

NMG Financial Services Consulting Limited
Filleted Financial Statements
31 December 2021

COVENEY NICHOLLS PARTNERSHIP LLP

Chartered Accountants & Statutory Auditor

The Old Wheel House
31/37 Church Street
Reigate
Surrey
UK
RH2 0AD



NMG Financial Services Consulting Limited

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 (restated) £
Fixed assets			
Tangible assets	6	45,450	50,042
Investments	7	439,480	439,480
		<u>484,930</u>	<u>489,522</u>
Current assets			
Debtors	8	6,908,199	6,433,544
Cash at bank and in hand		<u>1,498,577</u>	<u>938,126</u>
		8,406,776	7,371,670
Creditors: amounts falling due within one year	9	(6,613,497)	(4,856,631)
Net current assets		<u>1,793,279</u>	<u>2,515,039</u>
Total assets less current liabilities		2,278,209	3,004,561
Creditors: amounts falling due after more than one year	10	(455,000)	(1,574,167)
Provisions	11	(4,030)	(5,638)
Net assets		<u>1,819,179</u>	<u>1,424,756</u>
Capital and reserves			
Called up share capital		200	200
Share premium account		164,970	164,970
Profit and loss account		<u>1,654,009</u>	<u>1,259,586</u>
Shareholders funds		<u>1,819,179</u>	<u>1,424,756</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

The notes on pages 3 to 16 form part of these financial statements.

NMG Financial Services Consulting Limited

Statement of Financial Position *(continued)*

31 December 2021

These financial statements were approved by the board of directors and authorised for issue on 2/2/2023, and are signed on behalf of the board by:



G C Baars
Director

Company registration number: 03787947

The notes on pages 3 to 16 form part of these financial statements.

NMG Financial Services Consulting Limited

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 18th Floor 110 Bishopsgate, London, United Kingdom, EC2N 4AY.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

Despite the global disruption brought about by the COVID-19 pandemic since early 2020, the company has remained resilient and reported an exceptional year in 2021 with a turnover of £4.6m. This is largely contributed by the company's loyal and long-standing client base and well-known reputation; this growth was experienced not only by the company but throughout the wider NMG Group.

However the political chaos, soaring inflation and rate hikes and macroeconomic uncertainties faced by all industries globally in 2022, have posed a challenge as the directors are reporting a slight decline in 2022 revenues with -2% year-on-year.

Despite the economic factors the company and the Group have remained resilient and have not seen a significant decline in revenue, debt collection or other liquidity issues during the year and in 2022, the directors are of the opinion that the company is to continue as a going concern over the next 12 months. Furthermore, the ultimate parent company, NMG Holdings Limited, also remains able to financially support the company, as necessary.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements

The judgement (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that has the most significant effect on the amounts recognised in the financial statements concerns the recognition of revenue. Management has to make judgements concerning the stage of completion at the year end of the projects and research studies being undertaken for clients. Revenue is then accrued or deferred with reference to the stage of completion.

Management has also had to apply judgement in determining whether any of the company's investments in and debtors due from group undertakings are irrecoverable. At the year end these balances amounted to £5,989,183. Management has considered the financial position of the counter parties along with forecast future performance and cashflows and does not believe there to be any indicators of impairment of those balances. Were any of these balances to be materially impaired it would have the potential to materially alter the company's financial position.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. Management does not believe there are any key assumptions or other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Revenue recognition

Turnover represents amounts receivable for services provided to customers excluding VAT.

The company provides information and research studies regarding the financial services industry. The market studies are prepared over an agreed period and recognised in instalments throughout. It is necessary to accrue or defer income based on the timing of the delivery of the reports.

The company also carries out ad-hoc work on request of the client, this is billed on completion and is recognised over the period of effort once the client has accepted the terms of the engagement.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Income tax *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

The company owns the goodwill relating to trades carried on by NMG Research Limited Dataquest and H2B.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 3 - 7 years straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer Equipment	-	33% straight line
Fixtures & Fittings	-	25% reducing balance
Equipment	-	25% reducing balance

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Share-based payments

The company participates in a share-based payment arrangement established by the ultimate parent company and has taken advantage of the alternative treatment allowed under Section 26 of FRS 102. The company recognises the share-based payment expense based on an allocation of its share of the group's total expense, calculated in proportion to the number of participating employees. The corresponding credit is recognised in retained earnings as a component of equity.

