Registration number: 03018519

Mortgage Intelligence Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2018

Mortgage Intelligence Limited
(Registration number: 03018519)

Contents

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Company Information

Directors	N Ceeney P Curran S Laker
Company secretary	Oakwood Corporate Secretary Ltd G Williams
Registered office	Roddis House 12 Old Christchurch Road Bournemouth BH1 1LG
Independent auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

Mortgage Intelligence Limited
(Registration number: 03018519)

Strategic Report for the Year Ended 31 December 2018

The directors present their strategic report for the year ended 31 December 2018.

Business review

Mortgage market conditions in 2018 were stronger than 2017, with gross lending of £269 billion, 3% up on the prior year. The wider residential estate agency market continued to slowdown, with the number of housing transactions contracting by 2% in the UK in 2018. This is as a result of continued slowdown in the UK economy principally driven by the EU referendum.

The Bank of England's Monetary Policy Committee increased interest rates by 0.25% in August with the intention to reduce inflation in the UK. This presented an opportunity to provide remortgaging advice to our back book of existing customers. We have continued to focus on building long-lasting relationships with our existing customers and it was encouraging to see our re-mortgage conversion for existing customers increasing to 30% (2017: 29%).

Given the backdrop of the market conditions, performance in 2018 has been robust - our gross distribution has increased 15% to £4.5bn of mortgage lending (2017: £3.9bn), and we have increased the number of regulated individuals authorised to work for our network of appointed representative firms from 270 to 286 - an increase of 6%.

Outlook

2018 was a year of volatility in the mortgage and real estate markets and we expect that uncertainty around the future of the country is set to continue into 2019. Between January and July 2019 the UK mortgage market fell by approximately 1.3% year on year, with overall gross lending of £112 billion. We forecast the UK mortgage market to remain broadly flat for the remainder of 2019, however we will endeavour to help our network and continue to provide high quality advice to customers.

Key Performance Indicators

The business derives its main source of income from mortgage procuration fees and insurance commissions, coupled with fees charged to the members firms for regulatory compliance oversight. The following metrics are used to manage the business:

	2018	2017	Change
Revenue	£3.9m	£3.7m	5%
Operating profit	£1.1m	£1.1m	-
Mortgage exchanges (unaudited)	22k	19k	16%
Value of mortgages arranged (unaudited)	£4.5bn	£3.9bn	15%
Number of authorised Regulated Individuals (unaudited)	286	270	6%
Average number of FTE employees (unaudited)	56	53	6%

Approved by the Board on 27 September 2019 and signed on its behalf by:

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P Curran
Director

Mortgage Intelligence Limited
(Registration number: 03018519)

Directors' Report for the Year Ended 31 December 2018

The directors present their report and the audited financial statements for the year ended 31 December 2018.

Principal activities and future developments
The principal activity of the company is the arrangement of mortgage and insurance business. The company is directly authorised by the Financial Conduct Authority, and runs a network of appointed representative firms. There has been no change in the company's activities in the year under review and no future change in activity is anticipated.

Dividends
The directors do not recommend the payment of a final dividend (2017: £Nil).

Operating results
Revenue of £3.9m (2017: £3.7m) and operating profit of £1.1m (2017: £1.1m).

Financial risk management
The company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out on a group basis by the finance department of Countrywide plc, the ultimate parent undertaking. The board provides principles for overall risk management, as well as specific areas such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

(a) Market risk
(i) Foreign exchange risk
The company operates within the United Kingdom and all of the company's transactions are in sterling.

(ii) Cash flow and fair value interest rate risk
As the company has no significant interest bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

(b) Credit risk
Credit risk arises principally from the company's trade receivables. It is the risk that the counterparty fails to discharge its obligation in respect of the instrument. The company has implemented policies which require a credit risk assessment, and credit checks are made on potential clients as required in accordance with these assessments. The wide client base of the company also serves to mitigate the credit risk, reducing the exposure from a failure of any single client.

(c) Liquidity risk
Liquidity risk arises from the company's management of working capital. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due.

Cash balances are managed through Countrywide plc's group treasury arrangement and cash outflows can be predicted with reasonable accuracy. Credit risk within the group treasury function is also mitigated by maintaining a list of accepted deposit institutions whose credit ratings are kept under review.

Directors of the company

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

N Ceeney

P Curran

S Laker

P Dixon (resigned 2 May 2018)

Employees

Our people are our greatest asset. As experts in their field who deliver for our customers, we recognise the importance of development and opportunity. Our vision is to be the provider of choice for property services in the UK. In order to achieve this, we develop, retain, and recruit dynamic, talented, professional people and create a culture where people are valued, can be themselves and realise their potential.

