

# Maitland

Maitland Administration Services Limited  
(Registration number 03466852) England & Wales  
Audited financial statements and annual report  
for the year ended 30 April 2020



## **Maitland Administration Services Limited**

(Registration number 03466852)

Annual Report and Audited Financial Statements for the year ended 30 April 2020

### **General Information**

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<b>Country of incorporation and domicile</b>	United Kingdom
<b>Directors</b>	Neal Brent De Graaf Robert Leedham Steven Georgala James Forbes Clark Reinhold Ackerman Jon Hugill
<b>Registered office</b>	Hamilton Centre Rodney Way Chelmsford England CM1 3BY
<b>Holding company</b>	Maitland FS Holdings (UK) Limited incorporated in United Kingdom
<b>Ultimate holding company</b>	Maitland International Holdings plc incorporated in Malta
<b>Auditors</b>	BDO LLP 55 Baker Steet London W1U 7EU Registered Auditor
<b>Secretary</b>	Sarah Fry

## **Maitland Administration Services Limited**

(Registration number 03466852)

Annual Report and Audited Financial Statements for the year ended 30 April 2020

### **Index**

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The reports and statements set out below comprise the audited financial statements and annual report presented to the shareholder:

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## **Independent Auditor's Report to Members of Maitland Administration Services Limited**

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### **Opinion**

We have audited the financial statements of Maitland Administration Services Limited ("the Company") for the year ended 30 April 2020 which comprise the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities 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 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- 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.

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, 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 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 this regard.

### **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 Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

## Independent Auditor's Report to Members of Maitland Administration Services Limited

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### Matters on which we are required to report by exception

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 material misstatements in the Strategic report and Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

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

### Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, 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

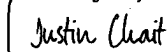
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### 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.

DocuSigned by:



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**Justin Chait (Senior Statutory Auditor)**  
For and on behalf of BDO LLP, Statutory Auditor  
55 Baker Street  
London  
W1U 7EU  
22 January 2021

## Maitland Administration Services Limited

(Registration number 03466852)

Annual Report and Audited Financial Statements for the year ended 30 April 2020

### Strategic Report

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#### 1. Review of operations

The Directors submit their report for the 12 months ended 30 April 2020.

The principal activity of Maitland Administration Services Limited ("the Company" or "MASL") is the provision of investment administration, fund accounting, and company secretarial services.

The Directors are satisfied with the performance of the Company and the operating results for the twelve months ended 30 April 2020. The results for the period are set out in the Statement of Profit or Loss and Other Comprehensive Income on page 10.

The Company achieved a profit of £535k during the twelve months (2019: £114k). Assets under administration, a key indicator of growth, increased from £14.1bn to £15.5bn during the period. The Company has continued to invest in its operational systems and controls and is currently looking at switching over to a best of breed system used within the Maitland group. The Company provides outsourced services to its subsidiary, Maitland Institutional Services Limited ("MISL") which has also shown good growth in revenue numbers. The Company also now provides fund administration services to Maitland Administration Services (Guernsey) Limited through an intercompany agreement. This provides the directors with confidence of increased returns in FY21.

#### 2. Principle Risk and uncertainties

The Company operates a robust risk management framework to ensure that all financial and operational risks are kept to a minimum. Note 24 of the financial statements outlines the risks associated with the Company.

To give our clients comfort and to ensure processes continue to be appropriate and effective the Company continues to carry out annual ISAE 3402 reviews.

In accordance with section 414A(1) of the Companies Act 2006, we have prepared the Strategic report which includes a review of MASL's ("the Company") business and future developments, a description of the principal risks and uncertainties facing the Company and key performance indicators.

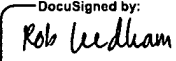
Key performance indicators:

Given the nature of the operations of the Company, the Directors do not consider the analysis of any other key performance indicators necessary to understand the performance of the Company's business, other than assets under administration described above.

Future Developments:

The Company has engaged with consultants to advise on efficiencies that can be achieved within the business. Recommendations from this process are now being enacted. The Company is undertaking a project to transition to the proven best of breed software currently utilised to perform fund valuations in other Maitland jurisdictions and align to the global operating model. This will reduce the company's systems risks and greatly enhance the service offering, bringing efficiencies across the company.

This report was approved by the Board of Directors on the 22 January 2021 and signed on its behalf by:

DocuSigned by:  
  
0E4EE003D004471...  
Director  
Robert Leedham

## Maitland Administration Services Limited

(Registration number 03466852)

Annual Report and Audited Financial Statements for the year ended 30 April 2020

### Directors' Report

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The Directors submit their report on the audited financial statements and annual report of Maitland Administration Services Limited for the year ended 30 April 2020.

#### 1. Principal activities and incorporation

The audited financial statements and annual report have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Companies Act of 2006. The accounting policies have been applied consistently.

The operating results and state of affairs of the Company are fully set out in these audited financial statements and annual report.

Current year revenue of £1.92m increased by 1.2% compared to the prior year (2019: £1.89m). This was due to full year impact of new mandates launched in the previous financial year.

Operating expenses have decreased from £1.79m in 2019 to £1.24m. This is primarily due to an increase in the recharge of costs from 76.2% to 85.6% to the Company's subsidiary, Maitland Institutional Services Limited (MISL). The Company also made fewer errors requiring compensation to its clients during the year.

As a result, profit margins for the period have increased compared to prior periods.

#### 2. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

#### 3. Dividends

No dividends were declared or paid to shareholder during the period (2019: £nil).

#### 4. Directors

The directors who held office during the year were as follows:

Directors	Changes
James Forbes Clark	Resigned 02 May 2019
Robert Leedham	
Steven Georgala	
Neal Brent De Graaf	Appointed on 5 July 2019 and resigned on 25 September 2020
Reinhold Ackerman	Resigned 31 January 2020
Jon Hugill	Appointed 25 September 2020

Mr James Forbes Clark resigned as a director effective 02 May 2019, and Mr Reinhold Ackerman resigned as a director effective 31 July 2020. Mr Neal Brent De Graaf was appointed on 05 July 2019 and resigned on 25 September 2020. Mr Jon Hugill was appointed on 25 September 2020. The Directors expressed their sincere appreciation to the outgoing directors for their contributions during their respective periods of office.