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

4. Employee numbers

The average number of persons employed by the company during the year amounted to 25 (2020: 27).

5. Intangible assets

	Goodwill £
Cost	
At 1 January 2021 (as restated) and 31 December 2021	542,500
Amortisation	
At 1 January 2021 and 31 December 2021	542,500
Carrying amount	
At 31 December 2021	—
At 31 December 2020	—

6. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2021 (as restated)	118,938	125,607	21,323	265,868
Additions	11,506	5,838	—	17,344
Disposals	(1,600)	—	—	(1,600)
At 31 December 2021	<u>128,844</u>	<u>131,445</u>	<u>21,323</u>	<u>281,612</u>
Depreciation				
At 1 January 2021	103,119	93,776	18,931	215,826
Charge for the year	6,424	13,354	2,158	21,936
Disposals	(1,600)	—	—	(1,600)
At 31 December 2021	<u>107,943</u>	<u>107,130</u>	<u>21,089</u>	<u>236,162</u>
Carrying amount				
At 31 December 2021	<u>20,901</u>	<u>24,315</u>	<u>234</u>	<u>45,450</u>
At 31 December 2020	<u>15,819</u>	<u>31,831</u>	<u>2,392</u>	<u>50,042</u>

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

7. Investments

	Other investments other than loans £
Cost	
At 1 January 2021 as restated and 31 December 2021	460,655
Impairment	
At 1 January 2021 as restated and 31 December 2021	21,175
Carrying amount	
At 31 December 2021	439,480
At 31 December 2020	439,480

The company owns 100% of the share capital in NMG Consulting Inc., a subsidiary incorporated in the USA.

Additionally the company owns 25% of Solution-2 BVBA, a company incorporated in Belgium, and Solutions 2 (London) Limited, a company incorporated in England & Wales.

8. Debtors

	2021 £	2020 (restated) £
Trade debtors	347,046	578,065
Amounts owed by group undertakings and undertakings in which the company has a participating interest	5,549,703	4,806,852
Deferred tax asset	–	35,315
Other debtors	1,011,450	1,013,312
	<u>6,908,199</u>	<u>6,433,544</u>

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

9. Creditors: amounts falling due within one year

	2021	2020 <i>(restated)</i>
	£	£
Bank loans and overdrafts	130,000	75,833
Trade creditors	3,694	49,054
Amounts owed to group undertakings	4,655,362	3,301,643
Accruals and deferred income	1,602,245	1,166,026
Corporation tax	56,549	15,210
Social security and other taxes	165,647	156,100
Director loan accounts	–	50,858
Other loans	–	41,907
	<u>6,613,497</u>	<u>4,856,631</u>

National Westminster Bank Plc holds a fixed and floating charge over the undertakings and all property assets and rights of the company present and future.

Amounts owed to group undertakings

Included within amounts owed to group undertakings is a balance of £1,958,640 (2020 - £191,941) which is subordinated to the bank loan under the terms of the bank loan agreement. It is otherwise unsecured and interest free.

The rest of amounts owed to group undertakings are interest free, unsecured and repayable on demand.

Bank loan

The bank loan is a loan provided by National Westminster Bank Plc under the Coronavirus Business Interruption Loan scheme. The loan is repayable in 60 monthly capital instalments of £10,833 commencing July 2021.

The loan accrues interest at 2.71% plus the Bank of England Base Rate. Interest for the first 12 months is covered by the UK government as part of its COVID response to support business, meaning in effect the company was not liable to pay interest on this facility until July 2021.

Other loan

The other loans balance is the accrued interest on the loan principal included in creditors falling due after one year (note 12). This amount was repaid in full during the year.

Director loan accounts

The director loan account above was a £50,000 loan from A W Baker drawn down in October 2018. Interest accrued on the principal balance at 12 month GBP LIBOR plus 8%. The principal and all accrued interest was repaid in October 2021.