2018 was a year of reset. We made significant progress in ensuring we have the right level of headcount and expertise and continued career development and progression. We recognise that our people need to be inspired to be the best they can be, feel valued and engaged. To support this, we offer a range of benefits and development opportunities for our people.

Share plans form a key part of the company's total reward offering. During the year, an in depth review of the Group-wide share plans took place, resulting in closure of the Share Incentive Plan (SIP) and the successful introduction of a Save as You Earn (SAYE) plan on a three year term.

Training and development

The company has a flexible approach to on-the-job learning and a commitment to keeping our teams safe and legal. Compliance training is managed through our online system and completion rates are at an all-time high. Modules provide colleagues with tailored courses to support them in the roles they perform. Further courses will become available as we introduce induction and on-boarding programmes and maximise our use of technology.

Communication and engagement

The company delivers timely, clear and consistent messaging to all colleagues. Updates include financial results and market updates through Our Place. Our Place is a key communication channel with over 60% of the Group's colleagues regularly visiting the site for updates including: financial results, market updates, blogs and business related information.

Our Place hosts High Fives, a group-wide recognition programme, created to encourage colleagues, managers and executives to recognise performance and behaviours that reflect the values of the company. In 2018 we launched the long service programme to recognise and celebrate key service milestones.

Charitable giving

The Group supports a workplace charitable giving scheme so that employees can donate to their charities of choice tax efficiently through payroll deduction.

Employees of the company are also encouraged to support causes within their local communities.

Employees (continued)

Diversity and inclusion

We recognise that the promotion of equality, diversity and inclusion concerns us all and is the responsibility of all colleagues. We all contribute to ensuring that the company continues to be a welcoming and productive environment, where there is equality of opportunity, fostered in an environment of mutual respect and dignity. We are committed to a policy of equal opportunity and diversity in employment and recognise that this is essential to ensuring the success and growth of the company. To this end, we make every effort to select, recruit, train and promote the best candidates for the job.

We are committed to treating everyone, colleagues and customers, with dignity and respect. We promote an environment free from discrimination, harassment and victimisation. We aim to treat all employees and applicants fairly and appropriately, regardless of age, gender, civil partnership or marital status, pregnancy or maternity leave, disability, race, religion or belief, sex or sexual orientation, and to ensure that all opportunities are available to everyone and that no one suffers discrimination, harassment or intimidation.

Human rights

Due to regulatory requirements in the UK, we have judged that human rights are not a material risk for the business. We do, however, work closely with our third-party external suppliers to ensure that their human rights and ethics policies are aligned with those of the company.

Our support function in India, WNS, has a foundation called WNS Cares Foundation. It takes care of providing education and a lot of other facilities and benefits to the children in the society. This foundation exists in all countries that WNS operates from and is actively involved in child education. More information on the foundation can be found by visiting www.wnscaresfoundation.org.

Modern slavery

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our anti-slavery policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking are not taking place anywhere in our business or in our supply chains

Going concern

The company is a subsidiary of Countrywide plc and operates as part of the wider Countrywide plc group (the "Group").

The Group finances its operations through a £125 million committed revolving credit facility and undertakes treasury management activities centrally; syndicated across a group of six lenders, expiring in September 2022.

There are two principal financial covenants relating to the Group's debt that test the ratio of net debt relative to Group adjusted EBITDA and interest cover. In addition, the Group's information covenants keep the lender group apprised of the Group's performance, including forecasts for income statement, balance sheet and cash flow liquidity.

As part of the Countrywide plc Board's assessment of going concern and ongoing liquidity, forecasts were prepared for the three years to December 2021. These forecasts included sensitivities on a variety of downside scenarios including future property transaction volumes, which recognise the uncertain UK political and Brexit environment, and options to mitigate the effects of these downside scenarios. These sensitivities have been used in assessing the Group's forecast compliance with its leverage and interest covenants over the three years and to assess liquidity.

In light of market uncertainty, during the first half of 2019 the Group has taken a series of actions across the business to reduce discretionary costs and overheads. This has underpinned the delivery of the Group's first half performance and gives the Board confidence in the outlook for the full year. The Board fully expects the Group to be in compliance with its leverage and interest covenants in 2019. For 2020 and 2021, the forecast scenarios assumed a continuing impact from the uncertain political and Brexit environment and in these scenarios the headroom on the leverage covenants reduced in 2020. In response to this, the Group has developed a series of further cost action plans to mitigate the downside risks.

At the same time, the Group agreed new leverage covenant levels in July 2019 which gives the Group the financial flexibility to execute its turnaround. The interest covenant level was deemed to be appropriate relative to current and anticipated levels of headroom throughout the plan period.

Having assessed the Group's liquidity outlook on the basis of the above projections and sensitivities, ongoing enhanced liquidity monitoring and the mitigating actions available to the Group, the Board concluded that the Group has sufficient headroom compared to its available borrowing facility.

