

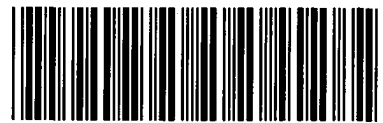
Registration number: 04705100

Mortgage Next Network Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2016

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Mortgage Next Network Limited
(Registration number: 04705100)

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Mortgage Next Network Limited
(Registration number: 04705100)

Company Information

Directors	J Clarke
	S Laker
	P Dixon
	P Curran
Company secretary	Oakwood Corporate Secretary Ltd
	G Williams
Registered office	Roddis House
	12 Old Christchurch Road
	Bournemouth
	BH1 1LG
Independent auditors	PricewaterhouseCoopers LLP
	1 Embankment Place
	London
	WC2N 6RH

Mortgage Next Network Limited
(Registration number: 04705100)

Directors' Report for the Year Ended 31 December 2016

The directors present their report and the audited financial statements for the year ended 31 December 2016. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activity and future developments

The principal activity of the company is the arrangement of mortgage and insurance business. There has been no change in the company's activities in the year under review and no future change in activity is anticipated.

The company has a network of appointed representative mortgage brokerage firms, and is regulated by the Financial Conduct Authority.

Dividends

The directors do not recommend the payment of a final dividend (2015: £Nil).

Financial risk management

The company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out on a group basis by the finance department of Countrywide plc, the ultimate parent undertaking. The board provides principles for overall risk management, as well as specific areas such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

(a) Market risk

(i) Foreign exchange risk

The company operates within the United Kingdom and all of the company's transactions are in sterling.

(ii) Cash flow and fair value interest rate risk

As the company has no significant interest bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

(b) Credit risk

Credit risk arises principally from the company's trade receivables. It is the risk that the counterparty fails to discharge its obligation in respect of the instrument. The company has implemented policies which require a credit risk assessment, and credit checks are made on potential clients as required in accordance with these assessments. The wide client base of the company also serves to mitigate the credit risk, reducing the exposure from a failure of any single client.

(c) Liquidity risk

Liquidity risk arises from the company's management of working capital. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due.

Cash balances are managed through Countrywide plc's group treasury arrangement and cash outflows can be predicted with reasonable accuracy. Credit risk within the group treasury function is also mitigated by maintaining a list of accepted deposit institutions whose credit ratings are kept under review.

Mortgage Next Network Limited
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Directors' Report for the Year Ended 31 December 2016 (continued)

Directors of the company

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

J Clarke

S Laker

P Dixon

P Curran

Going concern

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

Directors' liabilities

The company has made qualifying third party indemnity provisions (as defined in the Companies Act 2006) for the benefit of its directors during the year. These provisions were in force during the financial year and remain in force at the date of this report.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit and 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;
- state whether applicable United Kingdom Accounting Standards, and comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Mortgage Next Network Limited
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Directors' Report for the Year Ended 31 December 2016 (continued)

Disclosure of information to the auditors

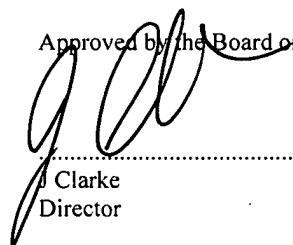
In the case of each director in office at the date the Directors' Report is approved:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Reappointment of auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution to reappoint will be proposed at the Annual General Meeting.

Approved by the Board on 25 July 2017 and signed on its behalf by:



.....
J Clarke
Director

Mortgage Next Network Limited
(Registration number: 04705100)

Independent Auditors' Report to the Members of Mortgage Next Network Limited

Report on the financial statements

Our opinion

In our opinion, Mortgage Next Network Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit 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.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Income Statement for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

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

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

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report to you by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Mortgage Next Network Limited
(Registration number: 04705100)

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

Entitlement to exemptions

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Accounting Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether the report includes the disclosures required by applicable legal requirements.



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

26 July 2017

Mortgage Next Network Limited
(Registration number: 04705100)

Income Statement for the Year Ended 31 December 2016

	Note	2016 £'000	2015 £'000
Revenue	4	1,364	1,353
Other income		<u>233</u>	<u>268</u>
		1,597	1,621
Administrative expenses		<u>(1,230)</u>	<u>(1,221)</u>
Operating profit	6	367	400
Finance income		<u>1</u>	<u>-</u>
Profit before taxation		368	400
Taxation charge	7	<u>(74)</u>	<u>(92)</u>
Profit for the year		<u><u>294</u></u>	<u><u>308</u></u>

The above results were derived from continuing operations.