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

10. Creditors: amounts falling due after more than one year

	2021	2020 <i>(restated)</i>
	£	£
Bank loans and overdrafts	455,000	574,167
Other loans	—	1,000,000
	<u>455,000</u>	<u>1,574,167</u>

Included within creditors: amounts falling due after more than one year is an amount of £Nil (2020: £54,167) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Other loans

The other loans included above were drawn down from a £1,500,000 facility in June 2019. Repayment of the principal was due 36 months from the date of drawdown, meaning £500,000 was due for repayment on 26 June 2022 and a further £500,000 on 2 July 2022.

Interest accrued on the principal at 1 year GBP LIBOR plus 8%. The interest was compounded quarterly and payable annually in arrears each June. Any accrued interest was presented in creditors falling due within one year in note 11.

The loan had been guaranteed by the ultimate parent company, NMG Holdings Ltd.

The loan and all accrued interest was repaid in full in March 2021, in advance of the original maturity date.

11. Provisions

	Deferred tax (note 12)
	£
At 1 January 2021 (as restated)	5,638
Charge against provision	(1,608)
At 31 December 2021	<u>4,030</u>

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2021	2020 <i>(restated)</i>
	£	£
Included in debtors (note 8)	–	35,315
Included in provisions (note 11)	(4,030)	(5,638)
	<u>(4,030)</u>	<u>29,677</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2021	2020 <i>(restated)</i>
	£	£
Accelerated capital allowances	(4,030)	(5,638)
Unused tax losses	–	35,315
	<u>(4,030)</u>	<u>29,677</u>

13. Prior period errors

In the preparation of these financial statements it was identified that some of the company's employees have historically received share options over shares in the ultimate parent company. The fair value of these shares had not been reflected as a cost in the company's accounting records as is required under FRS 102.

As a result of this, the loss after tax in the year ended 31 December 2020 has increased by £115,393 to £357,691 compared to the figures previously reported. The other side of this entry has been recorded as a capital contribution directly to retained earnings meaning there is no change to the net asset position previously reported at 31 December 2020.

There was no impact to opening net assets previously reported at 1 January 2020 as a result of this restatement.

14. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020 <i>(restated)</i>
	£	£
Not later than 1 year	<u>167,152</u>	<u>89,760</u>

15. Events after the end of the reporting period

Bank of England base rate has increased from 0.25% at the year end to 3.5% as at the approval date of the financial statements, with further increases likely. This has an impact on the company's bank borrowings which attract interest at 1.71% plus base rate.

16. Summary audit opinion

The auditor's report for the year dated 3/2/2023 was unqualified.

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

16. Summary audit opinion *(continued)*

The senior statutory auditor was Jeffrey Kelly, for and on behalf of Coveney Nicholls Partnership LLP.

17. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2021				
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
A W Baker	(50,858)	(3,222)	54,080	—
2020				
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
A W Baker	(55,563)	(4,160)	8,865	(50,858)

The loan balance due to A W Baker were a £50,000 loan plus accrued interest. The loan was settled in full during the year. Full terms of the loan are disclosed in note 12 to the financial statements.

18. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2021	2020	2021	2020
	£	£	£	£
BQM Holdings Pte. Limited	34,062	(16,406)	3,349,884	3,315,822
BQM UK Limited	(510,789)	(134,810)	(1,626,245)	(2,137,034)
Flaspohler Research Group Inc.	—	194	27,509	27,509
Solutions2 BBVA	—	(39,497)	—	—
Black Swan Capital Limited	—	(22,733)	(1,197)	(1,197)
NMG FSC Singapore Limited	(134,541)	(86,915)	(690,215)	(555,674)
NMG FSC Malaysia Limited	(5,984)	8,941	(24,156)	(18,172)

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

18. Related party transactions *(continued)*

The company was a wholly owned subsidiary of NMG Consulting Limited throughout the current and previous year. NMG Consulting Limited is the immediate holding company. The ultimate parent company of the group is NMG Holdings Limited. No one individual controls the group.

