

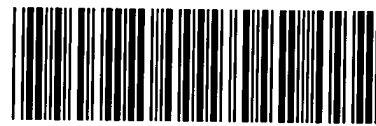
Registration number: 03175440

Mortgage Next Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2017

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Mortgage Next Limited
(Registration number: 03175440)

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Mortgage Next Limited
(Registration number: 03175440)

Company Information

Directors	S Laker
	P Curran
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 Next Limited
(Registration number: 03175440)

Directors' Report for the Year Ended 31 December 2017

The directors present their report and the audited financial statements for the year ended 31 December 2017. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activities and future developments

The principal activity of the company is the arrangement of mortgage and insurance business on behalf of directly appointed mortgage brokerage 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 (2016: £Nil).

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.

Mortgage Next Limited
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Directors' Report for the Year Ended 31 December 2017 (continued)

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:

J Clarke (resigned 31 July 2017)

S Laker

P. Dixon (appointed 25 July 2017 and resigned 2 May 2018)

P. Curran (appointed 25 July 2017)

Going concern

On 30 August 2018, Countrywide plc, the ultimate parent undertaking and ultimate controlling party, raised £140 million via a Firm Placing and Placing and Open Offer under a Capital Refinancing Plan. In order to facilitate the Capital Refinancing Plan, on 2 August 2018 Countrywide plc entered into an amended four year Revolving Credit Facility that matures in September 2022 (see note 13).

On this basis, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore 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.

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 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.

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.

Mortgage Next Limited
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Directors' Report for the Year Ended 31 December 2017 (continued)

Disclosure of information to the auditors

In the case of each director in office at the date the Directors' Report is approved:

- so far as the directors are 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 24/9/18 and signed on its behalf by:


.....
P. Curran
Director

Mortgage Next Limited
(Registration number: 03175440)

Independent Auditors' Report to the Members of Mortgage Next Limited

Report on the audit of the financial statements

Opinion

In our opinion, Mortgage Next Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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 2017; the income statement, 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

We have nothing to report in respect of the following matters in relation to which 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.

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.

Mortgage Next Limited
(Registration number: 03175440)

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

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.

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 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.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 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 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 set out on page 3, 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.

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

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.

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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



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

London

Date: 25/9/18

Mortgage Next Limited
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Income Statement for the Year Ended 31 December 2017

	Note	2017 £'000	2016 £'000
Revenue	4	1,342	1,195
Other operating income		<u>19</u>	<u>35</u>
		1,361	1,230
Administrative expenses		<u>(625)</u>	<u>(537)</u>
Operating profit	6	<u>736</u>	<u>693</u>
Profit before taxation		736	693
Tax on profit	7	<u>(143)</u>	<u>(140)</u>
Profit for the financial year		<u><u>593</u></u>	<u><u>553</u></u>

The above results were derived from continuing operations.


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 Next Limited
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Balance Sheet as at 31 December 2017

	Note	2017 £'000	2016 £'000
Fixed assets			
Investments	8	300	300
Current assets			
Trade and other receivables	9	2,564	2,242
Deferred tax asset	7	15	20
Cash and cash equivalents		922	512
		<u>3,501</u>	<u>2,774</u>
Creditors: Amounts falling due within one year			
Trade and other payables	10	<u>(1,688)</u>	<u>(1,554)</u>
Net current assets		<u>1,813</u>	<u>1,220</u>
Net assets		<u>2,113</u>	<u>1,520</u>
Capital and reserves			
Called up share capital	11	50	50
Profit and loss account		<u>2,063</u>	<u>1,470</u>
Total shareholders' funds		<u>2,113</u>	<u>1,520</u>

The financial statements on pages 8 to 19 were approved by the Board on 24/9/18 and signed on its behalf by:



 P. Curran
 Director

Mortgage Next Limited
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Statement of Changes in Equity for the Year Ended 31 December 2017

	Called up share capital	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000
Balance at 1 January 2016	50	917	967
Profit for the financial year	-	553	553
Total comprehensive income	-	553	553
Balance at 31 December 2016	50	1,470	1,520
Profit for the financial year	-	593	593
Total comprehensive income	-	593	593
Balance at 31 December 2017	50	2,063	2,113

Mortgage Next Limited
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Notes to the Financial Statements for the Year Ended 31 December 2017

1 General information

Mortgage Next Limited ('the company') arranges mortgages and insurance business on behalf of directly appointed mortgage brokerage 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 accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention 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.

Mortgage Next Limited
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Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

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:

- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1
- 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

On 30 August 2018, Countrywide plc, the ultimate parent undertaking and ultimate controlling party, raised £140 million via a Firm Placing and Placing and Open Offer under a Capital Refinancing Plan. In order to facilitate the Capital Refinancing Plan, on 2 August 2018 Countrywide plc entered into an amended four year Revolving Credit Facility that matures in September 2022 (see note 13).

On this basis, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements.

New standards, amendments and interpretations

No new standards, amendments or interpretations effective for the first time for the financial year beginning on or after 1 January 2017 have had a material impact on the company.

Business combinations

Investments in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

Financial assets and liabilities

The company classifies its financial assets as receivables and management determines the classification at initial recognition.

Receivables 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. Receivables mainly comprise cash and cash equivalents and trade and other receivables.

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Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

2 Summary of significant accounting policies (continued)

Trade and other receivables

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

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.

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.

