Defaqto Limited

Registered number 2870220

Strategic report, Directors' report and financial statements

For the year ended 31 December 2020

Company Information

Directors
A C G Brown
R P Bijtjes
N M Stevens
M L Timmins

Company Number
2870220

Registered Office
Financial Research Centre
Haddenham Business Park
Pegasus Way
Haddenham
Buckinghamshire
HP17 8LJ

Banker
HSBC Bank Plc
26 Broad Street
Reading
Berkshire
RG1 2BU

Solicitor
Capital Law Limited
Capital Building
Tyndall Street
Cardiff
CF10 4AZ

Auditor
KPMG LLP
15 Canada Square
London
England
E14 5GL

Contents

Strategic report

The directors present their strategic report for the year ended 31 December 2020.

Review of the business and future developments

A summary of the Company's trading during the year is shown in the Statement of Profit and Loss and other comprehensive income on page 11.

The group of which the Company is a member was acquired by a new ultimate parent undertaking Fintel plc (formerly The SimplyBiz Group plc) on 21 March 2019. The Company has aligned its accounting reference date with its ultimate parent undertaking, moving it from 31 July to 31 December and as such the comparable period represents the 17 month period from 1 August 2018 to 31 December 2019.

The Company is a financial information business, helping financial institutions and consumers make better informed decisions. Our independent fund and product information helps banks, insurers and fund managers with designing and promoting their propositions. In order to do so, the Company:

- collects data from across the whole of the market for products in the following areas: banking, general insurance, life and protection, wealth and funds;
- uses its expertise and insight to analyse the data, and to make it comparable;
- creates a range of products and services to deliver information in a meaningful way to its customers and stakeholders; and
- helps consumers to make better informed financial decisions, and helps the financial services sector create, manage and distribute products.

The Company does this by providing timely and accurate information to all levels of the financial sector including financial intermediaries, banks, insurers, life companies, asset managers, government departments, comparison websites and directly to consumers. Such services are generally supplied through digital delivery mechanisms thereby ensuring that the data used by decision makers is of the best quality available in the market.

Financial advisers use the Company's range of products to research the right products to suit their clients' needs. This service is predominantly offered in the life and protection, wealth and funds product areas.

The Company has and continues to focus its efforts on assisting financial intermediaries in delivering appropriate services to their client base. The Company's customers, both financial intermediaries and financial product providers, benefit from the continued expansion of the product and service suite and the Company is focussed on delivering best in class solutions to fit such demand.

The Company continues to provide services to providers of financial products that enable them to research, launch, distribute and manage quality products. Additionally, the Company rates financial products based on quality using the Defaqto Ratings process.

The Company offers services on either a hosted or an unhosted basis for integration with a number of consumer web-portals.

The directors are pleased with the performance in the year. The financial year ended 31 December 2020 saw the Company record a net profit of £4,037,990 *(period ended 31 December 2019: £5,798,769)*. Turnover was £14,557,461 *(2019: £19,575,374)* and operating profit was £5,125,534 *(2019: £6,757,162)*.

The Company continues to invest heavily in the development of its software platforms with £1,275,229 having been invested in the year in both employed and outsourced services (*period ended 31 December 2019: £1,948,815*). Such investment, as well as £87,655 invested in software and tangible fixed assets during the year, is offset by depreciation and amortisation of £1,386,246. IFRS 16 was adopted as of 1 January 2020 leading to the recognition of £1,082,538 net book value of right-of-use assets.

Strategic report *(continued)*

The aforementioned investments and the payment of £5,750,000 to the ultimate group undertaking offset the profits recorded in the year and resulted in cash declining by £58,518. The year end cash stands at £1,032,273 (*31 December 2019: £1,090,791*).

Research and development

The Company continues to expand the software offering with the main focus being on tools for financial advisers. This investment totalling £1,275,229 in the year (*period ended 31 December 2019: £1,948,815*) has seen new workflows being launched within the Defaqto Engage service and a number of new developments remained in progress at 31 December 2020 and will be launched in the following financial year.

Future developments

The Company is well placed to assist financial product providers in the distribution of their products and to assist financial intermediaries in complying with changes in regulation and making their advice offering more efficient. The Company will continue to develop products and services that serve the existing customer base, leveraging on the Company's brand that is known as the trusted source of financial product information.

