Society Members for their decision.

The focus of these donations has been in support of smaller, volunteer-based services assisting young and older people in need. The Directors have decided to place any surplus cash funds directly with OSB in an interest-bearing account.

During 2019, a panel of Members of the Society met to decide which applicants were to receive donations from the Community Fund. The panel, which included Members from the Maidstone area, met three times and agreed awards to 42 causes throughout Kent, totalling over £109,000.

The Kent Community Foundation collates and presents to the panel, applications for community projects, having undertaken appropriate due diligence. It also follows up each award, with successful applicants required to submit a formal end-of-grant report, with evidence that the grant was spent as intended.

The following is just a sample of the feedback from previously funded projects.

Age Concern (Age UK) Ashford

Information and Advice Service
Digital Connection

£1,277 Grant Awarded

959 Beneficiaries

Age Concern Ashford provides friendly and flexible services to those who wish to remain independent during later life within the Ashford Borough. The group offers a variety of services including hot lunches at the centre, social opportunities, a specialist dementia daybreak service, free information and advice.

The grant from the Kent Reliance Provident Society Community Fund to Age Concern (Age UK) Ashford allowed the organisation to purchase iPads to be used out in the community by the information and advice team. The tablets were a vital part of work and allowed the team to work with the elderly across Ashford to complete forms as well as support them to have the right documentation to cover their needs to make sure that they did not lose health benefits or their pension.

Companionship at Christmas

Christmas Meals

£1,800 Grant Awarded

127 Beneficiaries

Companionship at Christmas aims to provide a Christmas meal, entertainment and most importantly companionship to those who would otherwise be alone over the festive period, including Christmas day. Most of the beneficiaries are elderly, vulnerable people who are socially isolated and do not have the family support network around them. The project also engages volunteers of all ages and from all areas of the community who are often also lonely at this time of year, in a meaningful activity. The group's main objectives are to reduce social isolation at a particularly poignant time of year and to engage members of the local community in a purposeful activity.

The funding from Kent Reliance Provident Society Community Fund was used by Companionship at Christmas towards covering Christmas meals for the elderly across Swale.

The meals were provided across multiple days to make sure all were accommodated and allowed elderly people to be collected in minibuses and through volunteer car schemes to be brought to a local centre for a Christmas meal, entertainment and some games. This provision helped to bring together the most isolated within the community helping to reduce social isolation and allow them the chance to make new friends. The meals were supported by 25 volunteers each day, allowing them to include and communicate with those who found it hard to start a conversation with those around them.

Swale Action to End Domestic Abuse (SATEDA)

Switch Up Project

£2,500 Awarded

19 Beneficiaries

SATEDA offers the opportunity to victims of domestic abuse and their children a unique journey of change. SATEDA offer direct support, telephone support, therapeutic counselling, group work and a volunteering programme. This enables survivors to gain confidence and skills to secure volunteer opportunities and then return to work. SATEDA deliver educational, universal school work around healthy relationships, as well as targeted group and individual work for young people affected by domestic abuse. The group have a programme available for young people who are abusive to their parents and work with teenage girls who are in, or at risk from, abusive relationships. All of the above has the collective aim of realising their ambition for a future without domestic abuse.

The grant from the Kent Reliance Provident Society Community Fund allowed SATEDA to run their switch up project for young people and their families in Sittingbourne and Sheppey. The sessions run by the project brought parents and children together in a safe and supportive environment to discuss problems in their relationship, and be able to understand the extent of their actions and to stop domestic abuse across the ages. This project helped to build and reopen lines of communication among parents and their children, and allowed them to work together on how to understand each other and what their roles are in the relationship of parent and child. As part of the project, young people were brought together to create a track which showed their feelings, in a short rap, towards how they saw their actions in the family home. This opened up the importance of dialogue on the effects of domestic abuse and how it can be traumatic to all in the household.

Ashford Family Nursery

Supporting Nursery Places

£4,000 Awarded

40 Beneficiaries

Ashford Family Nursery is a registered charity that provides nursery education for up to 40 disadvantaged children from some of the most deprived areas of Kennington and South Ashford. Many of the children attending have developmental or behavioural problems or come from very difficult family situations, including drug and alcohol problems. Some of the young mothers lack basic parenting skills and a few have learning disabilities themselves. A number of the children on their roll have been referred to the nursery through social services or by doctors and health visitors and in addition to the free places provided by the government. The nursery also provides free care to a number of children, depending on the family's financial situation.