#### 5. Holding company

The company's holding company is Maitland FS Holdings (UK) Limited which is incorporated in the United Kingdom.

#### 6. Ultimate holding company

The company's ultimate holding company is Maitland International Holdings plc which is incorporated in Malta.

#### 7. Events after the reporting period

The directors are not aware of any material events which occurred after the reporting date and up to the date of this report.

## Maitland Administration Services Limited

(Registration number 03466852)  
Annual Report and Audited Financial Statements for the year ended 30 April 2020

## Directors' Report

### 8. Going concern

The directors believe that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the audited financial statements and annual report have been prepared on a going concern basis. The directors have satisfied themselves that the Company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The Company's revenue is heavily impacted by fluctuations in stock market prices. Stock markets are heavily influenced by the perceptions of the current economic outlook both domestically and globally. The ongoing Covid-19 pandemic has been a major influence on these economic outlooks and stock market prices have been volatile as a result. In late March, the Company's Assets under Administration ("AUA") fell to £8.9bn at the end of March, down 13.6% in just one month as a result of the traditional knee jerk reaction to the crisis. Since then, the Company has seen AUA steadily stabilise with an increase of 8.8% by 31 July 2020. The Company's revenue is somewhat protected with many of its clients having base minimum fees. These minimum fees have meant that revenue did not decline in the same proportions as the AUA during the height of the pandemic. Run rates and stress tests have illustrated to management that despite a small decline in revenue, it remains more than sufficient in order for the Company to continue to operate and is well placed in future to take advantage of future opportunities. The Company has become a guarantor and has provided security for a Group loan arrangement. The Directors believe that this will not affect the Company's ability to settle any liabilities as they fall due or adversely affect the going concern assessment.

### 9. Auditor

The directors appointed BDO LLP as auditor of the Company following the resignation of KPMG LLP on 4 August 2020.

### 10. Secretary

The company secretary is Miss Sarah Fry. The Company Secretary was Mr George Bayer and he resigned on 27 December 2020.

### 11. Political contributions

The Company made no political donations or incurred any political expenditure during the year (2019: £nil).

### 12. Directors' declaration to the auditor

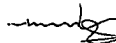
Each of the persons who are Directors at the time when this report is approved has confirmed that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each Director has taken all the steps that ought to have been taken as a Director, including making appropriate enquiries of fellow Directors and the Company's auditors for that purpose, in order to be aware of any information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

The audited financial statements and annual report set out on pages 9 to 33, which have been prepared on the going concern basis, were approved by the board of directors on 22 January 2021, and were signed on its behalf by:

By Order of the Board

DocuSigned by:



Steven Georgala

Director

DocuSigned by:



Robert Leedham

Director

## **Maitland Administration Services Limited**

(Registration number 03466852)

Annual Report and Audited Financial Statements for the year ended 30 April 2020

### **Statement of Directors' Responsibilities**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Maitland Administration Services Limited**

(Registration number 03466852)


Annual Report and Audited Financial Statements for the year ended 30 April 2020


**Statement of Financial Position as at 30 April 2020**

	Note(s)	2020 £	2019 Restated * £	2018 Restated * £
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, plant and equipment	3	239 311	300 832	102 723
Right-of-use assets	5	1 302 461	-	-
Intangible assets	4	242 241	-	-
Investments in subsidiaries	6	2 862 445	2 862 445	2 862 445
		<b>4 646 458</b>	<b>3 163 277</b>	<b>2 965 168</b>
<b>Current Assets</b>				
Loans to group companies	7	4 944 829	4 750 313	4 039 788
Trade and other receivables	9	869 122	524 924	667 572
Current tax receivable		-	31 688	31 688
Cash and cash equivalents	10	158 226	29 688	21 407
		<b>5 972 177</b>	<b>5 336 613</b>	<b>4 760 455</b>
<b>Total Assets</b>		<b>10 618 635</b>	<b>8 499 890</b>	<b>7 725 623</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Share capital	11	4 899 894	4 899 894	4 899 894
Reserves		1 984 107	1 984 107	1 984 107
Retained income		265 553	(300 801)	(414 884)
		<b>7 149 554</b>	<b>6 583 200</b>	<b>6 469 117</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Finance lease liabilities	5	1 285 711	-	-
Deferred tax	8	24 958	26 458	18 415
		<b>1 310 669</b>	<b>26 458</b>	<b>18 415</b>
<b>Current Liabilities</b>				
Trade and other payables	14	826 771	880 597	800 189
Loans from group companies	12	1 190 360	1 009 635	437 902
Current tax payable		75 485	-	-
Provisions	13	65 796	-	-
		<b>2 158 412</b>	<b>1 890 232</b>	<b>1 238 091</b>
<b>Total Liabilities</b>		<b>3 469 081</b>	<b>1 916 690</b>	<b>1 256 506</b>
<b>Total Equity and Liabilities</b>		<b>10 618 635</b>	<b>8 499 890</b>	<b>7 725 623</b>

The accounting policies on pages 13 to 20 and the notes on pages 21 to 33 form an integral part of the audited financial statements and annual report.