Regulatory issues

The Company continues to operate in an area experiencing considerable regulatory change. These have provided the Company with several opportunities and the directors believe that the current product lines and planned developments of them will enjoy success in this changing environment.

Environmental impact

The Company works to reduce its carbon footprint by promoting paperless processes and recycling.

Dividends

The directors do not recommend a final dividend (*period ended 31 December 2019: £nil*).

Principal risks

The principal risks facing the business are economic and regulatory in nature. The Company relies on the financial services sector in the United Kingdom for 100% *(2019: 100%)* of turnover and that sector continues to face continuing regulatory and economic changes. The Company is not regulated but the majority of its customers are and there is a risk that a change in financial regulation in the United Kingdom may negatively impact either such customers or the Company directly. The directors maintain strong relationships with the customer base and the various financial regulators in the United Kingdom and take appropriate action where risks arise that need mitigation.

Actions taken to ensure that the Company is well positioned to fully support the requirements of its customers and employees during the Covid 19 pandemic have been successful. The Company has continued to provide all services to its customers during the lockdown period and employees were able to work from remote locations immediately, avoiding any material impact to trading.

Strategic report *(continued)*

Key Performance Indicators

The performance of the group of companies of which the Company is a member is monitored on a group basis rather than at an individual company level. The key performance indicators monitored at that level are turnover and adjusted operation profit and these are discussed in the report and financial statements of the ultimate parent undertaking Fintel plc.

On behalf of the Board

A C G Brown
Director
Defaqto Limited

30 September 2021

Directors' report

The directors present their directors' report and the audited financial statements for the year ended 31 December 2020.

Principal activity

The Company is a financial information business, helping financial institutions and consumers make better informed decisions through the provision of quality financial data and associated tools.

Directors

The directors who held office during the year and up to the date of approval of these financial statements were as follows:

S Z H Bilgrami (resigned 1 April 2021)
R P Bijtjes
A C G Brown
G R Hague (resigned 23 April 2021)
N M Stevens
M L Timmins

No rights to subscribe for shares in or debentures of the Company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors manage the Company alongside the other companies within the group of companies that are wholly and majority owned directly and indirectly by Fintel plc (the Group), with Group banking facilities in place of £45,000,000 until March 2024. The Group Directors have prepared cash flow forecasts for the Group for the period to December 2022 which indicate that, taking account of severe but plausible downside scenarios, the Group, including this Company, will have sufficient funds through the Group's combined banking facilities to meet its liabilities as they fall due for that period.

Fintel plc (formerly The SimplyBiz Group plc) has indicated its intention to continue to make available such funds as are needed by the Company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due until at least December 2022 and therefore have prepared the financial statements on a going concern basis.

Third party indemnity provision for directors

As permitted by the Articles of Association, the directors have the benefit of a Directors' and Officers' liability insurance, which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. This indemnity, purchased by Fintel plc and applicable to the directors of the Company was in force from 21 Mach 2019 and is currently in force.

Directors' report *(continued)*

Financial instruments

The Company works to mitigate the risks faced regarding the recoverability of balances due to it. This includes reviewing the credit worthiness of customers prior to the provision of service to them. There are significant balances outstanding from group undertakings and the group of which the Company is a member has outstanding bank loan balances and shareholder loan balances. Repayment and servicing of these balances will principally be financed through the continued profitability of the Company. The directors monitor the recoverability of the intercompany balances and the overall group performance on a monthly basis.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The group intends to hold a tender for audit services prior to the end of the financial year to 31 December 2021. KPMG LLP has indicated that, following a commercial decision, it will not participate in this process and will therefore tender its resignation at the time the new auditor has been selected. KPMG LLP confirms there are no circumstances in connection with its planned resignation that should be brought to the attention of the members or creditors of the Company.

Matters of Strategic Importance

The company has chosen in accordance with Companies Act 2006, s414c(11) to set out in the Company's Strategic Report information required by Large and Medium Sized Companies and Group (Accounts and Reports) Regulations 2008, sch 7 to be contained in the Directors' Report. It has been done so in respect of future developments and dividends declared and paid.