Ashford Family Nursery has utilised their grant to subsidise costs for vulnerable families who cannot afford the fees and continue to support those children and their families in preparing them to make the best possible start at full time school. It has often been a huge challenge for Ashford Family Nursery to support the most needy families and without this grant they would not have been able to accommodate as many of the more susceptible families.

The nursery plans to continue supporting these families and others through fundraising, the benefit being so important to the children as well as their families.

John Armitage Memorial Trust

Singing Stars

£3,000 Awarded

1,360 Beneficiaries

John Armitage Memorial Trust or JAM as it more commonly known, is a creative, dynamic, forward-thinking arts organisation founded in 2000. In 2014, JAM on the Marsh, an annual multi-arts festival on Romney Marsh, was founded.

In 2018, the festival was attended by 15,600 people. JAM believes that nurturing musical ability, enjoyment and appreciation at grassroots is key to safeguarding a sustainable future for music as well as the cultural, social and academic benefits this brings. JAM is committed to developing opportunities for young people to engage in music, helping them to reach their potential.

JAM used the funding allocation from the Kent Reliance Provident Society Community Fund to cover the costs of Singing Stars after school club for the Hythe Bay School and to Palmarsch Primary School. The funding enabled vocal tutors to go into schools, building towards a group performance of a deeply moving 25 minutes performance of *The Farthest Shore*, by internationally renowned composer Paul Mealor.

The Stars joined the Canterbury Cathedral Girls' Choir and sang the children's line, joined by the Chapel Choir of Selwyn College Cambridge in the end performance at JAM on the Marsh 2019. Singing Stars have also travelled to Canterbury Cathedral for the incredible experience of Evensong and then rehearsing in the Cathedral with the Girls' Choir. The project provided young people with confidence and the ability to achieve, stimulating skills and ambition for progression from primary, secondary and tertiary to professional. The performances brought the community together, building relationships between the schools, choirs and diverse audience, allowing the young people to share their hard work with the local community and wider areas of Kent. A member of the Kent Reliance Provident Society Community Fund staff attended the event as a representative of the fund.

Case study

Child J (boy aged 8) joined 'Singing Stars' in September 2018. Nobody would have guessed that a singing club would be his thing necessarily; he is quite academic, shy, a bit indolent and I assumed he was there because his brother was taking part and it was easier for the parents. However, he was totally committed, in a quiet and supportive way, turning up week after week without ducking out with excuses when tired or tempted. He gained so much confidence in singing and performing over the year and would often lend a hand to support others who may have been struggling. His own enjoyment and growing confidence of singing was so apparent over time that he put himself forward for the school talent competition in April, without batting an eyelid – his performance was strong – he owned the stage.

Reform, Restore, Respect

I Didn't Know That!

£2,500 Awarded

5,699 Beneficiaries

Reform Restore Respect (RRR) delivers high impact, thought provoking, age appropriate, early intervention, anti-crime, anti-knives and anti-gang workshops in Kent primary and secondary schools, youth and parenting groups. Their aim is to dissuade and deter young people, mainly 11-18 year olds, from making the wrong choices in the friends with whom they associate and the wrong decisions about the paths they choose in life. Based on the CEO or RRR's personal experience of these factors in his teenage years, interactive scenarios are used to drive home the anti-crime, anti-gang messages to those most at risk of being coerced into criminal activity.

The funding from the Kent Reliance Provident Society Community Fund allowed RRR to run 'I didn't know that!' sessions across Kent, to benefit young people in their understanding of crime, criminal behaviour and prevention.

The project has worked to reduce offending by showing young people in schools that crime is not worth the destructive impact that a police caution, a criminal record and in extreme cases, a prison term will have on their futures, in some instances, lifelong; and that the consequences can be serious. The project has worked with young people to motivate and encourage them to be positive participants in their communities.

By engaging in the workshop in schools, young people take away strategies for dealing with issues, which they may face on a daily basis, to stop them from going down a path of gang culture and crime.