The directors of the company have confirmed that, after due consideration, including the above factors relating to the Group's ability to continue as a going concern, the company will be able to meet its liabilities when they fall due. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Directors' liabilities

The company has made qualifying third party indemnity provisions (as defined in the Companies Act 2006) for the benefit of its directors during the year. These provisions were in force during the financial year and remain in force at the date of this report.

Mortgage Intelligence Limited
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Directors' Report for the Year Ended 31 December 2018 (continued)

Statement of directors' responsibilities in respect of the financial statements
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 the financial statements, the directors are required to:

• select suitable accounting policies and then apply them consistently;
• state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
• make judgements and accounting estimates that are reasonable and prudent; and
• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Directors' confirmations
In the case of each director in office at the date the Directors' Report is approved:
• so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
• they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Reappointment of auditors
The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution to reappoint will be proposed at the Annual General Meeting.

Approved by the Board on 27 September 2019 and signed on its behalf by:

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P Curran
Director

Mortgage Intelligence Limited
(Registration number: 03018519)

Independent Auditors' Report to the Members of Mortgage Intelligence Limited

Report on the audit of the financial statements

Opinion
In our opinion, Mortgage Intelligence Limited's financial statements:
• give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
• have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
• have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2018; the Income Statement and the Statement of Changes in Equity for the year then ended; and the Notes to the Financial Statements, which include a description of the significant accounting policies.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern
ISAs (UK) require us to report to you when:
• the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
• the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information
The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Independent Auditors' Report to the Members of Mortgage Intelligence Limited (continued)

Reporting on other information (continued)
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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit
Responsibilities of the directors for the financial statements
As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 7, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have 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 auditors' 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 auditors' report.

Independent Auditors' Report to the Members of Mortgage Intelligence Limited (continued)

Responsibilities for the financial statements and the audit (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

• we have not received all the information and explanations we require for our audit; or
• adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
• certain disclosures of directors' remuneration specified by law are not made; or
• the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

C Burns

Christopher Burns (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

30 September 2019

Mortgage Intelligence Limited
(Registration number: 03018519)

Income Statement for the Year Ended 31 December 2018

	Note	2018 £'000	2017 £'000
Revenue	4	3,914	3,705
Other income		237	231
		4,151	3,936
Administrative expenses		(3,037)	(2,793)
Operating profit	7	1,114	1,143
Finance income		7	-
Profit before taxation		1,121	1,143
Tax on profit	8	(214)	(225)
Profit for the financial year		907	918

The above results were derived from continuing operations.

The notes on pages 14 to 35 form an integral part of these financial statements.

A statement of comprehensive income has not been prepared as there was no other comprehensive income for the year other than that included in the results above.

Mortgage Intelligence Limited
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Balance Sheet as at 31 December 2018

	Note	2018 £'000	2017 £'000
Fixed assets			
Intangible assets	9	135	261
Property, plant and equipment	10	30	31
		165	292
Current assets			
Trade and other receivables	11	6,408	4,226
Deferred tax asset	8	67	65
Cash and cash equivalents		1,251	2,122
		7,726	6,413
Creditors: Amounts falling due within one year			
Trade and other payables	12	(2,072)	(1,931)
Provisions for liabilities	13	(344)	(311)
		(2,416)	(2,242)
Net current assets		5,310	4,171
Total assets less current liabilities		5,475	4,463
Creditors: Amounts falling due after more than one year			
Trade and other payables	12	(506)	(399)
Provisions for liabilities	13	(140)	(133)
		(646)	(532)
Net assets		4,829	3,931
Capital and reserves			
Called up share capital	15	1	1
Share premium account		164	164
Profit and loss account		4,664	3,766
Total shareholders' funds		4,829	3,931

The notes on pages 14 to 35 form an integral part of these financial statements.

The financial statements on pages 11 to 35 were approved by the Board on 27 September 2019 and signed on its behalf by:

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P Curran

Director

Mortgage Intelligence Limited
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Statement of Changes in Equity for the Year Ended 31 December 2018

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2017	1	164	-	2,848	3,013
Profit for the financial year	-	-	-	918	918
Total comprehensive income	-	-	-	918	918
Equity settled share-based payments	-	-	(31)	-	(31)
Charge from parent for equity settled	-	-	31	-	31
Audited balance at 31 December 2017 as originally presented	1	164	-	3,766	3,931
Change in accounting policy	-	-	-	(9)	(9)
Restated total equity at 1 January 2018 (a)	1	164	-	3,757	3,922
Profit for the financial year	-	-	-	907	907
Total comprehensive income	-	-	-	907	907
Equity settled share-based payments	-	-	(33)	-	(33)
Charge from parent for equity settled share-based payments	-	-	33	-	33
Balance at 31 December 2018	1	164	-	4,664	4,829

(a) Restated from prior year following the adoption of IFRS 9 (see note 2)

The notes on pages 14 to 35 form an integral part of these financial statements

Notes to the Financial Statements for the Year Ended 31 December 2018

1 General information

Mortgage Intelligence Limited ('the company') arranges mortgages and insurance business. The company is directly authorised by the Financial Conduct Authority, and runs a network of appointed representative firms.