On behalf of the Board

A C G Brown
Director

30 September 2021

Financial Research Centre
Haddenham Business Park
Pegasus Way
Haddenham
Buckinghamshire
HP17 8LJ

Statement Of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Strategic Report, the Directors' Report and 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG LLP
15 Canada Square
London
England
E14 5GL
United Kingdom

Independent Auditor's Report to the Members of Defaqto Limited

Opinion

We have audited the financial statements of Defaqto Limited (the 'Company') for the year ended 31 December 2020, which comprise the Profit and loss account and other comprehensive income, Balance sheet, Statement of changes in equity, and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, and whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board meeting minutes.
- Considering remuneration incentive schemes and performance targets for management, directors and staff.
- Using analytical procedures to identify any unusual or unexpected relationships.

Independent Auditor's Report to the Members of Defaqto Limited *(continued)*

Fraud and breaches of laws and regulations – ability to detect (continued)

Identifying and responding to risks of material misstatement due to fraud (continued)

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that revenue is not calculated appropriately or recorded in the wrong period and the risk that Company management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates.

We did not identify any additional fraud risks.

We performed procedures including:

- Tested whether a sample of sales transactions were recognised in the correct period by vouching those to underlying supporting documentation.
- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those with unexpected revenue account combinations during the financial year.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery and employment law recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

Independent Auditor's Report to the Members of Defaqto Limited *(continued)*

Fraud and breaches of laws and regulations – ability to detect (continued)

Context of the ability of the audit to detect fraud or breaches of law or regulation (continued)

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the Strategic report and directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company'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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at **www.frc.org.uk/auditorsresponsibilities**.

Independent Auditor's Report to the Members of Defaqto Limited *(continued)*

The purpose of our audit work and to whom we owe our responsibilities
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Nichols

Paul Nichols (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

15 Canada Square
London
England
E14 5GL

Date: 4 October 2021

Statement of profit and loss and other comprehensive income

for the year ended 31 December 2020

	Note	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Turnover	3	14,557,461	19,575,374
Staff costs	8	(6,142,914)	(7,493,623)
Other operating charges		(1,902,767)	(4,014,637)
Depreciation of tangible fixed assets		(275,944)	(140,974)
Amortisation of intangible fixed assets		(1,110,302)	(1,167,978)
Operating profit	4	5,125,534	6,758,162
Interest receivable and similar income	5	3,822	6,297
Interest payable and similar charges	6	(25,154)	(125,029)
Profit before taxation		5,104,202	6,639,430
Tax charge on profit	9	(1,066,212)	(840,661)
Profit after taxation and profit for the financial year		4,037,990	5,798,769

The notes on pages 14 to 31 form part of these financial statements.

Statement of financial position
as at 31 December 2020

	Note	31 December 2020		31 December 2019	
		£	£	£	£
Fixed assets					
Intangible assets	*10*		3,043,673		2,871,995
Tangible assets	*11*		1,042,507		155,009
			4,086,180		3,027,004
Current assets					
Debtors due within one year	*13*	2,248,066		3,031,658	
Debtors due after one year	*13*	11,862,047		7,147,537	
Cash at bank and in hand		1,032,273		1,090,791	
		15,142,386		11,269,986	
Current liabilities					
Creditors: amounts falling due within one year	*14*	(7,375,652)		(6,815,646)	
Net current assets			7,766,734		4,454,340
Creditors: amounts falling due after greater than one year	*15*		(773,260)		(604,290)
Provisions for liabilities: deferred tax	*16*		(509,329)		(422,424)
Net assets			10,570,325		6,454,630
Capital and reserves					
Called up share capital	*17*		2		2
Retained earnings			10,570,323		6,454,628
Total equity			10,570,325		6,454,630

The notes on pages 14 to 31 form part of these financial statements.