Case study

Thanks to your visit, we now know to think carefully about the choices we make and how they can affect the lives of ourselves and others. We thank you for sharing such a personal story which we felt helped us to relate to you better. We also liked how you took the time to speak to every one of us individually and find out about our future goals. This term we have been reading a book called "Too much trouble", which is about two brothers who ran away from home and are manipulated into joining a gang. The workshop you led has really helped us to understand the characters more because you brought the narrative to life for us. We would love to share our journey outcomes with you when we have completed our learning journey at the end of the summer term. Thank you for inspiring us and giving us many things to reflect on.

Kent Reliance supported a number of these sessions across Kent which included 9 schools in Sevenoaks, 7 in Gravesham, 8 in Maidstone, 1 in Ashford, 4 in Tonbridge & Malling, 4 in Medway, 1 in Swale, 1 in Dover, 1 in Canterbury and 3 in Dartford, totalling 46 sessions.

05

Directors' Report

Business review

The Society's operating result, derived from an agreement entered into with OSB to assist the Bank in ensuring its operations and services fairly represent the wishes and desires of Members wherever possible, generated a small loss for the year as donations paid out exceeded dividend income as the Society donates dividend income in the following year. The Society made an overall profit during the year as the increase in OSB's share price led to revaluation profits on its investment in OSB shares.

The Society assisted the Bank in conducting a number of customer research activities during the year.

The Society also continued with its free monthly prize draw and its charitable giving programme.

Financial results

The Society's operating loss for the year to 31 December 2019 was £13k (2018: £69k operating profit). The revaluation of investment in OSB shares resulted in a profit before taxation of £967k (2018: £664k loss). The profit after taxation for the year was £801k (2018: £556k loss).

Assets

The Society's sole investment is its holding of equity in OSB.

As at 31 December 2019 the Society held (and continues to hold) 1,169,815 Ordinary Shares of £0.01 in OSB (2018: 1,169,815). As per last year, the Board has decided it is appropriate that the investment be valued in the Society's accounts at the prevailing market value as at the accounting reference date.

Capital

The Society is not regulated as a financial institution but is registered with the Financial Conduct Authority as the registering authority under the Co-operative and Community Benefit Societies Act 2014. This legislation replaced the former Acts of Parliament that governed Industrial and Provident Societies, and under which the Society was originally incorporated.

There are no specific externally set capital requirements. However, the Board is mindful of its financial obligations and has agreed to have sufficient reserves (from retained earnings) to enable an orderly wind-down of its affairs in the event that such action is required.

Creditor Payment Policy

The Society's policy concerning the payment of its trade creditors is to pay within the agreed terms of credit, usually 30 days from invoice, once the supplier has discharged its contractual obligations. These terms of payment were settled with suppliers when agreeing the terms of each transaction.

Going concern

The Directors have undertaken a going concern assessment to satisfy themselves that the Society has sufficient resources to continue in operational existence for a period in excess of 12 months from the date of this report and have prepared the Financial Statements on that basis.

In assessing whether the going concern basis is appropriate, the Directors considered the information contained in the Financial Statements and the latest business plans for the Society. The assessment also considered the wider OSB Group. The OSB Group forecasts have been subject to sensitivity tests, including stress scenarios, which have been compared to the latest Brexit and COVID-19 pandemic economic scenarios provided by the OSB Group's external economic advisors, as well as reverse stress tests. The COVID-19 assessment focussed on capital, liquidity and operational resilience at the OSB Group level.

The Society interacts with OSB in a number of areas:

- KRPS receives reimbursement from OSB to cover its ongoing operating and governance costs for services and activities it undertakes on behalf of the Society's Members.
- The Relationship and Services Agreement dated 31 January 2011 between the Society and OSB details a number of essential corporate support activities which OSB undertakes to provide (e.g. including the maintenance of the membership database).

Having reviewed these assessments, the Directors are satisfied that the Society has sufficient resources to continue in operational existence for a period in excess of 12 months from the date of this report.

Charitable donations

During year, the Society made charitable donations of £196k (2018: £137k).