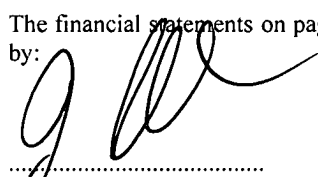
A statement of comprehensive income has not been prepared as there was no other comprehensive income for the year other than that included in the results above.

Mortgage Next Network Limited
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Balance Sheet as at 31 December 2016

	Note	2016 £'000	2015 £'000
Current assets			
Trade and other receivables	8	2,678	2,177
Deferred tax asset	7	7	9
Cash and cash equivalents		72	276
		<u>2,757</u>	<u>2,462</u>
Creditors: Amounts falling due within one year			
Trade and other payables	9	(1,852)	(325)
Provisions for liabilities	10	(25)	(46)
		<u>(1,877)</u>	<u>(371)</u>
Total assets less current liabilities		<u>880</u>	<u>2,091</u>
Creditors: Amounts falling due after more than one year			
Trade and other payables	9	-	(1,500)
Provisions for liabilities	10	(41)	(46)
		<u>(41)</u>	<u>(1,546)</u>
Net assets		<u>839</u>	<u>545</u>
Capital and reserves			
Share capital	11	310	310
Profit and loss account		529	235
Total shareholders' funds		<u>839</u>	<u>545</u>

The financial statements on pages 7 to 18 were approved by the Board on 25 July 2017 and signed on its behalf by:



 J Clarke
 Director

Mortgage Next Network Limited
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Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000
Balance at 1 January 2015	310	(73)	237
Profit for the year	-	308	308
Total comprehensive income	-	308	308
Balance at 31 December 2015	310	235	545
Profit for the year	-	294	294
Total comprehensive income	-	294	294
Balance at 31 December 2016	310	529	839

Mortgage Next Network Limited
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Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

Mortgage Next Network Limited ('the company') arranges mortgages and insurance business. The company has a network of appointed representative mortgage brokerage firms.

The company is a private company limited by share capital which is incorporated and domiciled in the UK.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

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

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Countrywide plc, the company's ultimate holding company in the United Kingdom, produces a consolidated cash flow statement and this company is included in the consolidated financial statements. Consequently the company has taken advantage of the exemption not to produce its own cash flow statement.

The company is a wholly owned subsidiary of Countrywide plc and is included in the consolidated financial statements of Countrywide plc which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of Section 400 of the Companies Act 2006.

Mortgage Next Network Limited
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Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

2 Summary of significant accounting policies (continued)

Summary of disclosure exemptions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - (i) 10(d), (statement of cash flows)
 - (ii) 16 (statement of compliance with all IFRS)
 - (iii) 38A (requirement for minimum of two primary statements, including cash flow statements)
 - (iv) 38B-D (additional comparative information)
 - (v) 111 (cash flow statement information)
- IAS 7, 'Statement of cash flows';
- Paragraph 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation); and
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the company will be able to meet its liabilities when they fall due for the foreseeable future.

New standards, amendments and interpretations

No new standards, amendments or interpretations effective for the first time for the financial year beginning on or after 1 January 2016 have had a material impact on the company.

Financial assets and liabilities

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

Receivables are non-derivative financial assets with fixed or determinable payments that arise principally through the provision of services to customers. They are initially recognised at fair value and are subsequently stated at amortised cost using the effective interest method. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. Receivables mainly comprise cash and cash equivalents and trade and other receivables.

Trade and other receivables

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

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

Mortgage Next Network Limited
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Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

2 Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits held on call with banks.

Share capital

Ordinary shares are classified as equity.

Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the company intends to settle the balances on a net basis.

Provisions for liabilities

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. The increase in provision due to passage of time is recognised in finance costs.

Mortgage Next Network Limited
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Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

2 Summary of significant accounting policies (continued)

Revenue recognition

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

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

Dividends

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

3 Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Income taxes

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Clawback provision

The company estimates the cost of repaying indemnity commission income received on life assurance policies that may lapse following issue. Further details of the provision are provided in note 10.

4 Revenue

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

Mortgage Next Network Limited
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Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

5 Employees and directors

All staff are employed by Mortgage Intelligence Limited, a fellow Group undertaking, and therefore all staff costs incurred during the year were borne by this company. The details have been disclosed in the Mortgage Intelligence Limited financial statements.

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

6 Operating profit

Arrived at after charging:

	2016	2015
	£'000	£'000
Auditors' remuneration for audit work	<u>10</u>	<u>11</u>

The fee payable for the audit of the company's financial statements is £10,000 (2015: £11,000). There are no non-audit fees payable to the company's auditors.