These financial statements were approved on 30 September 2021 by the Board of Directors and were signed on its behalf by:

A C G Brown
Director

Defaqto Limited

Registered number 2870220

Statement of changes in equity
For the year ended 31 December 2020

	Share capital £	Retained earnings £	Total £
Balance at 31 July 2018	2	655,859	655,861
Profit for the period	-	5,798,769	5,798,769
Total comprehensive income for the period	-	5,798,769	5,798,769
Balance at 31 December 2019	2	6,454,628	6,454,630
Restatement of retained earnings on initial application of IFRS 16	-	(9,942)	(9,942)
Balance at 31 December 2019	2	6,444,686	6,444,688
Profit for the year	-	4,037,990	4,037,990
Total comprehensive income for the year	-	4,037,990	4,037,990
Share-based payment	-	87,647	87,647
Total transactions with shareholders	-	87,647	87,647
Balance at 31 December 2020	2	10,570,323	10,570,325

The notes on pages 14 to 31 form part of these financial statements.

Notes
(forming part of the financial statements)

1 Accounting policies

Company information

Defaqto Limited ("the Company") is a private company limited by shares, domiciled and incorporated in England.

The address of the Company's registered office and principal place of business is Financial Research Centre, Haddenham Business Park, Pegasus Way, Haddenham, Buckinghamshire, HP17 8LJ.

The Company's principal activities and the nature of the Company's operations are described in the Directors' Report and the Strategic Report.

The Company's ultimate parent undertaking, Fintel plc (formerly The SimplyBiz Group plc) includes the Company in its consolidated financial statements. The consolidated financial statements of Fintel plc are available to the public and may be obtained from Fintel House, St. Andrew's Road, Huddersfield, HD1 6NA.

Basis of accounting

These financial statements are prepared under the historical cost convention and are prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* applicable in the UK and Republic of Ireland ("FRS 101").

Monetary amounts in these financial statements are rounded to the nearest £1 except where otherwise indicated.

The comparative period presented in these financial statements is the 17 months to 31 December 2019. A long period was presented in order to align the year end of all companies within the group of companies including the ultimate parent company Fintel plc and all of its subsidiaries.

Reduced disclosures

In accordance with FRS 101, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes;
- Comparative period reconciliations for tangible fixed assets and intangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Key Management Personnel compensation;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

Notes *(continued)*

1 Accounting policies *(continued)*

Functional and presentational currencies

The financial statements are presented in sterling which is also the functional currency of the Company.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors manage the Company alongside the other companies within the group of companies that are wholly or majority owned directly and indirectly by Fintel plc (the Group), with Group banking facilities in place of £45,000,000 until March 2024, of which £24,000,000 is drawn as of 30 June 2021. The Group Directors have prepared cash flow forecasts for the Group for the period to December 2022 which indicate that, taking account of severe but plausible downside scenarios, the Group, including this Company will have sufficient funds, through the Group's combined banking facilities to meet its liabilities as they fall due for that period.

Various sensitivity analyses have been performed to assess the impact of more severe but plausible downside scenarios to future trading including a 33% reduction in revenue linked to the mortgage market affecting both valuations and commissions, a 33% reduction in core membership revenue, and a 50% reduction in Marketing Service Agreements all from July 2021 onwards. All scenarios are modelled in isolation and combined, on the separate assumptions that management take no action, and that debt repayments are paused until the revenue position normalises. Under these severe but plausible downside scenarios the Group continues to operate within its available facilities and does not incur any covenant breaches.

Fintel plc has indicated its intention to continue to make available such funds as are needed by the Company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due until at least December 2022 and therefore have prepared the financial statements on a going concern basis.

Turnover

Turnover is the amount derived from the provision of services falling within the Company's ordinary activities and is stated net of Value Added Tax. Turnover is recognised when performance of the services is delivered. Certain services are delivered at one point in time and turnover relating to those services is recognised at that point in time. Other services are delivered over a period of time in which case turnover is spread over the delivery period.

Any consideration received in advance of performance is recognised as deferred income. Such deferred income is released to turnover as performance occurs. Any consideration received in arrears of performance is recognised as accrued income when performance occurs. Any such accrued income is released when invoicing occurs.

Other income

Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Notes *(continued)*

1 Accounting policies *(continued)*

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. Employees are entitled to carry forward any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

The Company operates a defined contribution pension scheme. The amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Intangible fixed assets and amortisation

Intangible assets purchased in relation to computer software are capitalised at their cost and amortised through profit or loss in equal instalments over their estimated useful life of three years.