Directors

The full list of Directors who served on the Board during the year to 31 December 2019 and to the date of this Directors' Report is as follows:

Andy Golding (Chairman and Chief Executive Officer)
John Eastgate (Resigned on 31 January 2019)
Clive Kornitzer
John Paddick
April Talintyre

UK corporate governance code

The Board remains committed to the achievement of high standards of corporate governance which it considers to be central to the effective management of the Society and to maintaining the confidence of Members, and therefore applies the elements of the UK Corporate Governance Code that are relevant to an unlisted entity.

Indemnity provision

During the year covered by these accounts there were no new or outstanding third parties qualifying indemnity provisions in force. The outbreak of COVID-19 and its impact on the global and UK economies is considered to be a non-adjusting event as at the balance sheet date, the scale of the outbreak remained limited and therefore there was not sufficient information available to have caused changes to the assumptions applied to the financial position as at 31 December 2019. The full impact of the outbreak is currently uncertain; however, the Society is impacted by OSB's announcement to cancel the 2019 final dividend and changes to the share price in OSB.

The Society has continued to operate effectively through the lockdown with the majority of employees in the OSB Group working remotely. The OSB Group's senior leadership team continues to closely monitor the guidance provided by the UK Government making changes to operational practices in order to continue to provide services and support for customers, whilst also maintaining the health and safety of employees.

Auditors

Deloitte LLP have been appointed as auditor of the Company for the year commencing 1 January 2019 and expressed their willingness to continue in office. Pursuant to section 487 of the Companies Act 2006, the Auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

Disclosure of information to auditor

Each person who is a Director at the date of approval of this Directors' report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Society's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Society's auditor is aware of that information.

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

This report was approved by the Board on 26 June 2020 and signed on its behalf by:

Andy Golding

Chairman and Chief Executive Officer
Kent Reliance Provident Society Limited

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The Society only currently
receives **one source**
of income

.....



06

Corporate Governance Report

Introduction

The Board recognises the importance of sound corporate governance, and is committed to ensuring best practice is applied throughout the Society in a proportionate manner.

The Board of Directors

The Board was chaired by Andy Golding and constituted four Directors (including the Chairman) at the reporting date. The Chairman and two other Directors are executives of OSB; of which the Chairman and one other are also Directors. The remaining Director is an executive of the Society. The Board meets at appropriate intervals throughout the year and in 2019 met five times; however, given their co-location, Directors meet informally on a regular basis in the normal course of business. Additional Board meetings may be called at such other times as the Chair deems appropriate.

The Board is responsible for setting the strategy for the Society and for ensuring that there are appropriate financial and business systems and controls in place to safeguard the interests of the Society's Members. The Board is also responsible for ensuring the Society's continuing commitment to carrying out its business fairly, honestly and openly, in line with its mutual principles.

The Board has oversight of the strategy and retains control through challenge at Board meetings. All Board members receive accurate, timely and clear information to enable them to make an effective contribution to Board discussions. The scope and nature of such information is reviewed on an ongoing basis to ensure that it remains relevant and concise.

Directors have access to the advice and services of the Society Secretary, whose appointment is a matter for the Board and who is responsible for ensuring Board procedures are followed and for advising the Board, through the Chairman, on matters relating to governance.

Board attendance record

A table showing attendance at scheduled meetings is shown below. Against each Director's name is shown the number of meetings he or she attended in the year to 31 December 2019. The number of meetings each Director was eligible to attend is shown in brackets.

Director	Meeting
Andy Golding	5(5)
Clive Kornitzer	3(5)
John Paddick	5(5)
April Talintyre	5(5)

Board balance and independence

The Board consisted of four Directors as at 31 December 2019. The size and composition of the Board is kept under review to ensure an appropriate balance of skills and experience is represented on the Board.

Appointments to the Board

There were no new appointments to the Board during 2019 and up to the date of signing this Annual Report. John Eastgate ceased to be a Director with effect from 31 January 2019.

Re-election

Directors are required to submit themselves for re-election at the first Annual General Meeting after their appointment and at least once in every three years thereafter.

System of internal control

The Board is responsible for determining the Society's strategy for managing risk and overseeing its systems of internal control, and is committed to embedding internal control and risk management into the operation of the Society. The Chief Executive Officer and the Chief Operating Officer are responsible for designing, operating and monitoring risk management and internal controls.