Mortgage Next Limited
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Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

2 Summary of significant accounting policies (continued)

Revenue recognition

The company receives gross procuration fees from lenders and product providers, a share of which is paid to the respective broker. The company recognises revenue on its own share of the gross fees receivable at the point when the transaction is virtually certain to complete, stated net of value added taxes. In the directors' view, this is the point at which the company has satisfied its performance obligation on behalf of the brokers, and sufficient information is available to confirm that the significant risks and rewards of the transaction have transferred to the company.

All revenue was generated in the United Kingdom and relates to the principal activity of the company.

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.

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. There are no estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 Revenue

All of the company's revenues are generated in the United Kingdom from the arrangement of mortgages and insurance.

5 Employees and directors

All staff are employed by Mortgage Intelligence Limited, a fellow Group undertaking, and therefore all staff costs incurred during the year were borne by this company. All employees carry out their duties across four entities (Mortgage Intelligence Limited, Mortgage Next Limited, Mortgage Next Network Limited and Life and Easy Limited) and as such it is not practical to split the employees by entity. The details have been disclosed in the Mortgage Intelligence Limited financial statements.

The directors were paid by a fellow Group undertaking and as such do not consider it practical to allocate their remuneration between various Group entities.

Mortgage Next Limited
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Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

6 Operating profit

Arrived at after charging:

	2017 £'000	2016 £'000
Auditors' remuneration for audit work	<u>7</u>	<u>10</u>

The fee payable for the audit of the company's annual financial statements is £7,000 (2016:£10,000). There are no non-audit fees payable to the company's auditors.

7 Tax on profit

Tax charge/(credit) included in income statement:

	2017 £'000	2016 £'000
UK corporation tax on profits for the year	138	19
Total current tax charge	<u>138</u>	<u>19</u>
Deferred tax on profit for the year:		
Origination and reversal of temporary differences	4	120
Impact of change in tax rate	1	1
Total deferred tax charge/(credit)	<u>5</u>	<u>121</u>
Income tax charge/(credit)	<u>143</u>	<u>140</u>

Mortgage Next Limited
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Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

7 Tax on profit (continued)

The tax charge/(credit) for the year is higher (2016: higher) than the standard rate of corporation tax in the UK of 19.25 % (2016: 20%). The differences are explained below:

	2017 £'000	2016 £'000
Profit before taxation	<u>736</u>	<u>693</u>
Profit multiplied by the rate of corporation tax in the UK of 19.25% (2016: 20%)	142	139
Rate change on deferred tax provision	<u>1</u>	<u>1</u>
Total taxation charge	<u>143</u>	<u>140</u>

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 substantively enacted as part of the Finance Bill 2016 (on 6 September 2016). These include reductions to the main rate of corporation tax 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:

	2017 £'000	2016 £'000
Deferred tax asset at 1 January	20	141
Charged to income statement	(5)	(121)
Net deferred tax asset at 31 December	<u>15</u>	<u>20</u>
Deferred tax asset expected to unwind within one year	<u>2</u>	<u>2</u>
Deferred tax asset expected to unwind after one year	<u>13</u>	<u>18</u>
	<u>15</u>	<u>20</u>

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Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

7 Tax on profit (continued)

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.

	2017	
	Asset	Charged to income
	£'000	£'000
Origination and reversal of temporary differences		
Capital allowances	15	(5)
Total	<u>15</u>	<u>(5)</u>

	2016	
	Asset	Charged to income
	£'000	£'000
Origination and reversal of temporary differences		
Capital allowances	20	(5)
Trading losses	-	(116)
Total	<u>20</u>	<u>(121)</u>

There are no unused tax losses (2016: £Nil).

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Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

8 Investments

	£'000
Cost or valuation	
At 1 January 2016 and 2017	300
Carrying amount at 31 December 2016 and 2017	<u>300</u>

Related undertakings of the company as at 31 December 2017

Subsidiary	Registered address (refer to note)	Country of incorporation	% owned	Direct / indirect
Mortgage Next Network Limited	1	UK	100%	Direct

1. Roddis House, 4th Floor, 4-12 Old Christchurch Road, Bournemouth, Dorset, BH1 1LG, United Kingdom

9 Trade and other receivables

	2017 £'000	2016 £'000
Trade receivables	370	281
Amounts owed by group undertakings	<u>2,194</u>	<u>1,961</u>
	<u>2,564</u>	<u>2,242</u>

Trade receivables are stated after provisions for impairment of £5,000 (2016: £Nil).

Amounts owed by group undertakings include £1,500,000 (2016: £1,500,000) which are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

10 Trade and other payables

	2017 £'000	2016 £'000
Amounts owed to group undertakings	1,482	1,490
Accruals and other payables	68	46
Current tax liabilities	<u>138</u>	<u>18</u>
	<u>1,688</u>	<u>1,554</u>

Mortgage Next Limited
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Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

10 Trade and other payables (continued)

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

11 Called up share capital

Allotted, called up and fully paid shares

	2017	2016
	£'000	£'000
50,000 (2016: 50,000) ordinary shares of £1 each	50	50

12 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 County House, Ground Floor, 100 New London Road, Chelmsford, Essex, CM2 0RG.

13 Events after the reporting period

On 30 August 2018, Countrywide plc, the ultimate parent undertaking and ultimate controlling party, raised £140 million via a Firm Placing and Placing and Open offer of 1.4 billion shares at 10 pence each under a Capital Refinancing Plan. In order to facilitate the Capital Refinancing Plan, on 2 August 2018 Countrywide plc entered into an amendment, extension and reduction of the previous Revolving Credit Facility. The amended four year Revolving Credit Facility matures in September 2022.