Research and development

Research expenditure is written off as the costs are incurred. Development costs are treated in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects and costs attributable to the projects can be reliably measured and the Company has the resourced to complete those projects. In this situation, the expenditure is capitalised as an intangible fixed asset and amortised over the period during which the Company is expected to benefit of 3 years.

Tangible fixed assets

Tangible fixed assets are stated at their purchase price, together with any incidental expenses of acquisition. Provision for depreciation is made so as to write off the cost of tangible fixed assets over their expected useful lives on a straight line basis. All lease assets are depreciated over the shorter of the useful life or expected lease period, unless it is expected that the Company will exercise an option to purchase the asset, in which case these assets are depreciated over their useful economic life. The principal rates used for this purpose are as follows:

Leasehold improvements	-	over life of lease or asset life if lower
Leased assets	-	over life of lease or asset life if lower
Office equipment	-	33⅓% per annum

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.
Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements.

Notes *(continued)*

1 Accounting policies *(continued)*

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Leases

The Company has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17.

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, along with one or more other lease or non-lease components, the Company accounts for each lease component separately from the non-lease components. However, for the leases of class of underlying asset, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price and the aggregate stand-alone price of the non-lease components.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise,
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Notes *(continued)*

1 Accounting policies ***(continued)***

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to nil, with any further adjustment required from the remeasurement being recorded in profit or loss.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Operating lease rentals are charged to profit or loss on a straight line basis over the period of the lease.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for lease of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Classification of financial instruments issued by the Company

In accordance with FRS 101, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

Trade and other receivables
Trade and other receivables are recognised at fair value, minus expected future losses. A provision for impairment of trade receivables is recognised based on lifetime expected losses, but principally comprise balances where objective evidence exists that the amount will not be collectible. Such amounts are written down to their estimated recoverable amounts, with the charge being made to operating expenses.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised at fair value.

Notes *(continued)*

1 Accounting policies *(continued)*

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Amounts owed by / to Group Undertakings
Amounts owed by Group undertakings are classed as non-current or current assets depending upon the timing of their expected recovery. Amounts due to Group undertakings are classified as current liabilities unless specific payment terms are in place.

Dividends

Dividends are recognised as liabilities once they are no longer at the discretion of the Company.

Adoption of new and revised standards
A number of new and revised IFRSs have been issued and are due to be effective for the Company in future financial periods, with their impacts due to effect FRS 101 adopters. Their adoption is not expected to have a material effect on the financial statements.

2 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions
The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The Company makes estimates of the useful economic life of capitalised development costs. This estimate takes into consideration historical experience of the speed of change in the retail finance market and the longevity of benefits that arose historically from previous developments.

The Company makes an estimate of the recoverable value of trade and other debtors. A provision for impairment of trade receivables is recognised based on lifetime expected losses, but principally comprise balances where objective evidence exists that the amount will not be collectible. Such amounts are written down to their estimated recoverable amounts, with the charge being made to operating expenses.

Critical areas of judgement
The directors apply their judgement to determine the technical, commercial and financial viability of software development projects in order to assess whether the costs of such projects should be capitalised..

Notes *(continued)*

3 Change in significant accounting policies

The Company has applied IFRS 16 using the modified retrospective with cumulative effect method – i.e. by recognising the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of equity at 1 January 2020. Therefore, the comparative information has not been restated and continues to be reported under IAS 17. The disclosure requirements in IFRS 16 have not been applied to comparative information. The details of the changes and quantitative impact are set out below.

Definition of a lease

Previously the Company determined at contract inception whether an arrangement was or contained a lease under IFRIC 4: Determining whether an Arrangement contains a Lease. The Company now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in note 1. On transition to IFRS 16, the Company elected to apply the practical expedient to apply IFRS 16 only to contracts that were previously identified as leases. Contracts that were not previously identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease under IFRS 16. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 January 2020.

As a lessee

The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Only finance leases were then recognised on the balance sheet.

Under IFRS 16, the Company recognises right-of-use assets and lease liabilities for most of these leases – i.e. these leases are on-balance sheet.

Leases classified as operating leases under IAS 17

On transition, for operating leases under IAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 January 2020.

Right-of-use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments: the Company applied this approach to all other leases.