The audited financial statements and annual report and the notes on pages 21 to 33, were approved by the board of directors on the 22 January 2021 and were signed on its behalf by:

DocuSigned by:  
  
 1492BADD90A542C  
**Steven Georgala**  
 Director

DocuSigned by:  
  
 EA44A0A652E343D  
**Robert Leedham**  
 Director

## Maitland Administration Services Limited

(Registration number 03466852)

Annual Report and Audited Financial Statements for the year ended 30 April 2020

### Statement of Profit or Loss and Other Comprehensive Income

	Note(s)	2020 £	2019 Restated * £
Revenue	15	1 915 114	1 892 304
Other income	16	-	3 632
Operating expenses		(1 242 696)	(1 788 353)
<b>Operating profit</b>		<b>672 418</b>	<b>107 583</b>
Investment revenue	18	21 950	20 359
Loan finance costs		(53 919)	(5 816)
<b>Profit for the year before taxation</b>		<b>640 449</b>	<b>122 126</b>
Taxation	19	(105 673)	(8 043)
<b>Profit for the year</b>		<b>534 776</b>	<b>114 083</b>
Other comprehensive income		-	-
<b>Total profit and Other Comprehensive income for the year</b>		<b>534 776</b>	<b>114 083</b>

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The notes on pages 21 to 33 form part of these financial statements.

**Maitland Administration Services Limited**

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Annual Report and Audited Financial Statements for the year ended 30 April 2020

**Statement of Changes in Equity**

	Share capital £	Share premium £	Total share capital £	Revaluation reserve £	Retained income £	Total equity £
Opening balance as previously reported	542 645	4 357 249	4 899 894	1 984 107	(279 794)	6 604 207
Adjustments						
Prior period error	-	-	-	-	(135 090)	(135 090)
<b>Restated* Balance at 01 May 2018 as restated</b>	<b>542 645</b>	<b>4 357 249</b>	<b>4 899 894</b>	<b>1 984 107</b>	<b>(414 884)</b>	<b>6 469 117</b>
Profit for year	-	-	-	-	114 083	114 083
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>114 083</b>	<b>114 083</b>
Opening balance as previously reported	542 645	4 357 249	4 899 894	1 984 107	(300 804)	6 583 197
Adjustments						
Change in accounting policy	-	-	-	-	31 581	31 581
<b>Balance at 01 May 2019 as restated</b>	<b>542 645</b>	<b>4 357 249</b>	<b>4 899 894</b>	<b>1 984 107</b>	<b>(269 223)</b>	<b>6 614 778</b>
Profit for the Year	-	-	-	-	534 776	534 776
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>534 776</b>	<b>534 776</b>
<b>Balance at 30 April 2020</b>	<b>542 645</b>	<b>4 357 249</b>	<b>4 899 894</b>	<b>1 984 107</b>	<b>265 553</b>	<b>7 149 554</b>
Note	11	11	11			

The notes on pages 21 to 33 form an integral part of the audited financial statements and annual report.

**Maitland Administration Services Limited**

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Annual Report and Audited Financial Statements for the year ended 30 April 2020

**Statement of Cash Flows**

	Note(s)	2020 £	2019 Restated * £
<b>Cash flows from operating activities</b>			
Cash generated from operations	21	378 846	240 066
Interest income		21 950	20 359
Finance costs		-	(5 816)
<b>Net cash from operating activities</b>		<b>400 796</b>	<b>254 609</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3	(10 618)	(246 328)
Purchase of other intangible assets	4	(247 849)	-
<b>Net cash from investing activities</b>		<b>(258 467)</b>	<b>(246 328)</b>
<b>Cash flows from financing activities</b>			
Repayment of loans from group companies		(13 791)	-
<b>Net cash from financing activities</b>		<b>(13 791)</b>	<b>-</b>
<b>Total cash movement for the year</b>		<b>128 538</b>	<b>8 281</b>
Cash at the beginning of the year		29 688	21 407
<b>Total cash at end of the year</b>	10	<b>158 226</b>	<b>29 688</b>

## **Maitland Administration Services Limited**

(Registration number 03466852)

Annual Report and Audited Financial Statements for the year ended 30 April 2020

### **Accounting Policies**

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#### **Corporate information**

The financial statements of Maitland Administration Services Limited for the period ending 30 April 2020 were authorised for issue in accordance with a resolution of the Directors on 22 January 2021.

Maitland Administration Services Limited is a limited company incorporated under the Companies Act 2006 and domiciled in United Kingdom whose shares are privately owned.

The principal activities of the Company are the provision of fund administration, middle office and corporate secretarial services to investment trusts and third party managers. Maitland Administration Services Ltd also provides fund administration and transfer agency services to its subsidiary that acts as an Authorised Corporate Director of Open Ended Investment Companies and Alternative Investment Fund Manager.

#### **Basis of preparation**

The audited financial statements and annual report have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and the Companies of 2006. The audited financial statements and annual report have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Pound Sterling and rounded to the nearest Pound.

The Directors of Maitland Administration Services Ltd have prepared a cash flow forecast and are of the opinion that the Company can continue as a going concern. The forecast has been based on historical revenue figures for relevant revenue streams with adjustments made for clients billed on an assets under management basis. The Company has seen consistent revenue growth over the years and has a stable client base. Gross contribution targets of 65% have consistently been met over the years and the global target operating model along with other optimisation projects should yield lower operational expense levels, both on a group and local basis to increase net profit margins.

The ultimate Holding Company, Maitland International Holdings plc, entered into a loan agreement, which has resulted in this Company becoming a guarantor. The Directors believe that this will not materially affect the expenses charged to it by the Group. The new loan arrangement will increase the liquidity within the Maitland Group and ultimately aid in receiving and settling related party debt.

These accounting policies are consistent with the previous year.

#### **1. Significant accounting policies**

The principal accounting policies applied in the preparation of these audited financial statements and annual report are set out below.

##### **1.1 Significant judgements and sources of estimation uncertainty**

In preparing the audited financial statements and annual report, management is required to make estimates and assumptions that affect the amounts represented in the audited financial statements and annual report and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Estimates used in these financial statements relate to accrued income and accrued expenses which are settled in arrears. Actual results in the future could differ from these estimates which may be material to the audited financial statements and annual report. Significant judgements include:

##### **Taxation**

The Company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

##### **1.2 Property, plant and equipment**

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

## Maitland Administration Services Limited

(Registration number 03466852)

Annual Report and Audited Financial Statements for the year ended 30 April 2020

### Accounting Policies

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#### 1.2 Property, plant and equipment (continued)

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Computer equipment is depreciated on the straight line basis over 4 years and office equipment is depreciated on a straight line basis over 4 years.