The Board is satisfied that during the period the Society maintained an adequate and appropriate system of internal control.

The role of the Board includes a review of the Society's accounting policies at least annually, a review of the Financial Statements, including any significant financial reporting judgements on which they are based, and monitoring the systems of internal control.

Financial reporting

The Statement of Directors' Responsibilities in preparing the Society's accounts are set out on pages 22 and 23.

07

Directors' Remuneration Report

Introduction

The purpose of this report is to outline the Board's policy for the remuneration of the Society's Executive team and its Non-Executive Directors, and explains the process for setting Directors' remuneration and how it applies the principles of the UK Corporate Governance Code ('the Code'). The Code is available at www.frc.org.uk.

Remuneration of the Society's executive management

Currently, the Chief Executive Officer is remunerated solely by OSB, where he holds the same position as Chief Executive Officer. Two other Directors are also remunerated solely by OSB. Their remuneration is determined in accordance with OSB Board governance procedures, which are laid out in the Bank's latest Annual Report and Accounts, which is available to download from www.osb.co.uk. The Society has only one Executive Director, the Chief Operating Officer, whose terms and conditions fall within the remit of the Society's Board.

The remuneration of the Chief Operating Officer is shown below:

	2019 £'000	Restated ¹ 2018 £'000
Short-term employee benefits ²	80	79
Post-employment benefits	7	7
Gains made on the exercise of SAYE options	-	5
	87	91

¹The 2018 comparatives have been restated due to inclusion of exercised PAYE options

²Short-term benefits comprise salary costs and bonus

- Basic salary is determined by levels of responsibility, external market competitiveness and individual performance in the role. The Society's policy is to position salaries so that on average, they are in line with salary packages for similar positions in comparable institutions, taking account of the fact that no benefits in kind – such as company cars and private medical insurance – are enjoyed by the Society's employee.
- An annual bonus is paid at the discretion of the Board, when determined appropriate, according to success in the delivery of corporate and individual objectives.
- The current executive management is an inactive member of the OSB Group pension scheme.
- Standard contractual terms for executive level appointments include notice periods of between 3 and 12 months.
- Participation in the OSB Save As You Earn scheme ('SAYE') or Sharesave. The scheme is open to all UK-based employees and allows them to save a fixed amount of between £5 and £500 per month over either three or five years in order to use these savings at the end of the qualifying period to buy OSB's shares at a fixed price which includes a 20% discount. The cost of the discount is borne by OSB.

Specific remuneration and terms and conditions of employment of Members of the OSB executive management team are determined annually by the OSB Board on the basis of recommendations by the OSB Remuneration Committee. The Committee ensures that OSB's policy remains appropriate to attract, motivate and retain high calibre executives with the skills and experience needed to lead a business of this nature and complexity, and develop it for the long-term benefit of Members. Details of the approach of OSB to its own remuneration policy are set out in the latest Annual Report and Accounts for the Bank, which are available at www.osb.co.uk.

Non-Executive Directors' fees

During the year under review, none of the Non-Executive Directors received any remuneration for their time spent in connection with their role as a director of the Society.

Summary

This report, together with the disclosure in note 10 to the Annual Report and Accounts, is provided to give Members insight into the overall cost of the Society's Directors' remuneration.

08

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The Financial Statements are required by law to give a true and fair view of the state of affairs of the Society and of the profit or loss of the Society for that period.

In preparing the Society Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board and signed on its behalf by:

Andy Golding

Chairman and Chief Executive Officer
Kent Reliance Provident Society Limited

26 June 2020

09

Independent auditor's report to the Members of Kent Reliance Provident Society Limited

In our opinion the Financial Statements of Kent Reliance Provident Society Limited (the 'Society'):

- give a true and fair view of the state of the Society's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

We have audited the Financial Statements which comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Reconciliation of Members' Funds;
- the Statement of Cash Flows; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Financial Statements section of our report.

