

REGISTERED NUMBER: 03515447 (England and Wales)

Annual Report and
Financial Statements for the Year Ended 31 December 2019
for
Intrum UK Group Limited



Intrum UK Group Limited

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for the Year Ended 31 December 2019

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Intrum UK Group Limited

Company Information
for the Year Ended 31 December 2019

DIRECTORS:

E Nott
I Robertson
J Brodin (resigned on 30 September 2020)
M Knothe (resigned on 30 September 2020)
B McLaren (resigned on 4 November 2019)
A Willumsen (appointed on 30 September 2020)
J Reuszner (appointed on 1 October 2020)

REGISTERED OFFICE:

The Omnibus Building
Lesbourne Road
Reigate
Surrey
RH2 7JP

REGISTERED NUMBER:

03515447 (England and Wales)

AUDITOR:

Ernst & Young LLP
Chartered Accountants & Statutory Auditor
25 Churchill Place
London
E14 5EY

Intrum UK Group Limited

Strategic Report for the Year Ended 31 December 2019

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of Intrum UK Group Limited 'the Company' is that of a holding company and servicing intercompany loans. The principal activities of the subsidiaries are the purchase and collection of non-performing loan portfolios ('NPL's') in the UK.

The Company's loss after tax for the year was £198k (2018: £111k). The Company had net liabilities of £5.9m (2018: £5.7m) at the year end.

KEY PERFORMANCE INDICATORS

The following Key Performance Indicators are used to monitor the progress of the business:

	2019	2018
	£'000	£'000
Pre-tax loss	198	111

GOING CONCERN

The Company's business activities are set out earlier in the Strategic Report. The Company at times relies on funding made available from the ultimate parent company, Intrum AB. The directors, including receiving confirmation from the parent company that it will continue to provide financial support, have satisfied themselves that there is no reason to believe that a material uncertainty exists that may cast significant doubt about the ability or willingness of the Parent to continue with the current financing arrangements. After making enquiries, the directors have a reasonable expectation that the Company and Intrum AB have adequate resources to continue in operational existence for the foreseeable future. The period assessed by the directors for the purposes of assessing going concern is at least up to 30 September 2022. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT

The Directors recognise that the proper management of risk is crucial to the business. This process is managed through a risk register which is reviewed by a Board committee each quarter and by the full Board annually or more frequently if required.

The principal risks to this company relate to the carrying value of its investments and intercompany balances, which rely upon the financial performance of its subsidiaries.

Economic uncertainty

The directors recognise that changes in the economy may lead to differing market conditions. To mitigate this risk the business has developed a model which incorporates movements in key economic indicators to price and sensitive model projections.

The UK is in a period of uncertainty as the UK Government seeks to establish terms with the EU. The directors continue to monitor risks to the Company associated with Brexit. Given that the principal trade of the Company takes place within the United Kingdom, the directors do not expect there to be a material adverse impact on the business in the long-term.

Since the period under review, the rapid spreading of Covid-19 has become a significant emerging risk to the global economy. The directors continue to monitor the impact of the virus on the business as more information about the epidemic emerges. The Company is able to effectively operate remotely and has therefore not experienced staff shortages or significant operational delays. This is however a period of uncertainty for the UK and the directors continue to monitor the risk to the Company. At the time of signing the directors do not consider Covid-19 to impact the Company's ability to continue as a going concern.

Intrum UK Group Limited

Strategic Report - continued
for the Year Ended 31 December 2019

FUTURE DEVELOPMENTS

The directors do not expect there to be a change in the principal activity over the coming year.

Approved by the Board and signed on its behalf by:



.....
E Nott - Director

The Omnibus Building
Lesbourne Road
Reigate
Surrey
RH2 7JP

Date: 21st September 2021

Intrum UK Group Limited

Directors' Report
for the Year Ended 31 December 2019

The directors present their report and the audited financial statements for the year ended 31 December 2019.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £198k (2018: £111k).

The directors do not recommend the payment of a dividend (2018: £Nil).

DIRECTORS

The directors who served during the year and to the date of this report, unless otherwise stated, were:

E Nott

I Robertson

J Brodin (resigned on 30 September 2020)

M Knothe (resigned on 30 September 2020)

B McLaren (resigned on 4 November 2019)

A Willumsen (appointed on 30 September 2020)

J Reuszner (appointed on 1 October 2020)

None of the directors had any interest in the shares of the Company. There are no directors' interests requiring disclosure under the Companies Act 2006.