The company is a private company limited by share capital which is incorporated and domiciled in the UK. The address of its registered office is Roddis House, 12 Old Christchurch Road, Bournemouth, BH1 1LG.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation
The financial statements of the company have been prepared in conformity with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Countrywide plc, the company's ultimate holding company in the United Kingdom, produces a consolidated cash flow statement and this company is included in the consolidated financial statements. Consequently the company has taken advantage of the exemption not to produce its own cash flow statement.

The company is a wholly owned subsidiary of Countrywide plc and is included in the consolidated financial statements of Countrywide plc which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of Section 400 of the Companies Act 2006.

2 Summary of significant accounting policies (continued)

Summary of disclosure exemptions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

• Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined);

• Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:

(i) paragraph 79(a)(iv) of IAS 1

(ii) paragraph 73(e) of IAS 16, 'Property, plant and equipment'

(iii) paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and the end of the period)

• The following paragraphs of IAS 1, 'Presentation of financial statements':

(i) 10(d), (statement of cash flows)

(ii) 16 (statement of compliance with all IFRS)

(iii) 38A (requirement for minimum of two primary statements, including cash flow statements)

(iv) 38B-D (additional comparative information)

(v) 111 (cash flow statement information)

• IAS 7, 'Statement of cash flows';

• Paragraph 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);

• Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation); and

• The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

Going concern

The company is a subsidiary of Countrywide plc and operates as part of the wider Countrywide plc group (the "Group").

The Group finances its operations through a £125 million committed revolving credit facility and undertakes treasury management activities centrally; syndicated across a group of six lenders, expiring in September 2022.

There are two principal financial covenants relating to the Group's debt that test the ratio of net debt relative to Group adjusted EBITDA and interest cover. In addition, the Group's information covenants keep the lender group apprised of the Group's performance, including forecasts for income statement, balance sheet and cash flow liquidity.

As part of the Countrywide plc Board's assessment of going concern and ongoing liquidity, forecasts were prepared for the three years to December 2021. These forecasts included sensitivities on a variety of downside scenarios including future property transaction volumes, which recognise the uncertain UK political and Brexit environment, and options to mitigate the effects of these downside scenarios. These sensitivities have been used in assessing the Group's forecast compliance with its leverage and interest covenants over the three years and to assess liquidity.

2 Summary of significant accounting policies (continued)

Going concern (continued)
In light of market uncertainty, during the first half of 2019 the Group has taken a series of actions across the business to reduce discretionary costs and overheads. This has underpinned the delivery of the Group's first half performance and gives the Board confidence in the outlook for the full year. The Board fully expects the Group to be in compliance with its leverage and interest covenants in 2019. For 2020 and 2021, the forecast scenarios assumed a continuing impact from the uncertain political and Brexit environment and in these scenarios the headroom on the leverage covenants reduced in 2020. In response to this, the Group has developed a series of further cost action plans to mitigate the downside risks.

At the same time, the Group agreed new leverage covenant levels in July 2019 which gives the Group the financial flexibility to execute its turnaround. The interest covenant level was deemed to be appropriate relative to current and anticipated levels of headroom throughout the plan period.

Having assessed the Group's liquidity outlook on the basis of the above projections and sensitivities, ongoing enhanced liquidity monitoring and the mitigating actions available to the Group, the Board concluded that the Group has sufficient headroom compared to its available borrowing facility.

The directors of the company have confirmed that, after due consideration, including the above factors relating to the Group's ability to continue as a going concern, the company will be able to meet its liabilities when they fall due. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

New standards, amendments and interpretations
The following new standards effective for the first time for the financial year beginning on or after 1 January 2018 have had a material impact on the company.

IFRS 9 'Financial instruments'
IFRS 9 'Financial instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities.

Classification and measurement
The company has applied the requirements of IFRS 9 to instruments owned at 1 January 2018 and has not applied the requirements to instruments that had already been derecognised prior to 1 January 2018. Comparative amounts have not been restated.

Impairment
The impairment model under IFRS 9 reflects expected credit losses, as opposed to only incurred credit losses under IAS 39. Under the impairment approach under IFRS 9, it is not necessary for a credit event to have occurred before credit losses are recognised. Instead, an entity always accounts for expected credit losses and changes in those expected credit losses, which will be updated at each reporting date.