The Company used a number of practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17. In particular these were:

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low value assets;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term

Notes *(continued)*

3 Change in significant accounting policies *(continued)*

The following table summarises the quantitative impact of adopting IFRS 16 on the Company's financial statements for the year ending 31 December.

	Impact of adoption of IFRS 16		
	As previously reported at 31 December 2019	**Adjustments**	**Balances at 1 January 2020 with adoption of IFRS 16**
	£	**£**	**£**
Balance sheet			
Lease asset	-	1,082,538	1,082,538
Lease liability (current)	-	(191,698)	(191,698)
Lease liability (non-current)	-	(903,114)	(903,114)
Deferred tax liability	(422,424)	2,332	(420,092)

When measuring the lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate at 1 January 2020 of 3.1%.

The following table summarises the difference between the operating lease commitments disclosed under IAS 17 at 31 December 2019 in the Company's financial statements and the lease liabilities recognised at 1 January 2020:

	Balances at 1 January 2020 with adoption of IFRS 16
	£
Operating lease commitments at 31 December 2019 as disclosed under IAS 17	1,223,231
Discounted using the incremental borrowing rate at 1 January 2020	(128,419)
Lease liabilities recognised as at 1 January 2020	1,094,812

As a result of initially applying IFRS 16, in relation to the leases that were previously classified as operating leases, the Company recognised £1,082,538 of right-of-use assets and £1,094,812 of lease liabilities. On transition to IFRS 16, financial commitments of £87,253 as at 31 December 2019, previously disclosed, were considered to not meet the IFRS 16 criteria and therefore not recognised as right-of-use assets.

4 Turnover

The Company's entire turnover is derived from the sale of research data and associated tools in the United Kingdom.

Notes *(continued)*

5 Operating profit

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Operating profit is stated after charging:		
Depreciation and amortisation	1,386,246	1,308,952
Hire of land and buildings – rentals payable under operating leases	-	140,480
Hire of plant and equipment – rentals payable under operating leases	-	221,082
Research expenditure	583,099	320,614
Auditor's remuneration		
Audit of these financial statements	35,000	29,000

Amounts receivable by the Company's auditor in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is disclosed on a consolidated basis in the consolidated financial statements of the ultimate parent company (Fintel plc).

6 Interest receivable and similar income

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Bank deposit interest	3,822	6,297
	3,822	6,297

7 Interest payable and similar expenses

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Finance charges on lease liability	25,154	-
Interest payable on loans due to parent undertaking	-	125,029
	25,154	125,029

Notes *(continued)*

8 Directors' remuneration

In respect of the directors of Defaqto Limited:

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Directors' emoluments	515,367	36,643

9 Staff numbers and costs

The average monthly number of persons employed by the Company during the year, analysed by category, was as follows:

	Number of employees	
	Year ended 31 December 2020	Period ended 31 December 2019
Research	66	60
Administration (including product development)	39	41
Sales and marketing	30	30
	135	131

The aggregate payroll costs of these persons were as follows:

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Wages and salaries	5,787,303	7,264,010
Social security costs	676,285	825,103
Pension costs	864,555	1,112,047
	7,328,143	9,201,160
Staff costs capitalised as development costs	(1,185,229)	(1,707,537)
	6,142,914	7,493,623

Notes *(continued)*

10 Taxation

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
UK corporation tax		
Current tax charge on income for the year	911,114	260,128
Adjustments in respect of prior years	65,861	(37,327)
Total current tax	976,975	222,801
Deferred tax (see note 16)		
Origination and reversal of timing differences	38,295	632,198
Adjustments in respect of prior years	1,114	(92)
Effect of change in tax rate	49,828	(14,246)
Total deferred tax	89,237	617,860
Tax charge on profit	1,066,212	840,661

Factors affecting the tax charge for the current year:

The tax charge for the year is lower than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Profit	5,104,202	6,639,430
Tax at 19%	969,798	1,261,492
Expenses not deductible for tax purposes	70,238	77,389
Group tax relief received	(627)	(304,465)
Effect of change in tax rate	49,828	(14,246)
Other differences	-	(17,090)
Research and development tax credit	(90,000)	(125,000)
Adjustments in respect of prior years	66,975	(37,419)
Total tax charge (see above)	1,066,212	840,661