Leasehold improvements are depreciated on a straight line basis over a useful economic life equal to the length of the terms of the leasehold property that they relate to.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

#### 1.3 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

---

Item	Depreciation method	Average useful life
Computer software	Straight line	3

---

#### 1.4 Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:

- the cost, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus
- any costs directly attributable to the purchase of the subsidiary.

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#### 1.4 Investments in subsidiaries (continued)

Impairment of investments in subsidiaries are assessed by employing various metrics on which to value businesses. The Company utilises two main valuation methods. Adjusted net profit after tax and revenue multiplied by an industry multiple for each category. As multiples are difficult to obtain and subject to influence the Company has used averages to obtain a fair estimate.

#### 1.5 Financial instruments

Financial instruments held by the Company are classified in accordance with the provisions of IFRS 9 Financial Instruments. The Company has applied IFRS 9 retrospectively, but has elected not to restate the comparative information.

Broadly, the classification possibilities, which are adopted by the Company, as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Note 24 Financial instruments and risk management and sensitivity analysis presents the financial instruments held by the Company based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. There have been no such purchases or sales during the year.

The Company assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets requires impairment. If any such evidence exists, the extent of the impairment is determined. Impairment losses in financial assets carried at amortised cost are recognised in profit or loss.

IFRS 9 requires an expected credit loss model to be used in impairing financial assets. This model requires the Company to account for expected credit losses and changes thereto at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. It is no longer necessary for a credit loss event to have occurred before impairments are recognised.

IFRS 9 requires the Company to recognise a loss allowance for the expected credit losses on:

- Trade receivables and,
- Contract assets

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### **Accounting Policies**

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#### **1.5 Financial instruments (continued)**

The Company has elected to apply the simplified approach for measuring the loss allowance at an amount equal to lifetime for trade receivables.

Reversals of impairment losses are recognised in surplus or deficit.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Company are presented below:

##### **Loans receivable at amortised cost**

###### **Classification**

Amounts receivable from related entities (note 7) are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Company's business model is to collect the contractual cash flows on these loans.

###### **Recognition and measurement**

Loans receivable are recognised when the Company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

###### **Application of the effective interest method**

Interest income is calculated using the effective interest method, and is included in profit or loss in investment revenue (note 18).

##### **Trade and other receivables**

###### **Classification**

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 9).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Company's business model is to collect the contractual cash flows on trade and other receivables.

###### **Recognition and measurement**

Trade and other receivables are recognised when the Company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

###### **Application of the effective interest method**

For receivables which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in investment revenue (note 18).

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### **Accounting Policies**

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#### **1.5 Financial instruments (continued)**

##### **Borrowings and loans from related parties**

###### **Classification**

Amounts payable to related entities (note 12) are classified as financial liabilities subsequently measured at amortised cost.

###### **Recognition and measurement**

Borrowings and loans from related parties are recognised when the Company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs.

Borrowings expose the Company to liquidity risk and interest rate risk. Refer to note 24 for details of risk exposure and management thereof.

##### **Trade and other payables**

###### **Classification**

Trade and other payables (note 14), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

###### **Recognition and measurement**

They are recognised when the Company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs.

Trade and other payables expose the Company to liquidity risk and possibly to interest rate risk. Refer to note 24 for details of risk exposure and management thereof.

##### **Cash and cash equivalents**

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

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### Accounting Policies

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#### 1.6 Tax

##### Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

##### Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

##### Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

#### 1.7 Impairment of assets

The Company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Company also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

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### **Accounting Policies**

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#### **1.7 Impairment of assets (continued)**

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

#### **1.8 Share capital and equity**

Ordinary shares are classified as equity.

#### **1.9 Employee benefits**

##### **Short-term employee benefits**

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

##### **Defined contribution plans**

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

#### **1.10 Provisions and contingencies**

Provisions are recognised when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised.

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### **Accounting Policies**

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#### **1.11 Revenue**

Revenue is recognised when or as the performance obligation is satisfied by transferring a promised service to a customer. Assets are transferred when or as the customer obtains control of that asset. When a performance obligation is satisfied, revenue is recognised as the amount of the transaction price that is allocated to the performance obligation.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Revenue is comprised of administration services rendered to customers and project income. Administration fees and project income earned in terms of contractual agreements are recognised as revenue in the Statement of Profit or loss and Other Comprehensive Income as described above.

In some cases fees are billed annually, bi-annually or quarterly in advance depending on the terms of the client contracts. Revenue related to these fees received in advance of the fee being earned or the service being performed is deferred and recognised when the fee is earned or service performed. These are included under 'deferred income' on the Statement of Financial Position.

Interest is recognised, in profit or loss, using the effective interest rate method.

#### **1.12 Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

#### **1.13 Translation of foreign currencies**

##### **Foreign currency transactions**

A foreign currency transaction is recorded, on initial recognition in Pound Sterlings, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

In circumstances where the Company receives or pays an amount in foreign currency in advance of a transaction, the transaction date for purposes of determining the exchange rate to use on initial recognition of the related asset, income or expense is the date on which the Company initially recognised the non-monetary item arising on payment or receipt of the advance consideration.

If there are multiple payments or receipts in advance, Company determines a date of transaction for each payment or receipt of advance consideration.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous audited financial statements and annual report are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Pound Sterlings by applying to the foreign currency amount the exchange rate between the Pound Sterling and the foreign currency at the date of the cash flow.

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### **Notes to the Audited Financial Statements And Annual Report**

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#### **2. Changes in accounting policy**

The audited financial statements and annual report have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union on a basis consistent with the prior year.