As at 1 January 2018, the company reviewed and assessed existing financial assets, amounts due from customers, for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of IFRS 9 to determine the credit risk. An additional credit allowance of £11,000 has been recognised against retained earnings net of its related corporation tax impact of £2,000, at £9,000.

2 Summary of significant accounting policies (continued)

	Provision against trade and other receivables
	£'000
At 31 December 2017 calculated under IAS 39	(13)
Amounts restated through retained earnings	(11)
Opening loss allowance at 1 January 2018 under IFRS 9	(24)

The additional loss allowance recognised upon the initial application of IFRS 9 as disclosed above resulted entirely from a change in the measurement attribute of the loss allowance relating to the financial assets.

In determining the expected credit losses for these assets, the company has taken into account the historical default experience and the financial position of the counterparties in estimating the likelihood of default of each of these financial assets occurring within their loss assessment time horizon.

The table below shows the impact of the adoption of IFRS 9 is shown on the balance sheet as at 1 January 2018.

Balance sheet (extract)	31 December 2017		1 January 2018
	As previously reported	Impact of IFRS 9	Restated
	£'000	£'000	£'000
Current assets			
Trade and other receivables	4,226	(11)	4,215
Current liabilities			
Trade and other payables	(1,931)	2	(1,929)
Impact on net assets	2,295	(9)	2,286
Capital and reserves			
Profit and loss account	3,766	(9)	3,757
Impact on total shareholders' funds	3,766	(9)	3,757

Property, plant and equipment

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

2 Summary of significant accounting policies (continued)

Depreciation
Depreciation is charged to profit or loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful life of furniture and equipment is three to five years. The residual values and lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Intangible assets
Computer software is stated at cost less accumulated amortisation and impairment losses. Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Internal costs that are incurred during the development of significant and separately identifiable computer software for use in the business are capitalised when the software is integral to the generation of future economic benefits. Internal costs that are capitalised are limited to incremental costs specific to the project. Other development expenditures that do not meet the criteria for capitalisation are recognised as an expense as incurred.

Financial assets
Classification
The company classifies its financial assets as financial assets at amortised cost and financial assets at fair value through profit or loss. The classification depends on the purpose and business model for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at amortised cost
Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that arise principally through the provision of services to customers. They are initially recognised at fair value and are subsequently stated at amortised cost using the effective interest method. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. Financial assets at amortised cost comprise mainly cash and cash equivalents and trade and other receivables.

Recognition and measurement
Regular purchases and sales of financial assets are recognised on the trade date: the date on which the company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Financial assets at amortised cost are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method.

2 Summary of significant accounting policies (continued)

Financial assets (continued)

Impairment of financial assets

The company applies the IFRS 9 simplified approach to measuring expected credit losses. In determining the expected credit losses for these assets, the company has taken into account the historical default experience and the financial position of the counterparties, in estimating the likelihood of default of each of these financial assets occurring within their loss assessment time horizon.

Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Previous accounting policy for impairment of trade receivables:

In the prior year, impairment provisions were recognised when there was objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the company would be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net of provisions, such provisions are recorded in a separate provision account with the loss being recognised within other operating costs in the income statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits held on call with banks.

Share capital

Ordinary shares are classified as equity.

Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

2 Summary of significant accounting policies (continued)

Current and deferred income tax (continued)

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the company intends to settle the balances on a net basis.

Defined contribution pension scheme

The company contributes to a defined contribution pension scheme which is open to eligible employees. The assets of the scheme are held in an independently administered fund. The amount charged against profit or loss represents the contributions payable to the scheme in respect of the year.

Provisions for liabilities

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. The increase in provision due to passage of time is recognised in finance costs.

Share-based payments

The ultimate parent operates a number of equity settled share-based schemes under which the Group receives services from employees as consideration for equity instruments (options) of the parent. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense.

Where the share awards have non-market related performance criteria the Group has used the Binomial Lattice and Black Scholes option valuation models to establish the relevant fair values. Where the share awards have TSR market-related performance criteria the Group has used the Monte Carlo simulation valuation model to establish the relevant fair values. The resulting values are amortised through the income statement over the vesting period of the options and other grants.

At the end of each reporting period, the number of options that are expected to vest based on the non-market conditions are revised and the impact of the revision to original estimates, if any, is recognised in the income statement with a corresponding adjustment to equity. The grant by the parent company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period through profit or loss, with a corresponding credit to equity in the subsidiary's accounts only to the extent not recharged to the subsidiary.

The social security contributions payable in connection with the grant of the share options are considered an integral part of the grant itself, and the charge is treated as a cash-settled transaction.

Further details of the underlying Group schemes can be found in the Group's consolidated financial statements.

2 Summary of significant accounting policies (continued)

Revenue

Services rendered

A five-step approach is taken for recognising revenue from contracts with customers, namely to: identify the contract(s) with the customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contract; and recognise revenue when (or as) a performance obligation has been satisfied.