We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Board's use of the going concern basis of accounting in preparation of the Financial Statements is not appropriate; or
- the Board has not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt on the Society's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the Financial Statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The Board is responsible for the other information. The other information comprises the information included in the Annual Report, other than the Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of the Board

As explained more fully in the Board's responsibilities Statement, the Board is responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Matters on which we are required to report by exception

Under the Co-operative and Community Benefit Societies Act 2014 we are required to report in respect of the following matters if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Society has not kept proper accounting records; or
- the Financial Statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Society, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society, for our audit work, for this report, or for the opinions we have formed.

Giles Lang, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP,
London
United Kingdom

26 June 2020



10

Financial Statements



Statement of Comprehensive Income

	Notes	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
Commission and dividend income	2	386	404
Administrative expenses	3	(399)	(335)
Operating (Loss)/Profit		(13)	69
Other Income/(expense)	4	980	(733)
Profit/(Loss) before taxation/(expense)		967	(664)
Taxation	5	(166)	108
Total comprehensive income/(loss)		801	(556)

The above results are derived wholly from continuing operations.

There were no recognised gains or losses other than the profit for the year and accordingly no statement of other comprehensive income is given.

The notes on pages 33 to 38 form part of these Financial Statements.

Statement of Financial Position

	Notes	As at 31 Dec 19 £'000	As at 31 Dec 18 £'000
Non-current assets			
Investment in OneSavings Bank plc	6	5,070	4,094
Current assets			
Loans and advances to credit institutions		435	302
Debtors: Amounts falling due within one year	7	25	165
		460	467
Creditors: Amounts falling due within one year	8	(68)	(66)
Net current assets		392	401
Total assets less current liabilities		5,462	4,495
Creditors: Amounts falling due after more than one year	8	(620)	(454)
Net assets		4,842	4,041
Reserves			
Profit and Loss account		4,842	4,041
Total Members' Funds		4,842	4,041

The notes on pages 33 to 38 form part of these financial statements.

The report and accounts were approved by the Board of Directors on 26 June 2020 and were signed on its behalf by:

Andrew Golding
Director

April Talintyre
Director

Reconciliation of Members' Funds

	Profit and Loss account £'000	Total Members' funds £'000
As at 1 January 2018	4,597	4,597
Total comprehensive loss	(556)	(556)
As at 31 December 2018	4,041	4,041
Total comprehensive income	801	801
As at 31 December 2019	4,842	4,842

Statement of Cash Flows

	2019 £'000	2018 £'000
Cash flows from operating activities		
Profit/(Loss) before taxation	967	(664)
Adjustments for non-cash items:		
Unrealised (gains)/losses on investments	(976)	733
Cash (utilised)/generated from operations	(9)	69
Changes in operating assets and liabilities		
Decrease/(increase) in net amounts receivable from OSB	142	(132)
Increase in debtors	(2)	(1)
Increase/(decrease) in other creditors	2	(2)
Movement in cash and cash equivalents	133	(66)
Cash and cash equivalents at beginning of year	302	368
Cash and cash equivalents at end of year	435	302
Movement in cash and cash equivalents	133	(66)

1. Accounting policies

The principal accounting policies applied in the preparation of the accounts for the Society are set out below.

a) Company information

Kent Reliance Provident Society Limited is a society registered under Co-operative and Community Benefit Societies Act 2014 in England and Wales and is a public benefit entity.

b) Basis of preparation

These Financial Statements have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102: The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland ('FRS 102'), and with the Companies Act 2006. The presentation currency of these Financial Statements is Pounds Sterling. All amounts in the Financial Statements have been rounded to the nearest thousand (£'000).

The Financial Statements have been prepared on a historical cost basis, as modified by the revaluation of investment in OneSavings Bank plc held at fair value through profit or loss ('FVTPL'). The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in these Financial Statements.

There were no significant judgements made by the Directors, in the application of these accounting policies that have significant effect on the Financial Statements and estimates with a significant risk of material adjustment in the next year.

c) Going concern

The Directors have undertaken a going concern assessment to satisfy themselves that the Society has sufficient resources to continue in operational existence for a period in excess of 12 months from the date of this report and have prepared the Financial Statements on that basis.