DIRECTORS' INDEMNITIES

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

MATTERS COVERED IN THE STRATEGIC REPORT

See the Strategic Report for details of the principal activity, going concern, financial risk management and future developments which form part of this report by cross-reference.

EVENTS AFTER THE BALANCE SHEET DATE

Since the period under review, the rapid spreading of Covid-19 has become a significant emerging risk to the global economy. The directors continue to monitor the impact of the virus on the business as more information about the epidemic emerges. The Company is able to effectively operate remotely and has therefore not experienced staff shortages or significant operational delays. This is however a period of uncertainty for the UK and the directors continue to monitor the risk to the Company. At the time of signing the directors do not consider Covid-19 to impact the Company's ability to continue as a going concern. The directors note this is a non-adjusting post balance sheet event.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a director at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that they ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITORS

The auditor, Ernst & Young LLP shall continue in office in accordance with Section 487 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



.....
E Nott - Director

The Omnibus Building
Lesbourne Road
Reigate, Surrey
RH2 7JP

Date: 21st September 2021
.....

Intrum UK Group Limited

Directors' Responsibilities Statement
for the Year Ended 31 December 2019

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 the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 (FRS 101) 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs 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;
- state whether applicable UK Accounting Standards including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Members of
Intrum UK Group Limited

Opinion

We have audited the financial statements of Intrum UK Group Limited for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 below. 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the 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 the 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 the Members of
Intrum UK Group Limited - continued

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 or 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 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 Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities.%20>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.



Janet Leslie (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
25 Churchill Place, London
E14 5EY
Date: 21 September 2021

Intrum UK Group Limited

Statement of comprehensive income
for the Year Ended 31 December 2019

	Note	2019 £'000	2018 £'000
Administrative expenses	4	44	112
OPERATING PROFIT		44	112
Interest payable and similar expenses	5	(242)	(223)
LOSS BEFORE TAXATION		(198)	(111)
Tax on loss	7	-	-
LOSS FOR THE FINANCIAL YEAR		(198)	(111)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(198)	(111)

All activities derive from continuing activities.

There were no recognised gains or losses for 2019 and 2018 other than those included in the Statement of Comprehensive Income.

The notes on pages 11 to 17 form part of these financial statements.

Intrum UK Group Limited

Statement of Financial Position

As at 31 December 2019

	Note	2019 £'000	2018 £'000
NON-CURRENT ASSETS			
Investments	8	-	-
Debtors: amounts falling due after more than one year	10	-	-
CURRENT ASSETS			
Debtors: amounts falling due within one year	9	-	-
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	11	(8)	(5,694)
NET CURRENT LIABILITIES		(8)	(5,694)
TOTAL ASSETS LESS CURRENT LIABILITIES		(8)	(5,694)
NON-CURRENT LIABILITIES			
Creditors: amounts falling due after more than one year	12	(5,884)	-
NET LIABILITIES		(5,892)	(5,694)
EQUITY			
Share capital	15	88,100	88,100
Profit and loss account	16	(93,992)	(93,794)
TOTAL EQUITY		(5,892)	(5,694)

The financial statements of Intrum UK Group Limited (Registered number: 03515447) were approved by the Board of Directors and authorised for issue on **21st September 2021** They were signed on its behalf by:



.....
E Nott - Director

Intrum UK Group Limited

Statement of Changes in Equity
for the Year Ended 31 December 2019

	Share Capital £'000	Profit and loss account £'000	Total £'000
Balance at 1 January 2018	88,100	(93,683)	(5,583)
Total comprehensive loss for the year	-	(111)	(111)
Balance at 31 December 2018	88,100	(93,794)	(5,694)
Total comprehensive loss for the year	-	(198)	(198)
Balance at 31 December 2019	88,100	(93,992)	(5,892)

Intrum UK Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1. ACCOUNTING POLICIES

1.1 General information and basis of preparation

Intrum UK Group Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is The Omnibus Building, Lesbourne Road, Reigate, Surrey, RH2 7JP.

The nature of the Company's operations and its principal activities are set out in the Strategic Report.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 101 (FRS 101) 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company is a qualifying entity for the purposes of FRS 101. Note 20 gives details of the Company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS as adopted by the EU may be obtained.

The functional currency of Intrum UK Group Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

1.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(IV) of IAS 1;
- the requirement of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirement of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures.

1.3 Adoption of new and revised standards

New and amended IFRS Standards that are effective for the current year

As the Company has no operating or finance leases in current or prior year the application of IFRS 16 has had no impact on the financial positions, financial performance or disclosures of the Company.