The company generates revenue from external customers in the UK from mortgage and insurance business. All relevant factors and circumstances are taken into account when determining the revenue recognition methods that appropriately depict the transfer of control of goods or services to customers for each performance obligation.

The company acts as agent and receives fees for the introduction of a financial services customer to a lender or insurance provider. Fees are recognised net of value added taxes at a point in time when we have fully provided the service to the customer.

Management is required to make certain judgements, including: the determination of the performance obligations in the contract; whether the company is acting as principal or agent; the estimation of any variable consideration in determining the contract price; the allocation of the price to the performance obligations inherent in the contract; and an appropriate method of recognising revenue, including judging whether the performance obligations have been satisfied over a period of time or at a point in time. For performance obligations that are satisfied over a period of time, judgements are made as to whether the output method or the input method is more appropriate to measure progress towards complete satisfaction of the performance obligation.

Deferred income

Where the company receives an amount upfront in respect of future income streams, the value of the receipt is amortised over the period of the contract as the services are delivered and the unexpired element is disclosed in liabilities as deferred income.

Dividends

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

Leases

Payments under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

3 Critical accounting judgements and key sources of estimation uncertainty

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.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates 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 addressed below.

Impairment of financial assets
The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting year.

Clawback provision
The company receives commission from third party life assurance policy providers for the referral of customers who purchase a policy. If the life assurance policy lapses following issue, a proportion of the income is clawed back. The company estimates the cost of repaying indemnity commission income received on life assurance policies that may lapse following issue. Details of the movement in the provision are provided in note 14.

4 Revenue

All of the company's revenues are generated in the United Kingdom from the arrangement of mortgages and insurance. The company is directly authorised by the Financial Conduct Authority, and runs a network of appointed representative firms.

Disaggregation of revenue from contracts with customers	**2018**	**2017**
	£'000	**£'000**
Major service lines		
Mortgage brokerage	3,011	2,755
Insurance brokerage	668	662
Marketing	229	231
Other	6	57
	3,914	3,705
Timing of revenue recognition		
Services transferred at a point in time	3,914	3,705

5 Employees and directors

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018 £'000	2017 £'000
Wages and salaries	2,119	1,818
Social security costs	211	202
Other pension costs	76	65
Share-based payment expenses	33	30
	2,439	2,115

Staff costs relating to fellow subsidiaries of Mortgage Intelligence Holdings Limited, the immediate parent company, are borne by Mortgage Intelligence Limited and recharged to Mortgage Next Limited, Mortgage Next Network Limited and Life and Easy Limited by way of a management fee. This management fee credit is included within Administrative expenses.

The monthly average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2018 No.	2017 No.
Sales	44	42
Administration	11	10
Management	1	1
	56	53

6 Director's remuneration

The director's emoluments were:

	2018 £'000	2017 £'000
Aggregate emoluments	257	165
Company contribution to defined contribution pension scheme	32	31
	289	196

Post-employment benefits are accruing for one (2017: one) director under a defined contribution pension scheme.

6 Director's remuneration (continued)

Three (2017: four) directors are not remunerated through this company's payroll, their remuneration is not recharged to this company and they are not remunerated for their services to this company. Their remuneration has therefore not been included above.

The highest paid director's emoluments were:

	2018 £'000	2017 £'000
Aggregate emoluments	257	165
Company contribution to defined contribution pension scheme	32	31
	289	196

7 Operating profit

Arrived at after charging:

	2018 £'000	2017 £'000
Depreciation and amortisation	170	234
Auditors' remuneration for audit work	12	11
Operating lease expense - property	54	55
Operating lease expense - plant and machinery	55	61

The fees payable for the audit of the company's financial statements are £12,000 (2017: £11,000). There are no non-audit fees payable to the company's auditors.

Mortgage Intelligence Limited
(Registration number: 03018519)

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

8 Tax on profit

Tax expense included in income statement:

	2018	2017
	£'000	£'000
UK corporation tax on profits for the year	218	226
Adjustments in respect of prior years	(2)	-
Total current tax charge	216	226
Deferred tax on profit for the year:		
Origination and reversal of temporary differences	(2)	(6)
Impact of change in tax rate	-	5
Total deferred tax credit	(2)	(1)
Income tax charge	214	225

The tax charge for the year differs from the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are explained below:

	2018	2017
	£'000	£'000
Profit before taxation	1,121	1,143
Profit before taxation multiplied by the rate of corporation tax in the UK of 19% (2017: 19.25%)	213	220
Effects of:		
Other expenses not deductible	2	-
Impact of accelerated unwind of deferred tax assets	1	5
Adjustments in respect of prior years	(2)	-
Total taxation charge	214	225

8 Tax on profit (continued)

The tax rate for the current year is lower than the prior year due to changes in the UK corporation tax rate, which decreased from 20% to 19% from 1 April 2017.