The company has taken advantage of the exemption offered by FRS102 from disclosing transactions with other entities also wholly owned by NMG Holdings Limited.

Description of transactions and relationships

BQM Holdings Pte. Limited is a subsidiary in which NMG Holdings Limited has an indirect majority shareholding. During the period the company charged BQM Holdings Pte Limited £471,725 (2020 - £472,718) in respect of company resources used on BQM Holdings Pte projects. Separately the company charged BQM Holdings Pte Limited £25,047 (2020 - £14,293) in respect of time cross charges. Also during the period the company incurred expenses of £146,564 (2020 - £133,770) and invoiced revenue of £666,540 (2020 - £423,579) on behalf of BQM Holdings Pte Limited. BQM Holdings Pte Limited also incurred expenses of £93,486 (2020 - £213,607) on behalf of the company and collected revenue of £183,691 (2020 - £nil) on behalf of the company. BQM Holdings Pte Limited also charged the company £32,940 (2020 - £nil) in respect of revenue sharing arrangements. All of these amounts are rolled up and included in the loan balances disclosed in the table above.

BQM UK Limited is a subsidiary in which NMG Holdings Limited has an indirect majority shareholding. During the period the company charged BQM UK Limited £420,933 (2020 - £464,116) in respect of employment costs, £57,448 (2020 - £83,748) in respect of other overheads and £55,940 (2020 - £9,300) in respect of management fees. Also during the period the company incurred expenses of £144,388 (2020 - £71,837) and invoiced revenue of £nil (2020 - £76,444) on behalf of BQM UK Limited. During the period the company was charged £93,953 (2020 - £33,559) in respect of software usage and received funding of £nil (2020 - £10,588) from BQM UK Limited. All of these amounts are rolled up and included in the loan balances disclosed in the table above.

Flaspohler Research Group Inc is a subsidiary in which NMG Holdings Limited has an indirect majority shareholding. During the year the company incurred expenses of £nil (2020 - ££194) on behalf of Flaspohler Research Group Inc. All of these amounts are rolled up and included in the loan balances disclosed in the table above.

The company recharges costs to Black Swan Capital Limited in respect of shared office space and administrative expenses. Black Swan Capital Limited is a company in which NMG Holdings Limited has an indirect participating shareholding.

The company transacts in the normal course of business with Solutions2 BBVA, acquiring IT services and support. The company has a direct 25% shareholding in Solutions2 BBVA.

NMG FSC Singapore Limited is a subsidiary in which NMG Holdings Limited has an indirect majority shareholding. During the period the company was charged £179,562 (2020 - £187,491) by NMG FSC Singapore Limited in respect of practice management fees. Separately the company charged NMG FSC Singapore Limited £2,141 (2020 - £nil) in respect of time cross charges. Also during the period the company incurred expenses of £28,857 (2020 - £49,548) on behalf of NMG FSC Singapore Limited. NMG FSC Singapore Limited also incurred expenses of £31,712 (2020 - £62,197) and invoiced revenue of £75,736 (2020 - £112,955) on behalf of the company. All of these amounts are rolled up and included in the loan balances disclosed in the table above.

NMG Financial Services Consulting Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

18. Related party transactions *(continued)*

NMG FSC Malaysia Limited is a subsidiary in which NMG Holdings Limited has an indirect majority shareholding. During the period the company was charged £5,984 (2020 - £4,109) by NMG FSC Malaysia Limited in respect of expenses. Also during the period the company incurred expenses of £nil (2020 - £12,827) on behalf of NMG FSC Malaysia Limited. All of these amounts are rolled up and included in the loan balances disclosed in the table above.

NMG Holdings Ltd had provided a guarantee to the company in respect of the other loan borrowings included in creditors due after more than one year in the prior year.

No other transactions with related parties were undertaken such as are required to be disclosed under FRS102.

19. Controlling party

The company's ultimate holding company is NMG Holdings Limited, a company registered in Guernsey, which is the parent undertaking of the largest group of undertakings to which the company belongs.

The parent undertaking of the smallest group of undertakings to which the company belongs is NMG Consulting Limited, a company registered in Guernsey.