Impact of initial application of other amendments to IFRS Standards and Interpretations

In the current year, the following amendments to IFRS Standards and Interpretations issued by IASB have become effective, however, their adoption has not had an impact on the disclosure or on the amounts reported in these financial statements:

- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement
- Amendments to IAS 28: Long term Interests in Associates and Joint Ventures
- Amendments to IFRS 9 Prepayment Features with Negative Compensation
- IFRIC 23: Uncertainty over Income Tax Treatments
- Annual Improvements to IFRS Standards 2015-2017 Cycle
- Impact of initial application of IFRS 16: Leases.

1. ACCOUNTING POLICIES - continued

1.4 Consolidation exemption

The Company is exempt from the preparation and delivery of consolidated financial statements because it is included in the group financial statements of Intrum AB. The group financial statements of Intrum AB are available to the public and can be obtained as set out in note 20.

1.5 Going concern

The Company at times relies on funding made available from the ultimate parent company, Intrum AB. The directors, including receiving confirmation from the parent company that it will continue to provide financial support, have satisfied themselves that there is no reason to believe that a material uncertainty exists that may cast significant doubt about the ability or willingness of the Parent to continue with the current financing arrangements. After making enquiries, the directors have a reasonable expectation that the Company and Intrum AB have adequate resources to continue in operational existence for the foreseeable future. The period assessed by the directors for the purposes of assessing going concern is at least up to 30 September 2022. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.6 Investments

Investments in subsidiary undertakings are accounted for at cost less provision for any impairment. Investments in jointly controlled entities are accounted for at cost less provision for any impairment.

1.7 Interest

Interest income and expense are recognised in the Statement of Comprehensive Income using the effective interest method.

1.8 Taxation

The tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

1. ACCOUNTING POLICIES - continued

1.8 Taxation - continued

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

1.9 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued.

Profit and loss account includes all current and prior period retained profits.

1.10 Critical accounting judgements and key sources of estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements made in applying the accounting policies of the Company that have the most significant effect on the financial statements:

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

2. AUDITOR'S REMUNERATION

Auditors remuneration for the Company of £5k is borne by the company in the current year and was borne by Intrum UK 2 Limited in the prior year.

3. EMPLOYEES AND DIRECTORS REMUNERATION

The Company has no employees other than the directors, who did not receive any remuneration for their services to the Company (2018: £Nil).

Intrum UK Group Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

4. EXPENSES BY NATURE

Administrative expenses comprise the following:

	2019	2018
	£'000	£'000
Reversal of impairment losses	(52)	(112)
Recurring other operating expenses	8	-
	<u>(44)</u>	<u>(112)</u>

The reversal of impairment losses occurred as a result of the repayment of amounts owed by group undertakings which were previously provided for.

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£'000	£'000
Interest payable on loans from group undertakings	242	223
	<u>242</u>	<u>223</u>

6. LOSS FOR THE YEAR

The loss before taxation is stated after crediting movements in the impairment on amounts owed by group undertakings of £52k (2018: £112k). This has been recognised under administrative expenses.

7. TAXATION

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Factors affecting the tax expense/(credit)

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK. The difference is explained below :

	2019	2018
	£'000	£'000
Loss before income tax	(198)	(111)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	<u>(37)</u>	<u>(21)</u>
Effects of:		
Expenses not deductible	36	21
Effects of group relief/other reliefs	<u>1</u>	<u>-</u>
Tax expense	<u>-</u>	<u>-</u>

Intrum UK Group Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2019

7. TAXATION - CONTINUED

Factors that may affect future tax charges

The standard rate of tax applied to reported profit on ordinary activities is 19% (2018: 19%). The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. In the Finance Bill 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. As the proposal to increase the rate at 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

8. INVESTMENTS

The cost of investments of £71.6m were fully impaired to a carrying value of nil as at 31 December 2019 and 2018.

The Company has investments in the following entities:

Name	Holding	%
Intrum UK Funding Limited*	Ordinary shares	100%
Intrum UK Acquisitions Limited	Ordinary shares	100%
Intrum UK Holdings Limited	Ordinary shares	100%
Intrum UK Limited	Ordinary shares	100%
Intrum UK Finance Limited	Ordinary shares	100%
Intrum UK Finance 6 Limited	Ordinary shares	100%
Intrum UK Finance 7 Limited	Ordinary shares	100%
Intrum UK Finance 8 Limited	Ordinary shares	100%
Intrum UK Finance 9 Limited	Ordinary shares	100%
Intrum UK Finance 10 Limited	Ordinary shares	100%
Intrum UK Holdings 2 Limited*	Ordinary shares	100%
Intrum UK 2 Limited*	Ordinary shares	100%
LBHF Joint Ventures Limited	Ordinary shares	49%
I.N.D. Limited	Ordinary shares	100%

The registered office address of all the entities is The Omnibus Building, Lesbourne Road, Reigate, Surrey, RH2 7JP, United Kingdom.