Changes to the UK corporation tax rates were substantively enacted as part of the Finance Bill 2016 (on 6 September 2016). These include reductions to the main rate, to reduce the rate to 17% from 1 April 2020.

Deferred taxes at the balance sheet date have been re-measured using these enacted rates and reflected in the financial statements.

The relevant deferred tax balances have been re-measured using rates applicable to when the balances are expected to unwind.

Deferred tax

The provision for deferred tax consists of the following deferred tax assets

	2018 £'000	2017 £'000
Deferred tax asset at 1 January	65	64
Credited to income statement	2	1
Net Deferred tax asset at 31 December	67	65
Deferred tax asset expected to unwind within one year	6	6
Deferred tax asset expected to unwind after one year	61	59
	67	65

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets to the extent that it is probable that these assets will be recovered through future taxable profits.

The movements in deferred tax assets and liabilities (prior to the offsetting of balances within the same jurisdiction as permitted by IAS 12) during the year are shown below. Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the balances net.

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

8 Tax on profit (continued)

	2018	
	Asset	**(Charged) / credited to income**
	£'000	**£'000**
Origination and reversal of temporary differences		
Capital allowances	55	(1)
Share-based payments	10	3
Other temporary and deductible differences	2	-
	67	2

	2017	
	Asset	**(Charged)/ credited to income**
	£'000	**£'000**
Origination and reversal of temporary differences		
Capital allowances	56	(6)
Shared-based payments	7	5
Other temporary and deductible differences	2	2
Total	65	1

There are no unused tax losses (2017: £Nil).

9 Intangible assets

	Computer software £'000
Cost	
At 1 January 2018	986
Additions	24
Disposals	(18)
At 31 December 2018	992
Accumulated amortisation	
At 1 January 2018	725
Charge for the year	150
Disposals	(18)
At 31 December 2018	857
Net book amount	
At 31 December 2018	135
At 31 December 2017	261

All amortisation charges in the year are charged to administrative expenses in the income statement.

10 Property, plant and equipment

	Furniture and equipment £'000
Cost	
At 1 January 2018	430
Additions	19
Disposals	(31)
At 31 December 2018	418
Accumulated depreciation	
At 1 January 2018	399
Charge for the year	20
Disposals	(31)
At 31 December 2018	388
Net book amount	
At 31 December 2018	30
At 31 December 2017	31

11 Trade and other receivables

	2018 £'000	2017 £'000
Trade receivables	701	759
Amounts owed by group undertakings	5,278	3,086
Other receivables	122	95
Prepayments	307	286
	6,408	4,226

Trade and other receivables are all current and any fair value difference is not material. Trade receivables are considered past due once they have passed their contracted due date. Trade receivables are reviewed for impairment by taking into account the historical default experience and the financial position of the counterparties to estimate the likelihood of default. Trade receivables are written off when there is no reasonable expectation of recovery. Trade receivables are stated after provisions of £14,000 (2017: £13,000).

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12 Trade and other payables

	2018 £'000	2017 £'000
Trade payables	889	427
Amounts owed to group undertakings	1,082	1,365
Current tax liabilities	214	219
Social security and other taxes	69	51
Accruals and other payables	324	268
	2,578	2,330
Trade and other payables due within one year	2,072	1,931
Trade and other payables due after more than one year	506	399
	2,578	2,330

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

13 Provisions for liabilities

	Property repairs	Clawback provision	Claims and litigation	Broker incentive	Total
	£'000	£'000	£'000	£'000	£'000
At 1 January 2018	39	115	13	277	444
Utilised in year	-	(83)	-	(277)	(360)
Charged to income statement	-	101	(1)	300	400
At 31 December 2018	39	133	12	300	484
Due within one year or less	39	-	5	300	344
Due after one year	-	133	7	-	140
	39	133	12	300	484

The provision for property repairs represents estimates of the cost to repair existing dilapidations under leasehold covenants, in accordance with IAS 37, 'Provisions, contingent liabilities and contingent assets'.

Clawback represents the provision required to meet the estimated cost of repaying indemnity commission income received on life assurance policies that may lapse in the two years following issue.

Claims and litigation provisions comprise the amounts set aside that may be payable as a result of any legal disputes. The provisions represent the directors' best estimate of the company's liability having taken professional advice.

The Broker incentive provision is in place where appointed brokers are offered a deferred incentive in the way of a lump sum future payment each year. The size of the lump sum is based on the level of business they have generated. The future payment is for an agreed number of years and will only be received by the broker if they are still generating business at the time of maturity.