##### **Application of IFRS 9 Financial Instruments**

Under the "expected credit loss" model, an entity calculates the allowance for credit losses by considering on a discounted basis the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring. The allowance is the sum of these probability weighted outcomes. Because every loan and receivable carries with it some risk of default, every such asset has an expected loss attached to it from the moment of its origination or acquisition. The phrase "expected credit loss" to describe the new impairment model can be confusing.

Because expected credit losses represent possible outcomes weighted by the probability of their occurrence, these amounts are not necessarily "expected" nor "losses", at least as those terms are generally understood. In effect, they represent measures of an asset's credit risk.

Expected credit losses as at 30 April 2020 was equal to 0% of total trade receivables. The expected credit loss is taken on a case by case basis as client recoveries are done directly from client funds.

The company has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9.

##### **Application of IFRS 15 Revenue from contracts with customers**

In the current year, the Company has applied IFRS 15 Revenue from Contracts with Customers (as revised in April 2016) and the related consequential amendments to other IFRS. IFRS 15 replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue - Barter Transactions Involving Advertising Services.

IFRS 15 introduces a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Details of these new requirements as well as their impact on the Company financial statements are described below. Refer to the revenue accounting policy for additional details.

The Company has applied IFRS 15 with an initial date of application of 01 May 2018. There was no impact on the amounts recognised in prior, current or future periods. The comparative information has therefore not been restated.

##### **Application of IFRS 16 Leases**

In the current year, the Group has adopted IFRS 16 Leases (as issued by the IASB in January 2016) with the date of initial application being 01 May 2019. IFRS 16 replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases - Incentives and SIC 27 - Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these new requirements are described in the accounting policy for leases. The impact of the adoption of IFRS 16 on the Group's consolidated financial statements is described below.

The Group has applied the practical expedient available in IFRS 16 which provides that for contracts which exist at the initial application date, an entity is not required to reassess whether they contain a lease. This means that the practical expedient allows an entity to apply IFRS 16 to contracts identified by IAS 17 and IFRIC 4 as containing leases; and to not apply IFRS 16 to contracts that were not previously identified by IAS 17 and IFRIC 4 as containing leases. IFRS 16 has been adopted by applying the modified retrospective approach, whereby the comparative figures are not restated. Instead, cumulative adjustments to retained earnings have been recognised in retained earnings as at 01 May 2019.

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**Notes to the Audited Financial Statements And Annual Report****3. Property, plant and equipment**

	2020			2019		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Office equipment	390 906	(312 861)	78 045	382 632	(268 702)	113 930
Leasehold improvements	214 038	(52 772)	161 266	211 693	(24 791)	186 902
<b>Total</b>	<b>604 944</b>	<b>(365 633)</b>	<b>239 311</b>	<b>594 325</b>	<b>(293 493)</b>	<b>300 832</b>

**Reconciliation of property, plant and equipment - 2020**

	Opening balance	Additions	Depreciation	Total
Office equipment	113 930	8 274	(44 159)	78 045
Leasehold improvements	186 902	2 344	(27 980)	161 266
	<b>300 832</b>	<b>10 618</b>	<b>(72 139)</b>	<b>239 311</b>

**Reconciliation of property, plant and equipment - 2019**

	Opening balance	Additions	Recharges	Depreciation	Total
Office equipment	74 386	71 372	(27 025)	(4 803)	113 930
Leasehold improvements	28 337	174 956	(13 901)	(2 490)	186 902
	<b>102 723</b>	<b>246 328</b>	<b>(40 926)</b>	<b>(7 293)</b>	<b>300 832</b>

Impairment of property, plant and equipment:

There have been no impairments of property, plant and equipment in the period (2019: £nil)

**Net carrying amounts of leased assets**

	2020 £	2019 £
Leasehold improvements	161 266	186 902

**4. Intangible assets**

	2020			2019		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	247 848	(5 607)	242 241	-	-	-

**Reconciliation of intangible assets - 2020**

	Opening balance	Additions	Amortisation	Total
Computer software	-	247 848	(5 607)	242 241

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#### 5. Leases (company as lessee)

The Company leases several assets, including buildings, plant and IT equipment. The average lease term is 7.5 years (2019: 7.5 years).

Details pertaining to leasing arrangements, where the Company is lessee are presented below:

The Company adopted IFRS 16 for the first time in the current financial period. Comparative figures have been accounted for in accordance with IAS 17 and accordingly, any assets recognised under finance leases in accordance with IAS 17 for the comparative have been recognised as part of property, plant and equipment. The information presented in this note for right-of-use assets therefore only includes the current period.

#### Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are as follows:

	2020 £	2019 £
Leasehold property	1 302 461	-

#### Other disclosures

Interest expense on lease liabilities	53 919	-
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At 30 April 2020, the Company is committed to £- (2019: £-) for short-term leases. This differs from the portfolio of leases for which an expense was recognised in the current financial period, because of a 12 month lease agreement for 10 photocopier machines which was entered into in the last month of the financial period.

#### Finance lease liabilities

Lease liabilities have been included in the non-current liabilities line item on the statement of financial position.

The maturity analysis of lease liabilities is as follows:

	2020 £	2019 £
Non-current liabilities	1 285 711	-

#### Comparative information for lease liabilities under IAS 17

The information presented for lease liabilities for the comparative period has been prepared on the basis of IAS 17, and therefore only represents the liability as at that date for finance leases and not for operating leases. In addition to the information presented in the table above, IAS 17 required an entity to present a reconciliation of the present value of lease payments for finance leases. This information is presented in the table which follows:

	2020 £	2019 £
Present value of minimum lease payments due		
- within 1 year	-	207 127
- in second to fifth year inclusive	-	739 347
- later than five years	-	923 697
	-	1 870 171

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	2020	2019
	£	Restated * £

**6. Investments in subsidiaries**

Maitland Administration Services Limited has 2 subsidiaries (2019: 2) and nil indirect subsidiaries (2019: nil).