7 Current and deferred income tax

Tax expense included in income statement:

	2016	2015
	£'000	£'000
UK corporation tax on profits for the year	72	79
Adjustments in respect of prior years	-	11
Total current tax charge	<u>72</u>	<u>90</u>
Deferred tax on profit for the year:		
Origination and reversal of temporary differences	2	2
Total deferred tax charge	<u>2</u>	<u>2</u>
Income tax charge	<u><u>74</u></u>	<u><u>92</u></u>

Mortgage Next Network Limited
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Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

7 Current and deferred income tax (continued)

The tax charge for the year is the same as (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20.25%). The differences are explained below:

	2016 £'000	2015 £'000
Profit before taxation	<u>368</u>	<u>400</u>
Profit multiplied by the rate of corporation tax in the UK of 20% (2015: 20.25%)	74	81
Adjustments in respect of prior years	<u>-</u>	<u>11</u>
Total taxation charge	<u>74</u>	<u>92</u>

The changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reduction to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

The relevant deferred tax balances have been re-measured using rates applicable to when the balances are expected to unwind.

Deferred tax

The provision for deferred tax consists of the following deferred tax assets:

	2016 £'000	2015 £'000
Deferred tax asset at 1 January	9	11
Charged to income statement	(2)	(2)
Deferred tax asset at 31 December	<u>7</u>	<u>9</u>
Deferred tax asset expected to unwind within one year	<u>1</u>	<u>1</u>
Deferred tax asset expected to unwind after one year	<u>6</u>	<u>8</u>
	<u>7</u>	<u>9</u>

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets to the extent that it is probable that these assets will be recovered through future taxable profits.

The movements in deferred tax assets and liabilities (prior to the offsetting of balances within the same jurisdiction as permitted by IAS 12) during the year are shown below. Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the balances net.

Mortgage Next Network Limited
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Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

7 Current and deferred income tax (continued)

	2016	
	Asset	Charged to income
	£'000	£'000
Origination and reversal of temporary differences		
Capital allowances	7	(2)
	<u>7</u>	<u>(2)</u>

	2015	
	Asset	Charged to income
	£'000	£'000
Origination and reversal of temporary differences		
Capital allowances	9	(2)
	<u>9</u>	<u>(2)</u>

There are no unused tax losses (2015: £Nil).

8 Trade and other receivables

	2016	2015
	£'000	£'000
Trade receivables	258	223
Amounts owed by group undertakings	2,339	1,882
Other receivables	21	-
Prepayments and accrued income	60	72
	<u>2,678</u>	<u>2,177</u>

Trade receivables are stated after provisions for impairmentf £Nil (2015: £16,000).

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

Mortgage Next Network Limited
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Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

9 Trade and other payables

	2016	2015
	£'000	£'000
Trade payables	104	120
Amounts owed to group undertakings	1,576	1,536
Current tax liabilities	72	90
Accruals and other payables	100	79
	<u>1,852</u>	<u>1,825</u>
Trade and other payables due within one year	1,852	325
Trade and other payables due after more than one year	-	1,500
	<u>1,852</u>	<u>1,825</u>

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

In 2015, trade and other payables due after more than one year comprised £1,500,000 owed to Mortgage Next Limited, the immediate parent of the company. This has been transferred to payables due within one year in 2016.

10 Provisions for liabilities

	Clawback provision	Claims and litigation	Total
	£'000	£'000	£'000
At 1 January 2016	92	-	92
(Credited)/charged to income statement	(36)	10	(26)
At 31 December 2016	<u>56</u>	<u>10</u>	<u>66</u>
Due within one year or less	15	10	25
Due after more than one year	41	-	41
	<u>56</u>	<u>10</u>	<u>66</u>

Clawback represents the provision required to meet the estimated cost of repaying indemnity commission income received on life assurance policies that may lapse.

Claims and litigation provisions comprise amounts that might be payable as a result of legal disputes. The provisions represent the directors' best estimate of the company's liability having taken professional advice.

Mortgage Next Network Limited
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Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

11 Share capital

Allotted, called up and fully paid shares

	2016	2016
	£'000	£'000
310,000 (2015: 310,000) ordinary shares of £1 each	310	310

12 Parent and ultimate parent undertaking

The immediate parent undertaking is Mortgage Next Limited. The ultimate parent undertaking and ultimate controlling party is Countrywide plc, a public limited company, which is listed on the London Stock Exchange and incorporated and domiciled in the UK. Countrywide plc is the parent undertaking of the only group of undertakings to consolidate these financial statements. The consolidated financial statements of Countrywide plc can be obtained from County House, Ground Floor, 100 New London Road, Chelmsford, Essex, CM2 0RG.