*indicates the entity is held directly by Intrum UK Group Limited.

During the year, the Company acquired 100% of the share capital of I.N.D. Limited, via its subsidiary undertaking, Intrum UK Holdings Limited, for consideration of £10.0m comprising of 10 ordinary shares of £1 each less its Seller Loan Account Balance to Equus Financial Limited of £1.8m resulting in £8.2m carrying value. The transaction completed on 10 January 2019 following approval from the Financial Conduct Authority (FCA).

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Amounts owed by group undertakings falling due within one year are nil (2018: £5.3m, fully impaired).

In prior year, the amount owed by group undertakings of £5.3m which were repayable in 2019 have been transferred under a variation to the original loan agreement and are now repayable in 2022 and fall under debtors due after more than one year.

10. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Amounts owed by group undertakings of £5.5m (2018: £nil) have been fully impaired to nil (2018: nil) at the year end, resulting in a credit to the income statement of £52k (2018: £112k) due to reversal of impairment in the year as a result of the repayment of amounts owed by group undertakings which were previously provided for. Amounts due from group undertakings were unsecured and subject to a market rate of interest. In prior year, the amount owed by group undertakings of £5.3m of less than one year which were repayable in 2019 were transferred under a variation to the original loan agreement and are now repayable in 2022.

Intrum UK Group Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Amounts owed to group undertakings of £5.6m which were repayable in 2019 have been transferred under a variation to the original loan agreement and are now repayable in 2022 and fall under creditors due after more than one year (see note 12).

	2019 £'000	2018 £'000
Amounts owed to Group undertakings	8	5,694
	<u>8</u>	<u>5,694</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £'000	2018 £'000
Amounts owed to Group undertakings	5,884	-
	<u>5,884</u>	<u>-</u>

Amounts owed to group undertakings are unsecured, subject to a market rate of interest and are repayable in 2022.

13. AMOUNTS OWED TO GROUP UNDERTAKINGS AT AMORTISED COST

	2019 £'000	2018 £'000
Financial liabilities measured at amortised cost	5,884	5,694
	<u>5,884</u>	<u>5,694</u>

14. DEFERRED TAXATION

The Company has no provision for deferred taxation (2018: £Nil). The Company has unrecognised deferred tax assets arising from the remaining unused tax losses of £623k (2018: £623k).

15. SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	2019 £'000	2018 £'000
92,000,000	Ordinary shares	£1 each	<u>92,000</u>	<u>92,000</u>
Allotted, issued and fully paid: Number:	Class:	Nominal value:	2019 £'000	2018 £'000
88,100,002	Ordinary shares	£1 each	<u>88,100</u>	<u>88,100</u>

Intrum UK Group Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

16. RESERVES

Reserves of the Company represent the following:

Profit and loss account

Cumulative profit and loss net of distributions to owners.

17. CONTINGENT LIABILITIES

The Company has granted a fixed charge over amounts from group companies and its shares held in subsidiary undertakings in order to act as a guarantor for the parent company, Intrum AB. The charges were satisfied after the year end on 20 January 2020.

18. EVENTS AFTER THE BALANCE SHEET DATE

Since the period under review, the rapid spreading of Covid-19 has become a significant emerging risk to the global economy. The directors continue to monitor the impact of the virus on the business as more information about the epidemic emerges. The Company is able to effectively operate remotely and has therefore not experienced staff shortages or significant operational delays. This is however a period of uncertainty for the UK and the directors continue to monitor the risk to the Company. At the time of signing the directors do not consider Covid-19 to impact the Company's ability to continue as a going concern. The directors note this is a non-adjusting post balance sheet event.

19. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption available in paragraph 17 and 18A of IAS 24 Related Party Disclosures to not disclose transactions with other wholly owned subsidiaries in the group.

20. CONTROLLING PARTY

The immediate parent company and ultimate controlling party is Intrum AB, a company incorporated in Sweden.

The parent undertaking of the smallest and largest group, which includes the Company and for which group financial statements are prepared, is Intrum AB, a company incorporated in Sweden registered at Marcusplatsen 1A, Nacka, SE-105 24, Stockholm, Sweden. The consolidated financial statements for this group are available to the public and may be obtained from the registered office.