Name of company	Country of incorporation	Principal activity	Class of shares held	% holding 2020	% holding 2019	Carrying amount 2020	Carrying amount 2019
Maitland Institutional Services Limited	United Kingdom	Investment services	Ordinary £1 shares	100,00 %	100,00 %	2 862 445	2 862 445
Abacus Financial Software Limited Holdings	United Kingdom	Software provider	Ordinary £1 shares	100,00 %	100,00 %	-	-
						<b>2 862 445</b>	<b>2 862 445</b>

**7. Amounts receivable from related entities**

Maitland Institutional Services Limited	-	265 523
Maitland FS Holdings (UK) Limited	4 618 136	4 146 186
Maitland Central Services Limited	84 193	-
Maitland Advisory LLP	440	20 840
Maitland Wealth Services Limited	167	4 512
Maitland Monaco SAM	227	2 200
Maitland Administration Services (Scotland) Limited	93 298	125 298
Maitland Administration Services (Guernsey) Limited	108 753	157 581
Maitland Services Limited	412	346
Maitland Malta Limited	278	599
Maitland Mauritius Limited	-	1 198
Maitland Luxembourg S.A.	37 323	24 170
Maitland Fiduciary Limited - Cape Town	781	265
Maitland Asset Management (Pty) Limited	-	774
Maitland Advisory (Pty) Limited	821	821
	<b>4 944 829</b>	<b>4 750 313</b>

The amount receivable from Maitland FS Holdings (UK) Limited bears interest at 0.5% per annum paid quarterly in arrears.

All other amounts are unsecured, bear no interest and have no fixed terms of repayment.

Transaction detail for the period is reflected under note 22, related parties.

**Split between non-current and current assets**

Current assets	<b>4 494 830</b>	<b>4 750 313</b>
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**Notes to the Audited Financial Statements And Annual Report**

	2020 £	2019 Restated * £
<b>8. Deferred tax</b>		
<b>Deferred tax liability</b>		
The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:		
Deferred tax liability	(24 958)	(8 043)
<b>Reconciliation of deferred tax asset / (liability)</b>		
At beginning of year	(26 458)	(18 415)
Credit to the statement of comprehensive income	1 500	(8 043)
	<b>(24 958)</b>	<b>(26 458)</b>
<b>9. Trade and other receivables</b>		
<b>Financial instruments at amortised cost:</b>		
Trade receivables	181 110	181 839
Trade receivables - related parties	1 672	-
Accrued income	82 472	-
Trade receivables at amortised cost	265 254	181 839
Deposits	-	15 187
Other receivable	210 450	78 029
<b>Non-financial instruments:</b>		
Prepayments	393 418	249 869
<b>Total trade and other receivables</b>	<b>869 122</b>	<b>524 924</b>
<b>Split between non-current and current portions</b>		
Current assets	869 122	524 924
<b>Categorisation of trade and other receivables</b>		
Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:		
At amortised cost	475 704	275 055
Non-financial instruments	393 418	249 869
	<b>869 122</b>	<b>524 924</b>
Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 30 April 2020, £nil (2019: £nil) were past due but not impaired.		
The ageing of amounts past due but not impaired is as follows:		
Less than 30 days	128 945	70 639
Between 30 days and 60 days	28 065	107 587
61 to 90 days	7 381	3 613
Greater than 90 days	18 391	-
<b>Trade and other receivables past due but not impaired</b>		

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	2020 £	2019 Restated * £	
<b>10. Cash and cash equivalents</b>			
Cash and cash equivalents consist of:			
Bank balances	158 226	29 688	
Cash at banks earn interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.			
<b>Exposure to currency risk</b>			
Refer to note 24 Financial instruments and financial risk management for details of currency risk management for cash and cash equivalents.			
<b>11. Share capital</b>			
<b>Issued</b>			
542,645 Ordinary shares of £1 each (2019: 542,645)	542 645	542 645	
Share premium	4 357 249	4 357 249	
	<b>4 899 894</b>	<b>4 899 894</b>	
<b>12. Amounts payable to related entities</b>			
Subsidiaries			
Maitland Central Services Limited	-	47 682	
Maitland Group South Africa Limited	462 774	956 878	
Maitland Institutional Services Limited	713 851	-	
Terms and conditions			
Maitland Central Services London Limited	13 735	5 075	
	<b>1 190 360</b>	<b>1 009 635</b>	
<b>Split between non-current and current portions liabilities</b>			
Current liabilities	740 360	1 009 635	
<b>13. Provisions</b>			
<b>Reconciliation of provisions - 2020</b>			
	Opening balance	Additions	Total
Provisions	-	65 796	65 796
<b>14. Trade and other payables</b>			
<b>Financial instruments:</b>			
Trade payables		320 676	317 206
Other payables		334 697	396 426
<b>Non-financial instruments:</b>			
Amounts received in advance		92 628	97 953
VAT		78 770	69 012
		<b>826 771</b>	<b>880 597</b>

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	2020 £	2019 Restated * £
<b>15. Revenue</b>		
Rendering of fund administration and related services	1 915 114	1 892 304
<b>16. Other income</b>		
Fees earned	-	3 632
<b>17. Employee costs</b>		
<b>Employee costs</b>		
Wages and salaries	4 780 738	4 113 498
Social security costs	508 125	460 702
Other pensions cost	185 816	171 303
	<b>5 474 679</b>	<b>4 745 503</b>
The average monthly number of employees ( including Directors) during the year was 80 (2019: 80).		
<b>18. Investment revenue</b>		
<b>Interest income</b>		
<b>Investments in financial assets:</b>		
Interest from related party	21 950	20 359
<b>19. Taxation</b>		
<b>Major components of the tax expense</b>		
<b>Current</b>		
Current tax	107 173	-
<b>Deferred</b>		
Deferred tax	(1 500)	8 043
	<b>105 673</b>	<b>8 043</b>
<b>Reconciliation of the tax expense</b>		
Reconciliation between accounting profit and tax expense.		
Profit for the year before taxation	640 449	122 126
Tax at the applicable tax rate of 19% (2019: 19%)	121 685	23 204
<b>Tax effect of adjustments on taxable income</b>		
Expenses not deductible for tax	41 922	6 943
Group relief claimed	(61 047)	(21 158)
Adjustment to closing deferred tax to average rate of 19% (2019: 19%)	-	(3 113)
Adjustment to opening deferred tax to average rate of 19% (2019: 19%)	3 113	2 167
	<b>105 673</b>	<b>8 043</b>

