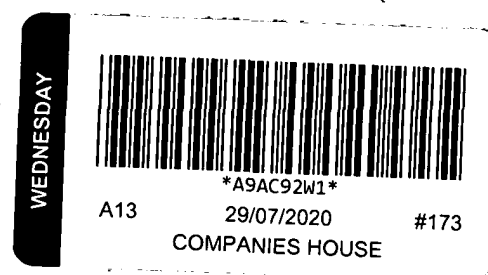


CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019



Company registration number: 03180887

CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019

Contents

Page(s):

1	Company Information
2-4	Directors' Report
5-7	Independent Auditor's Report
8	Income statement
9	Balance Sheet
10	Statement of Changes in Equity
11-17	Notes to the Financial Statements

CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019

Company information

Directors	D Bowling M Whitfield
Company secretary	L Beavis
Auditor	Deloitte LLP Statutory Auditor 1 City Square Leeds LS1 2AL
Registered office	6 East Parade Leeds United Kingdom LS1 2AD
Registered number	03180887

**CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019**

Directors' Report

The Directors present the Annual Report and Financial Statements for the year ended 31 December 2019.

Principal activities

The principal activity of CPP Assistance Services Limited (the Company) during the year was the provision of assistance products and services, namely OwlDetect. The Company is part of the CPPGroup Plc group of companies (the Group). The Group provides assistance products and services.

The Company qualifies as small in accordance with the provisions of section 382 (3) of the Companies Act 2006 and is therefore exempt from the requirement to prepare a strategic report under section 414B. The Company's ultimate parent Company is CPPGroup Plc ("the Group") which is listed on AIM and registered in the UK.

Review of the business and future developments

Details of the results for the year are set out on page 8 and show a loss before taxation of £836,000 (2018: £460,000).

The Company has net liabilities of £1,488,000 (2018: £812,000).

Administrative expenses of £827,000 (2018: £463,000), reflects the costs incurred in the year on product development and staff resource as the Company identifies new products to launch to the UK market. There have been no new sales through the Company in the year to December 2019.

No dividends were paid by the Company during the current or preceding year. No dividends have been proposed since the year end.

The Company is an obligor to the Group's borrowing arrangements, which is in the form of a committed £5.0 million revolving credit facility (RCF), for a three year term to February 2021. The RCF bears interest at a variable rate of LIBOR plus 2.5%.

As the Company's new business development was still in its start-up phase at 31 December 2019, the Directors believe that further key performance indicators for the Company are not currently necessary or appropriate for an understanding of the development, performance or position of the business.

Subsequent events

The outbreak of the COVID-19 pandemic has occurred subsequent to the balance sheet date. COVID-19 is having a disruptive impact on global economies, including the UK market in which the Company operates. COVID-19 could impact the Company's operational capacity through reduced staffing levels. The Company has enacted business continuity plans with all colleagues presently working from home. At this time, no increased sickness levels have been reported. Further detail is provided in note 14.

Going concern

The Company, currently in a net liabilities position, is party to a cross guarantee in respect of a Group wide bank account netting arrangement and has intercompany balances due to the wider Group. The bank facility is secured against the assets of the Company. In respect of these factors the Directors have made suitable enquiries including consideration of the liquidity position, borrowing facilities available to the Group and the continued support of the parent company taking into account the current Group cash flow forecast. The Group's profit and cash flow forecasts are subject to robust downside stress testing which has included the impact of COVID-19 on operations across the Group.

Having considered all the information available, the Directors have a reasonable expectation that the Company has adequate resources to continue to operate for at least the 12 months from the date of this report and accordingly the Directors have continued to adopt the going concern basis in preparing the financial statements.

**CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019**

Directors' Report (continued)

Directors

The Directors holding office during the year and up to the date of signing these financial statements are as follows:

D Bowling
M Whitfield

Company secretary

The Company secretary holding office during the year and up to the date of signing these financial statements is as follows:

L Beavis

Insurance

The Company has appropriate insurance cover in place in respect of any potential litigation against Directors.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS101 Reduced Disclosure Framework. Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 the Directors 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.

CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019

Directors' Report (continued)

Auditors

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware; and
- the Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board on 27 April 2020 and signed on its behalf by:



D Bowling
Director

**CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019**

Independent auditor's report to the members of CPP Assistance Services Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of CPP Assistance Services Limited which comprise:

- the income statement
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

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

Conclusions relating to going concern

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

- the Directors' use of the going concern basis of accounting in 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 these matters.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

Independent auditor's report to the members of CPP Assistance Services Limited (continued)

misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors 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.

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' report.

Independent auditor's report to the members of CPP Assistance Services Limited (continued)

Matters on which we are required to report by exception

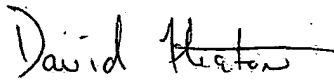
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Heaton (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Leeds, United Kingdom
27 April 2020

CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019

<u>Income statement</u>		2019	2018
	Note	£'000	£'000
Revenue		5	7
Cost of sales		(1)	-
Gross profit		4	7
Administrative costs		(827)	(463)
Operating loss		(823)	(456)
Analysed as:			
EBITDA		(816)	(456)
Depreciation and amortisation		(7)	-
Interest payable and similar charges	3	(13)	(4)
Loss before taxation	4	(836)	(460)
Taxation	7	160	87
Loss after taxation		(676)	(373)

All amounts relate to continuing activities.