Changes affecting the future tax charge
Reductions in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

Notes *(continued)*

11 Intangible fixed assets

	Development costs £	Computer software £	Total £
Cost			
At 1 January 2019	9,208,704	342,319	9,551,023
Additions	1,275,229	6,751	1,281,980
At 31 December 2020	10,483,933	349,070	10,833,003
Amortisation			
At 1 January 2020	6,356,633	322,395	6,679,028
Charge for year	1,089,909	20,393	1,110,302
At 31 December 2020	7,446,542	342,788	7,789,330
Net book value			
At 31 December 2020	3,037,391	6,282	3,043,673
At 31 December 2019	2,852,071	19,924	2,871,995

There are no contractual commitments to acquire intangible assets.

Notes *(continued)*

12 Tangible fixed assets

	Leased		Owned			
	Cars and office equipment £	**Property £**	**Leasehold improvements £**	**Office furniture, fixtures and fittings £**	**Office equipment £**	**Total £**
Cost						
At 1 January 2020	-	-	313,004	53,588	209,590	576,182
Recognition of right-of-use asset in initial application of IFRS 16	251,825	1,015,977	-	-	-	1,267,802
Adjusted balance for IFRS 16 adoption on 1 January 2020	251,825	1,015,977	313,004	53,588	209,590	1,843,984
Additions	34,841	-	2,107	-	43,956	80,904
Disposals	(27,473)	-	-	-	-	(27,473)
At 31 December 2020	259,193	1,015,977	315,111	53,588	253,546	1,897,415
Depreciation						
At 1 January 2019	-	-	202,350	42,080	176,743	421,173
Recognition of right-of-use asset in initial application of IFRS 16	117,532	67,732	-	-	-	185,264
Adjusted balance for IFRS 16 adoption on 1 January 2020	117,532	67,732	202,350	42,080	176,743	606,437
Charge for year	82,541	101,598	58,328	6,642	26,835	275,944
Disposals	(27,473)	-	-	-	-	(27,473)
At 31 December 2020	172,600	169,330	260,678	48,722	203,578	854,908
Net book value						
At 31 December 2020	86,593	846,647	54,433	4,866	49,968	1,042,507
At 31 December 2019	-	-	110,654	11,508	32,847	155,009

Notes *(continued)*

13 Leases

Amounts recognised in the statement of financial position

The balance sheet shows the following amounts relating to leases:

Right-of-use assets
Right-of-use assets related to lease properties that do not meet the definition of investment properties are presented as property (see note 12):

	Property	Office equipment	Total
	£	£	£
Balance at 1 January 2020	948,245	134,293	1,082,538
Additions to right-of-use asset	-	34,841	34,841
Depreciation charge for the year	(101,598)	(82,541)	(184,139)
Adjusted balance at 31 December 2020	846,647	86,593	933,240

Lease Liabilities

The following lease liabilities existed at 31 December:

	31 December 2020
	£
Current liability	136,980
Non-current liability	773,260
Balance at 31 December 2020	**910,240**

Changes in lease liabilities from financing activities

	£
Balance at 1 January 2020	1,094,912
New leases	34,841
Interest	25,154
Lease payments	(244,667)
Balance at 31 December 2020	**910,240**

Amounts recognised in profit or loss

The following amounts have been recognised in profit or loss for which the Company is a lessee:

	£
Leases under IFRS 16 (2020)	
Depreciation charge for the year	184,139
Interest expense on lease liabilities	25,154

	£
Operating leases under IAS 17 (2019)	
Lease expense	113,558

Notes *(continued)*

14 Debtors

	31 December 2020 £	31 December 2019 £
Trade debtors	1,978,209	2,423,914
Corporation tax	-	272,172
Prepayments and accrued income	268,659	335,572
Other debtors	1,198	-
Amounts due within one year	2,248,066	3,031,658
Amounts due after one year from group undertakings	11,862,047	7,147,537
	14,110,113	10,179,195

Amounts owed by group undertakings are payable on demand and do not attract interest.