14 Pension and other schemes

Defined contribution pension scheme

The company offers membership of the group's defined contribution pension scheme to eligible employees. The pension cost charged for the year represents contributions payable by the company to the scheme and amounted to £76,000 (2017: £65,000).

15 Called up share capital

Allotted, called up and fully paid shares

	2018	2017
	£'000	£'000
1,000 (2017: 1,000) ordinary shares of £1 each	1	1

16 Share-based payments

The Group operates a number of share-based payment schemes for executive directors and other employees. The Group has no legal or constructive obligation to repurchase or settle any of the options in cash. All charges in relation to these schemes are fully recharged to the subsidiary companies that employ the designated individuals. The total cost recognised in the income statement was £33,000 in the year ended 31 December 2018 (2017: £30,000), comprising £33,000 (2017: £31,000) of equity-settled share-based payments and £Nil (2017: credit of £1,000) in respect of cash-settled share-based payments for the dividend accrual associated with those options. Employer's NI is being accrued, where applicable, at the rate of 13.8% which management expects to be the prevailing rate at the time the options are exercised, based on the share price at the reporting date. The total NI charge for the year was £2,000 (2017: £2,000).

The following table analyses the total cost to the company between each of the relevant schemes, together with the number of options outstanding:

	2018		2017	
	Charge £'000	Number of options (thousands)	Charge £'000	Number of options (thousands)
Long-term incentive plan	14	429	21	46
Save As You Earn plan	12	235	-	-
Share incentive plan	7	24	9	17
	33	688	30	63

16 Share-based payments (continued)

Executive schemes

Long term incentive plan (LTIP)

The LTIP is open to executive directors and designated senior management, and awards are made at the discretion of the Countrywide plc Remuneration Committee. Awards are subject to market and non-market performance criteria and vest over a three-year period.

Other schemes

Save As You Earn plan (SAYE)

An HMRC approved Save As You Earn (SAYE) option scheme was introduced in May 2018 after cessation of the SIP scheme. Employees were invited to acquire options over ordinary shares at a discount of 20% to their market price. The scheme started in May 2018 and will vest in May 2021. Options granted under the scheme can be exercised during a six month period starting on the third anniversary of the scheme. The SAYE scheme is not subject to any performance measures.

Share incentive plan (SIP)

An HMRC approved share incentive plan was introduced in October 2013. Under the SIP, eligible employees are invited to make regular monthly contributions into a scheme operated by Capita. Ordinary shares in Countrywide plc are purchased at the current market price and since May 2016 an award of two matching shares is made for every three shares acquired by an employee, subject to a vesting period of three years from the date of each monthly grant. Prior to May 2016, the award comprised one matching share for every two shares acquired by an employee.

The aggregate number of share awards outstanding for the company is shown below:

	2018			2017	
	Executive schemes	Other Schemes		Executive schemes	Other schemes
	LTIP	SAYE	SIP	LTIP	SIP
	Number of options (thousands)	Number of options (thousands)	Number of options (thousands)	Number of options (thousands)	Number of options (thousands)
At 31 December after Theoretical Ex-Rights Price adjustment	429	235	24	46	17

16 Share-based payments (continued)

Share options outstanding at the end of the year have the following expiry dates (and all have £Nil exercise prices):

Grant - Vest	Expiry Date	Exercise Price (Pence)	Share options / shares (thousands) 2018	2017
LTIP grants				
22 March 2016 - 22 March 2019	22 March 2026	-	72	23
2 May 2017 - 2 May 2020	2 May 2027	-	74	23
26 March 2018 - 26 March 2021	26 March 2028	-	283	
SAYE				
14 May 2018-14 May 2021	14 November 2021	24p	235	-
SIP				
Monthly rolling grants and vesting three years later		-	24	17
			688	63

17 Operating lease commitments

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2018 Property £'000	2018 Vehicles £'000	2017 Property £'000	2017 Vehicles £'000
Within one year	-	20	14	47
Later than one year and less than five years	-	4	-	22
	-	24	14	69

18 Parent and ultimate parent undertaking

The immediate parent undertaking is Mortgage Intelligence Holdings Limited. The ultimate parent undertaking and ultimate controlling party is Countrywide plc, a public limited company, which is listed on the London Stock Exchange and incorporated and domiciled in the UK. Countrywide plc is the parent undertaking of the only group of undertakings to consolidate these financial statements. The consolidated financial statements of Countrywide plc can be obtained from Greenwood House, 1st Floor, 91-99 New London Road, Chelmsford, Essex, CM2 0PP.

19 Events after the reporting period

During July 2019, Countrywide plc, the ultimate parent undertaking and ultimate controlling party, agreed an amended covenant package relating to the revolving credit facility with its lender partners which provides the Countrywide plc group of companies with the financial flexibility to continue to execute the turnaround plan as noted in the Directors' Report.