The Company has no other income other than as stated above, and therefore no Statement of Comprehensive Income has been presented.

The notes on pages 11 to 17 are an integral part of these financial statements.

CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019

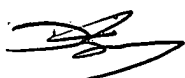
Balance sheet

At 31 December

	Note	2019 £'000	2018 £'000
Intangible Assets	8	44	23
		44	23
Current assets			
Stock	9	12	12
Debtors	10	537	247
		549	259
Total assets		593	282
Creditors: amounts falling due within one year	11	(2,081)	(1,094)
Net current liabilities		(1,532)	(835)
Net liabilities		(1,488)	(812)
Capital and reserves			
Share capital	12	-	-
Accumulated losses		(1,488)	(812)
Shareholders' funds		(1,488)	(812)

Notes on pages 11 to 17 form an integral part of the financial statements.

Approved by the Board and authorised for issue on 27 April 2020 and signed on its behalf by:



D Bowling
Director

Company number: 03180887

CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019

Statement of changes in equity

	Share capital	Accumulated losses	Total
	£'000	£'000	£'000
At 1 January 2018	-	(439)	(439)
Total comprehensive expense for the year	-	(373)	(373)
At 31 December 2018	-	(812)	(812)
Total comprehensive expense for the year	-	(676)	(676)
At 31 December 2019	-	(1,488)	(1,488)

Notes to the financial statements

1. General information

The Company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the registered office is given on page 1. The nature of its operation and its principal activity is set out in the Directors' Report on page 2.

These financial statements have been prepared under the historical cost basis. The presentation currency of these financial statements is pounds sterling.

2. Accounting policies

The financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

The following Standards and Interpretations have become effective and where applicable have been adopted in these financial statements. Their adoption has had no impact on the Company. No Standards or Interpretations have been adopted early in these financial statements.

Standard	Subject
IFRS 16	Lease
IFRIC 23	Uncertainty over tax treatments
IAS 28	Long-term interests in Associates and Joint Ventures
Annual improvements to IFRSs	2016-2018 cycle

The Company has revised its income statement format to include EBITDA from 1 January 2019. This presentation is in line with the Group. EBITDA is an Alternative Performance Measure ("APM"). The Company previously used an alternative APM, underlying operating profit. The Directors consider that EBITDA provides a better understanding of the underlying performance of the business. The prior period income statement and relevant notes have been represented to reflect the change.

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

Going concern

The Directors, at the time of approving the financial statements have reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of this report. Thus, the Directors continue to adopt the Going Concern basis of accounting in preparing the financial statements. Further details of the Directors' assessment are set out in the Directors' Report on page 2.

Revenue recognition

Revenue representing premiums receivable net of VAT is recognised as those fees are earned. Revenue is categorised as service fees billed direct to customers in relation to online data patrol. Revenue is allocated to underlying performance obligations underpinning products and their features. Revenue is recognised as the obligations are satisfied, and in the case of service revenue is recognised over the period to which the service is performed.

Notes to the financial statements (continued)

2. Accounting policies (continued)

Intangible assets

Externally acquired software is measured at purchase cost and is amortised on straight line basis over the estimated useful life of four years. Annual review of impairment indicators is undertaken and should any indicators be identified, assets are tested for impairment through comparison of carrying values to their recoverable amount, being the higher of fair value less costs to sell and value in use. Value in use is based on discounted future cash flow forecasts. Should the carrying value of an asset exceed its recoverable amount, the asset is reduced to its recoverable amount. Any impairment is expensed immediately.

Intercompany loans

Intercompany loans are initially recorded at fair value and subsequently held at amortised cost using the effective interest method, less any allowance for irrecoverable amounts. Any estimated irrecoverable amounts are recognised in profit or loss. In accordance with IFRS 9, the Company recognises a lifetime expected credit loss (ECL) when there has been a significant increase in credit risk since initial recognition. The assessment of lifetime ECL considers all possible default events over the expected life of the intercompany loan.

Stock

Stock is stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation on the profit or loss for the year comprises both current and deferred tax as well as adjustments in respect of prior years. Taxation is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the tax is also included within equity. Current tax is the expected tax payable on the taxable income for the year using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full, using the liability method, on all taxable and deductible temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiary undertakings except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income tax levied by the same taxation authority and the Group/Company intends to settle its current tax assets and liabilities on a net basis.

Key assumptions and sources of estimation uncertainty

In the application of the Company's accounting policies, as described above, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. There are no key assumptions and sources of estimation uncertainty.