15 Creditors: amounts falling due within one year

	31 December 2020 £	31 December 2019 £
Trade creditors	215,823	180,098
Other taxation and social security	507,899	466,293
Amounts due to group undertaking	32,404	-
Corporation tax due	29,804	-
Lease liability (note 13)	136,980	-
Other creditors	121,512	117,838
Accruals and deferred income	6,331,230	6,051,417
	7,375,652	6,815,646

16 Creditors: amounts falling due after greater than one year

	31 December 2020 £	31 December 2019 £
Amounts due to parent undertaking	-	604,290
Lease liability (note 13)	773,260	-
	773,260	604,290

The Company borrowed £1,900,000 from its direct parent undertaking Regulus Bidco Limited on 22 May 2018. The loan bore interest at 8% per annum, such interest accruing and being due for payment on maturity of the loan on 22 May 2025. On 21 March 2019, £1,450,000 of the loan principal was repaid. On 1 January 2020 it was agreed that no further interest would be charged on the loan and the loan and previously accrued interest was settled on 29 December 2020.

Notes *(continued)*

17 Deferred taxation

	Deferred tax asset £	Deferred tax liability £	Net deferred tax asset / (liability) £
At 1 January 2020	-	(422,424)	(422,424)
Deferred tax arising on adoption of IFRS 16	-	2,332	2,332
Charge to profit or loss for the year	-	(89,237)	(89,237)
At 31 December 2020	-	(509,329)	(509,329)

The elements of these balances are as follows:

	31 December 2020 £	31 December 2019 £
Depreciation in advance of capital allowances	40,393	40,742
Other timing differences	(549,722)	(463,166)
	(509,329)	(422,424)

18 Share capital and reserves

	31 December 2020 £	31 December 2019 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

The Company's ordinary shares, which carry no right to fixed income, carry the right to one vote at general meetings of the Company.

Notes *(continued)*

19 Pension scheme

Defined contribution pension scheme

The Defaqto Personal Pension Plan is a defined contribution plan and is open to all employees of the Company that have completed three months' service. The Company doubles the contributions made by employees up to a maximum company contribution of 10% of salary *(2019: 10%)*. The pension cost for the year represents contributions payable by the Company to the scheme and amounted to £864,555 *(2019: £1,112,047)*. Included in creditors due within one year is £76,314 *(2019: £72,647)* in respect of contributions due in relation to this pension scheme.

20 Ultimate parent company and controlling party

The immediate parent undertaking is Regulus Bidco Limited. The ultimate parent undertaking is Fintel plc (formerly The SimplyBiz Group plc), which is the only set of consolidated financial statements which include the results of the Company. These accounts can be obtained from:

Fintel House
St. Andrew's Road
Huddersfield
HD1 6NA.

In the opinion of the directors, the ultimate controlling party is Fintel plc (formerly The SimplyBiz Group plc).

21 Commitments

The total future minimum lease payments under non-cancellable leases are as follows:

	2020		2019	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Due within one year	116,025	62,876	116,343	128,034
Due 2-5 years inclusive	464,418	32,207	464,418	97,537
Due in greater than 5 years	388,127	-	504,152	-
	968,570	95,083	1,084,913	225,571

22 Contingent liabilities

The Company is registered with HMRC as a member of a group for VAT purposes, and as a result is jointly and severally liable on a continuing basis for amounts owing by any other members of that group in respect of unpaid VAT. At the reporting date, the outstanding VAT balance of the other group companies in the VAT group, of which the Company is a member, was a receivable amount of £ nil *(2019: £nil)*.

The company has provided a guarantee against the bank loans of Fintel plc (formerly The SimplyBiz Group plc), the ultimate parent company. The total amount outstanding at 30 June 2021 amounted to £24,000,000 *(2019: £38,000,000)*.

Notes *(continued)*

23 Related party transactions

The Company has taken advantage of the exemption within FRS101 and therefore not disclosed details of transactions with fellow wholly owned companies within the group headed by Fintel plc.

The Company provided services to Comparison Creator Limited, a majority owned subsidiary of Fintel plc. Turnover recognised aggregated £28,773 during the year to 31 December 2020 (*2019: £29,861*) and as at 31 December 2020 the Company was owed £2,470 by Comparison Creator Limited (*2019: £2,400*).