In assessing whether the going concern basis is appropriate, the Directors considered the information contained in the Financial Statements and the latest business plans for the Society. The assessment also considered the wider OSB Group. The OSB Group forecasts have been subject to sensitivity tests, including stress scenarios, which have been compared to the latest Brexit and COVID-19 pandemic economic scenarios provided by the OSB Group's external economic advisors, as well as reverse stress tests. The COVID-19 assessment focussed on capital, liquidity and operational resilience at the OSB Group level.

The Society interacts with OSB in a number of areas:

- KRPS receives reimbursement from OSB to cover its ongoing operating and governance costs for services and activities it undertakes on behalf of the Society's Members.
- The Relationship and Services Agreement dated 31 January 2011 between the Society and OSB details a number of essential corporate support activities which OSB undertakes to provide (e.g. including the maintenance of the membership database).

Having reviewed these assessments, the Directors are satisfied that the Society has sufficient resources to continue in operational existence for a period in excess of 12 months from the date of this report.

d) Commission and other income

The Society derives its management income from a management fee charged to OneSavings Bank plc. This income is recognised on an accruals basis.

e) Administrative expenses

Administrative expenses for the Society include all operating and governance costs and are recognised on an accruals basis.

f) OSB Sharesave Scheme

The OSB Save As You Earn ('SAYE') or Sharesave Scheme is open to the Society's employee and allows them to save a fixed amount of between £5 and £500 per month over either three or five years in order to use these savings at the end of the qualifying period to buy OSB shares at a fixed price established when the schemes were announced. The OSB Group has offered three and five year Sharesave Schemes annually since 2014, with the exercise price set at a 20% discount on the OSB share price on the scheme dates. The cost of the Society's employee enrolled in the SAYE scheme is borne by OSB. Further details about the Sharesave Schemes are included in the OSB Group Annual Report and Accounts.

g) Taxation including deferred taxation

The charge for taxation is based on the result for the period and takes into account current and deferred taxation. The tax charge is taken to the profit or loss account, consistent with the items it relates to. Current taxation is the expected taxation charge on the taxable profits in the period. Deferred tax is the tax expected to be payable or recoverable in respect of temporary differences between the carrying amounts of assets or liabilities for accounting purposes and carrying amounts for tax purposes.

h) Financial instruments

The Society only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like Loans and advances to credit institutions, amounts owed to and by OSB Group undertakings and investments in equity share capital.

Following the re-organisation of OSB's share capital in 2014, the Society's holding decreased below the levels required to control or significantly influence OSB. As a result, the investment has been classified as other investments, originally recognised at cost of acquisition and subsequently re-measured at market value. Changes in its market value and related tax effect are taken to the statement of profit or loss.

i) Related parties

The Society has a related party relationship with OSB. Details of the related party transactions can be found in note 10.

2. Commission and dividend income

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
Management fee	208	208
Dividend income	178	196
	386	404

3. Administrative expenses

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
Staff costs (see below)	99	96
Fees payable to the auditors for the audit of the Financial Statements	16	16
AGM Costs	73	70
Charitable donations	196	137
Other administrative expenses	15	16
	399	335

Staff numbers and costs

The average number of persons employed by the Society (including executive Directors) during the year was 1 (2018: 1). Three of the Society's Directors are employees of OSB. These Directors are paid by OSB and receive no additional remuneration from the Society. The aggregate costs of the one person, which are also the remuneration of the highest paid Director, were:

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
Salaries and other benefits	81	78
Social security costs	11	11
Other pension costs ¹	7	7
	99	96

¹ Other pension costs relate to contributions to personal pension plans.

4. Other income/(expense)

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
Revaluation of investment in OSB	976	(733)
Interest on term deposit with OSB	4	-
	980	(733)

5. Taxation

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
Corporate tax charge - prior year	-	16
Deferred tax	166	(124)
	166	(108)

Tax is charged at the weighted average rate of corporation tax for the period of 19% (2018: 19%). The tax reconciliation is presented below:

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
Profit/(Loss) before taxation	967	(664)
Profit/(Loss) multiplied by the weighted average rate of corporation taxation in the UK	184	(126)
Non-taxable dividend income	(34)	(37)
Expenses not deductible for taxation purposes	36	25
Tax adjustments in respect of share-based payments	-	(1)
Unrealised (gains)/losses on investment in OSB	(20)	15
Adjustments in respect of prior years	-	16
	166	(108)

A reduction in the UK corporation tax rate from 19% to 18% (effective from 1 April 2020) was enacted on 26 October 2015. A further reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. The Government cancelled these rate reductions on 19 March 2020, with UK corporation tax rate remaining at 19% from 1 April 2020.