Notes to the financial statements (continued)

3. Interest payable and similar charges

	2019	2018
	£'000	£'000
Interest payable on amounts due to group entities	13	4

4. Operating loss

	2019	2018
	£'000	£'000
Loss before tax is stated after charging:		
Depreciation on intangible assets	7	-
Fees payable to the Company's auditors for the audit of the Company accounts	3	3

5. Payroll and salaries

The aggregate payroll costs of employees, including Directors, were

	2019	2018
	£'000	£'000
Wages & salaries	322	215
Pension	63	21
Social security costs	46	29
Total	431	265

The total emoluments and fees paid by the Company to one of the Directors in the year was £105,000 (2018: £36,000). The other Director of the Company performed duties in respect of other group undertakings and was remunerated by another Group company. No further amounts have been recharged to the Company in respect of Directors remuneration as the value of their services to the Company is considered immaterial.

There are no Directors accruing benefits under money purchased pension schemes and defined benefit schemes at the year end in either the current or prior year.

6. Employee information

The average monthly number of employees in the year was 8 (2018: nil). The increase reflects the transfer of employees on 1 January 2019 to the Company from another Group company. These employees are directly responsible for the future development of the Company.

CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019

Notes to the financial statements (continued)

7. Taxation

The tax on ordinary activities was as follows:

	2019	2018
	£'000	£'000
Current tax credit:		
UK Corporation tax at 19.00% (2018: 19.00%)	159	87
Adjustments in respect of prior periods	1	-
Total current tax credit	160	87

The current year tax credit is equal to the UK tax rate:

	2019	2018
	£'000	£'000
Loss before tax	836	460
Effects of:		
Tax on ordinary activities at standard 19.00% (2017: 19.00%)	159	87
Prior period adjustment	1	-
Total current tax credit for the year	160	87

UK corporation tax is calculated at 19.00% (2018: 19.00%) of the estimated assessable profit for the year. The UK Finance Act 2016 was enacted on 15 September 2016. It provides for a reduction in the main rate of corporation tax from 19% to 17% from 1 April 2020. However, in the March 2020 UK Budget, it was announced that the reduction in the rate to 17% will now not occur and UK corporation tax will remain at 19%.

CPP Assistance Services Limited
Annual Report and Financial Statements
For the year ended 31 December 2019

Notes to the financial statements (continued)

8. Intangible assets

	Total £'000
Cost:	
At 1 January 2019	23
Additions	28
At 31 December 2019	51
Accumulated depreciation:	
At 1 January 2019	-
Provided during the year	7
At 31 December 2019	7
Carrying value:	
At 31 December 2018	23
At 31 December 2019	44

9. Stock

	2019	2018
	£'000	£'000
Software licenses	12	12

10. Debtors

	2019	2018
	£'000	£'000
Amounts due from Group entities	509	228
Trade debtors	15	19
Other debtors	2	-
Prepayments and accrued income	11	-
	537	247

Amounts due from Group entities have no fixed dates for repayment and are repayable on demand. Interest has been charged at LIBOR plus 2.5%.

Notes to the financial statements (continued)

11. Creditors

	2019	2018
	£'000	£'000
Amounts falling due within one year		
Overdrafts	1,044	482
Trade creditors	81	10
Accruals and deferred income	68	73
Other tax and social security	14	-
Amounts owed to Group undertakings	874	529
	2,081	1,094

Refer to note 13 for details of the overdraft netting arrangement.

Amounts owed to Group entities have no fixed dates for repayment and are payable on demand. Interest has been charged at LIBOR plus 2.5%.

12. Share capital

	2019 Number	2019 £'000	2018 Number	2018 £'000
Authorised:				
Ordinary shares of £1 each	1,000	1	1,000	1
Called up, allotted and fully paid:				
Ordinary shares of £1 each	1	-	1	-

13. Related parties and ultimate control

The Company is party to a cross-guarantee in respect of a bank account netting arrangement in which it is a participant alongside certain other Group companies. Creditors; amounts falling due within one year include an overdraft balance of £1,044,000 (2018: £482,000) which is held in a bank account subject to this arrangement.

The Company is a wholly owned subsidiary of CPP Holdings Limited. The ultimate parent company is CPPGroup Plc. Advantage has been taken of the related party disclosure exemptions in respect of group transactions since consolidated financial statements have been prepared by the ultimate parent company CPPGroup Plc, which is the parent of the largest and smallest groups for which consolidated accounts are prepared and of which the Company is a member. Copies of these accounts may be obtained from the Company's registered office at 6 East Parade, Leeds, LS1 2AD, United Kingdom.

Notes to the financial statements (continued)

14. Post balance sheet events

The COVID-19 pandemic is having a disruptive effect on global economies, including the UK market in which the Company operates. In response to the pandemic the Company has invoked BCP plans, with all colleagues presently working from home.

The Company is in a net liability position and makes losses and therefore relies upon the support of the Group. Sales performance across the Group is currently impacted, however, recovery in new sales activity is expected once markets have moved beyond their respective lockdown periods. A material impact on the Group's renewal rates is not anticipated. The Group's revenue, profit and cash flow forecasts are subject to robust downside stress testing which has included the impact of COVID-19 on operations across the Group.