The corporation tax rate was expected to reduce to 17% on 1 April 2020 but the corporation tax rate will remain at 19% until 5 April 2021 per the Finance Act 2020 (substantively enacted in March 2020).

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	2020	2019
	£	Restated * £
<b>20. Auditor's remuneration</b>		
Audit of financial statements	20 500	35 500
<b>21. Cash generated from operations</b>		
Profit before taxation	640 449	122 126
<b>Adjustments for:</b>		
Depreciation and amortisation	267 212	48 219
Interest income	(21 950)	(20 359)
Finance costs	53 919	5 816
<b>Changes in working capital:</b>		
Trade and other receivables	(344 198)	142 648
Trade and other payables	17 295	80 407
Amounts receivable from / (payable to) related entities	-	(138 791)
IFRS16 rent payments	(228 556)	-
Deferred income	(5 325)	-
	<b>378 846</b>	<b>240 066</b>

**22. Related parties**

Relationships  
Ultimate holding company  
Holding company

Maitland International Holdings plc  
Maitland FS Holdings (UK) Limited

MISL a subsidiary of MASL forms part of the UK trading group that provide fund administration services to third party managers, act as a unit trust management company, Authorised Corporate Director of Open Ended Investment Companies and acts as an Alternative Investment Fund Manager. MASL performs services for its own clients and on behalf of MISL. MASL is the primary entity that incurs expenses on behalf of the trading group, except in instances where the service is specifically provided to MISL. The services provided by MASL on behalf of MISL are routine in nature and are broadly apportioned and recharged in line with the revenue split, MASL 15%, MISL 85% (2019: MASL 15.09%, MISL 84.91%). In line with transfer pricing practices, adopted in the UK trading group, a portion of the expenses recharged to MISL includes a margin that does not exceed 10%.

The services rendered to and received from related parties are made at normal market prices. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash. For the Audited financial statements and annual report for the year ended 30 April 2020 the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2019: £nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Related party balances are disclosed in notes 7 and 12.

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	2020	2019
	£	Restated * £
<b>22. Related parties (continued)</b>		
<b>Related party transactions</b>		
<b>Recharges to related parties</b>		
Maitland Central Services Limited	128 582	40 284
Maitland Institutional Services Limited	7 848 080	7 768 127
Maitland Administration Services (Guernsey) Limited	-	3 014
Maitland Wealth Services Limited	2 005	16 159
Maitland Monaco SAM	18 898	26 001
Maitland Malta Limited	3 377	4 834
Maitland Advisory LLP	4 443	44 742
Maitland Advisory (Pty) Limited	978	821
Maitland Asset Management (Pty) Limited	-	1 024
Maitland Luxembourg S.A.	13 152	24 170
Maitland Services Limited	22 238	4 834
Maitland Group South Africa Limited	162 425	43 468
Maitland Fiduciary Limited - Cape Town	-	2 969
Maitland Mauritius Limited	-	9 668
<b>Recharges from related parties</b>		
Maitland Administration Services (Scotland) Limited	900	-
Maitland Central Services Limited	334 816	175 842
Maitland Group South Africa Limited	1 760 965	1 942 363
Maitland Services Limited	15 115	614
Maitland International Holdings plc	-	155 179
Maitland Institutional Services Limited	72 277	-
Maitland Fiduciary Limited - Cape Town	-	543
Maitland Central Services London Limited	110 919	59 112
<b>Revenue from services to related parties</b>		
Maitland Administration Services (Scotland) Limited	60 454	96 427
Maitland Administration Services (Guernsey) Limited	172 003	154 644
<b>Interest from related parties</b>		
Maitland FS Holdings (UK) Limited	21 950	20 172

As mentioned above Maitland Administration Services Limited recharges a portion of its expenses to other group entities. In the financial year, the operational expenses of £1,776,276 (2019: £1,788,353) consisted of gross expenses of £9,980,404 (2019: £9,456,454) and recharges to related parties of £8,204,128 (2019: £7,668,101).

### 23. Consolidation

The Company and its subsidiaries are included in the consolidation of its parent. Accordingly, no consolidated financial statements have been prepared for Maitland Administration Services Ltd as per the Companies Act 2006 S400 exemption.

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### Notes to the Audited Financial Statements And Annual Report

#### 24. Financial instruments and risk management and sensitivity analysis

##### Categories of financial instruments

##### Capital risk management

Although the Company is not registered with the FCA, its objectives when managing capital are to ensure compliance with the FCA capital adequacy requirements and safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of debt, which includes the borrowings (excluding derivative financial liabilities) disclosed in note 12, cash and cash equivalents disclosed in note 10, and equity as disclosed in the statement of financial position.

The Company manages its capital structure through business forecasts, monitoring solvency and managing its borrowings.

		2020 £	2019 £
Amounts payable to related entities	12	1 190 360	1 009 635
Finance lease liabilities		1 285 711	-
Trade and other payables	14	826 775	880 597
<b>Total borrowings</b>		<b>3 302 846</b>	<b>1 890 232</b>
Cash and cash equivalents	10	(158 226)	(29 688)
<b>Net borrowings</b>		<b>3 144 620</b>	<b>1 860 544</b>
Equity		7 149 553	6 583 200
Gearing ratio		44 %	28 %

##### Financial risk management

##### Overview

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value risk interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

##### Credit risk

Credit risk is managed on a company basis.