6. Investment in OneSavings Bank plc

The Society is one of the two founding shareholders of OSB. On 1 February 2011, it transferred to OSB the trade and net assets of the Kent Reliance Building Society in exchange for 26,000 ordinary A shares. OSB Holdco Limited, the other founding party, injected £50m of new capital in exchange for 17,426 ordinary B shares and 32,574 convertible preference shares in OSB.

Between 2011 and 2013, OSB Holdco Limited injected a further £45m of capital in OSB in exchange for ordinary B shares and convertible preference shares. In 2012, OSB issued 1,000 E shares in connection with an acquisition of a subsidiary.

In 2014, OSB reorganised its share capital in preparation for the listing on the London Stock Exchange ('Initial Public Offering' or 'IPO'). The reorganisation included an issue of interim shares, conversion, bonus issue and change of denomination from £1 to £0.01. Each ordinary B, E and preference share was exchanged for 200 new £0.01 ordinary shares. Ordinary A shares of the Society were exchanged for 677,800 new shares, a ratio of about one for 26.

This included an additional allocation of ordinary shares to settle OSB's liability of £700k for the buy-out of the agency agreement.

An additional 147,855 shares were received at IPO in accordance with the reorganisation agreement. In addition, the terms of settlement entitled it to the forfeited IPO shares granted to OSB employees. The Society received no additional forfeited shares during the year ended 31 December 2019 (2018: nil). The Society's total holding in OSB at 31 December 2019 remained 1,169,815 (2018: 1,169,815) shares which equates to about 0.26% (2018: 0.5%) of OSB's capital after the IPO and merger of OSB with Chartered Court Financial Services Group plc. The current level of voting rights does not allow the Society to significantly influence business decisions of OSB. Accordingly, the investment is classified as other long-term investments.

Until the capital reorganisation, the investment was valued at nil cost. Since OSB's IPO, the investment has been measured at market value based on OSB's share price on the reporting date. Changes in its market value are taken to the statement of profit or loss together with the related deferred tax disclosed in the note below.

The movements in the investment's value are analysed as follows:

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
At 1 January	4,094	4,827
Fair value change due to share price movements	976	(733)
At 31 December	5,070	4,094

7. Debtors

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
Amount receivable from OSB	21	163
Other debtors	4	2
	25	165

8. Creditors

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
Due after more than one year		
Deferred tax (see note 9)	620	454
	620	454
Due within one year		
Accruals	64	63
PAYE & NIC	3	3
VAT Output	1	-
	68	66

9. Deferred tax

Deferred tax represents the expected tax liability on the difference between the current market value and original cost of the investment in OSB at the reporting date.

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
At 1 January	454	578
Tax recognised in the profit or loss account and attributable to:		
- Movements in the value of shares	166	(124)
At 31 December	620	454

10. Related party transactions

During the year, the Society had the following transactions with its related party, OSB, all of which were at an arm's length basis:

	Year ended 31 Dec 19 £'000	Year ended 31 Dec 18 £'000
Commission and dividend income	386	404

11. Events after the reporting date

The outbreak of COVID-19 and its impact on the global and UK economies is considered to be a non-adjusting event as, at the balance sheet date, the scale of the outbreak remained limited and therefore there was not sufficient information available to have caused changes to the assumptions applied to the financial position as at 31 December 2019. The full impact of the outbreak is currently uncertain; however, the Society is impacted by OSB's announcement to cancel the 2019 final dividend and changes to the share price in OSB.

The Society has continued to operate effectively through the lockdown with the majority of employees in the OSB Group working remotely. The OSB Group's senior leadership team continues to closely monitor the guidance provided by the UK Government making changes to operational practices in order to continue to provide services and support for customers, whilst also maintaining the health and safety of employees.



Kent Reliance Provident Society Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014. Registered No: 31056R.
Registered office: Reliance House, Sun Pier, Chatham, Kent, ME4 4ET.

KentReliance
Provident Society