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Company only deposits cash with major banks with high quality credit standing.

##### Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Company's risk to liquidity is a result of the funds available to cover future commitments. The Company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

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### Notes to the Audited Financial Statements And Annual Report

#### 24. Financial instruments and risk management and sensitivity analysis (continued)

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

##### 2020

		Less than 1 year	Total	Carrying amount
<b>Non-current liabilities</b>				
Finance lease liabilities		-	-	1 285 711
<b>Current liabilities</b>				
Trade and other payables		-	-	655 377
Loans from group companies	12	1 639 307	1 639 307	1 190 360
		<b>1 639 307</b>	<b>1 639 307</b>	<b>3 131 448</b>

##### 2019

		Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
<b>Current liabilities</b>							
Trade and other payables	14	713 632	-	-	-	713 632	713 632
Loans from group companies	12	1 009 635	-	-	-	1 009 635	1 009 635
Other financial liabilities		207 127	203 007	536 340	923 697	1 870 171	1 870 171
		<b>1 930 394</b>	<b>203 007</b>	<b>536 340</b>	<b>923 697</b>	<b>3 593 438</b>	<b>3 593 438</b>

#### Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the South African rand. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

A regular assessment is conducted to ensure the effect of the movements in currencies in which it contracts are not material to the Company. In the event that any movement in exchange rates have a material impact on the Company additional actions would be taken to minimise this effect.

The table below shows the effect of a 10% change in currency rates on the company's net asset position:

The Company's net asset position	Net Assets	Weakening of Sterling	Strengthening of Sterling
GBP	7 645 746	-	-
ZAR	(394 838)	(43 871)	35 894
	<b>7 250 908</b>	<b>(43 871)</b>	<b>35 894</b>

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### Notes to the Audited Financial Statements And Annual Report

#### 24. Financial instruments and risk management and sensitivity analysis (continued)

##### Interest rate risk

The Company had no significant interest bearing assets or liabilities and the Company's cash flows are substantially independent of changes in market interest rates.

##### Price risk

The Company is not exposed to significant price risk since its operations and cashflow is substantially independent of movement in market prices.

A large proportion of the Company's revenue is sensitive to changes in its Assets Under Administration which in turn are sensitive to stock market conditions and movements. On the assumption that markets grew by 20%, the Company's revenue would have been £181,730 higher and Net Assets would have increased by £147,201. Conversely, on the assumption that markets fell by 20%, the Company's revenue would have been £176,466 lower and Net Assets would have fallen by £142,938.

#### 25. Directors' emoluments

##### Executive

##### 2020

	Emoluments	Pension paid or receivable	Total
For services as Director	281 544	15 269	296 813

The highest paid Director received £211,023 of emoluments and £9,309 in pension contributions in the period. Two Directors are paid from Maitland Administration Services Limited.

##### 2019

	Emoluments	Pension paid or receivable	Total
For services as Director	273 462	16 931	290 393

The highest paid Director received £179 022 of emoluments and £11 165 in pension contributions in the period. Two Directors are paid from Maitland Administration Services Limited.

#### 26. Events after the reporting period

The Directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

#### 27. Ultimate controlling party

The Company's ultimate holding company is Maitland International Holdings Plc which is incorporated in Malta. The smallest Company for which accounts are consolidated and accounts is available publically through the Companies' house website in Maitland FS Holdings (UK) Limited, 4th Floor Aventech Building, St Julian's Road, San Gwann, SEN 2805, Malta.

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### Notes to the Audited Financial Statements And Annual Report

#### 28. Prior year adjustment

In late 2017 and early 2018, the Company undertook a proof of concept project costing £167k to validate that a new cloud based system could accurately perform the administration of the Company's funds and replace the Company's existing system. The proof of concept proved that a new system was viable and as a result the costs incurred were capitalised as the initial costs of the implementation of the new system. In between the end of the proof of concept phase and the next phase of the project, management took the decision to change direction and migrate the Company's funds onto the existing Platform used by a fellow subsidiary based in South Africa, Maitland Group South Africa. At the time of this decision which was prior to the 2018 accounts being approved the costs should have been written back to the statement of profit and loss. This prior year adjustment therefore is correcting the original error capitalising the costs. The entries that have been put through to correct the entry are as follows:

Plant Property and Equipment	Non-current assets	<b>2018</b>
Professional Expenses	Operating costs	(166 778)
Corporation Tax	Tax expense	166 778
Corporation Tax Payable	Current liabilities	(31 688)
		31 688

The effect of the prior year adjustments on the financial statements are as follows:

<b>Statement of financial position As at 30 April 2018</b>	<b>Audited 2018</b>	<b>Prior period adjustment</b>	<b>Restated</b>	<b>Audited 2019</b>	<b>2018 prior year adjustment</b>	<b>Restated 2019</b>
Non-current assets:						
Property plant and equipment	269 501	(166 778)	102 723	467 610	(166 778)	300 832
Current assets:						
Corporation tax receivable	-	13 273	13 273	-	31 688	31 688
Equity:						
Accumulated loss	(279 796)	(135 090)	(414 886)	(165 713)	(135 090)	(300 803)
Non-current liabilities:						
Corporation tax payable	(18 415)	18 415	-	-	-	-
<b>Statement of profit and loss For the year ended 30 April 2018</b>				<b>Audited 2018</b>	<b>Prior period adjustment</b>	<b>Restated 2018</b>
Operating expenses				(884 597)	(166 778)	(1 051 375)
Operating profit				639 693	(166 778)	472 915
Profit for the year before taxation				660 069	(166 778)	493 291
Taxation				(83 522)	31 688	(51 834)
Profit for the year				576 547	(135 090)	441 457
Total profit and other comprehensive income for the year				576 547	(135 090)	441 457