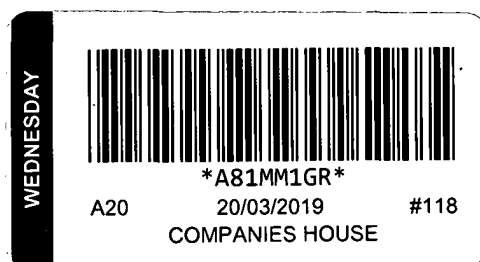


Registration number: 04785816

TenetLime Limited
Annual Report and Financial Statements
for the Year Ended 30 September 2018



TenetLime Limited

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TenetLime Limited

Company Information

Directors

H M Ball
C J Bradley
M J Greenwood
S M Jones
K J Craig
B Wright
S Broadley
K Bowden

Company secretary

R J Fletcher

Registered office

5 Lister Hill
Horsforth
Leeds
West Yorkshire
LS18 5AZ

Solicitors

Addleshaw Goddard LLP
Milton Gate
60 Chiswell Street
London
EC14 4AG

Bankers

Lloyds Bank PLC
1 Lovell Park Road
Leeds
LS1 1NS

Auditors

Deloitte LLP
1 City Square
Leeds
LS1 2AL

TenetLime Limited

Strategic Report for the Year Ended 30 September 2018

The directors present their strategic report for the year ended 30 September 2018.

Fair review of the business

The company's principal activities are that of the management of a financial services network of independent financial advisers regulated by the Financial Conduct Authority ("FCA"). There have not been any significant changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

As shown in the company's income statement on page 9, turnover has increased by almost 26% due to the continued uplift in the mortgage market and strong recruitment of new Appointed Representatives, resulting in an operating profit of £589,000 (2017: £235,000). The statement of financial position on page 10 shows the net asset position at the year-end increased by £455,000 to £2,526,000 (2017: £2,071,000) for the above market reasons. The directors are satisfied with the results for the year and expect the general level of activity in the forthcoming year to reflect market conditions.

The company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. Notes 2 and 3 include details of key assumptions used in the preparation of the company's financial statements. The principal risks and uncertainties facing the company are detailed below. There have been no significant events since the balance sheet date.

Principal risks and uncertainties

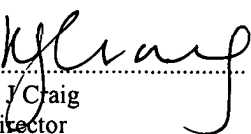
The business is active in the sale of regulated financial products and advises customers as to their appropriateness. As a consequence, the company's activities are regulated which gives rise to a number of risks, including censure by the FCA. Such risks may manifest themselves financially through redress payable regarding the sale of financial products and fines imposed by the FCA for regulatory breaches. The company operates a strict compliance regime, including regular audits of its Appointed Representatives, to mitigate such risks and has arranged Professional Indemnity Insurance which conforms to the requirements of the FCA.

The business receives commission for the sale of financial products from life companies and mortgage lenders. Some commission payments are received on an "indemnity" basis and may become repayable in the event that a policy is cancelled subsequent to its sale. Where such clawbacks of commission occur, the company typically recharges such amounts to the relevant Appointed Representative. As a consequence, to mitigate the risk of accepting commission on an indemnity basis, the company monitors such activity and the ability of its Appointed Representatives to service their clawback liabilities to the company.

Competitive pressure is a continuing risk for the company, which could result in it losing sales to its key competitors. The company manages this risk by providing added value services to its Appointed Representatives, having fast response times not only in supplying products and services but in handling all Appointed Representatives queries and by maintaining strong relationships with its Appointed Representatives.

Group risks are discussed in the ultimate parent undertaking's annual report which does not form part of this report.

Approved by the Board on 6/12/19 and signed on its behalf by:


K. J. Craig
Director

TenetLime Limited

Directors' Report for the Year Ended 30 September 2018

The directors present their report and the financial statements for the year ended 30 September 2018.

Dividends

The directors do not recommend the payment of a dividend (2017: £nil).

Directors' of the company

The directors, who held office during the year, and up to the date of signing the accounts.

were as follows:

H M Ball

C J Bradley

M J Greenwood

G E Harle (resigned 16 October 2017)

S M Jones

K J Craig

M Thomas (appointed 9 January 2017 and resigned 3 May 2018)

M Gartside (appointed 9 January 2017 and resigned 5 November 2018)

S Broadley (appointed 17 January 2018)

B Wright (appointed 17 April 2018)

K Bowden (appointed 14 August 2018)

Directors' Indemnities

As at the date of this report, indemnities are in force under which the company has agreed to indemnify the directors of the company, to the extent permitted by law and the company's Articles of Association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as directors of the company.

TenetLime Limited

Directors' Report for the Year Ended 30 September 2018 (continued)

Going concern

As highlighted in the Tenet Group's Annual Report, competitive pressure is a continuing risk for the company, potentially resulting in losing sales to key competitors. However, the company's forecasts and projections, including sensitivity analysis taking into account reasonably possible adverse changes in trading performance, show that the company should be able to operate successfully. As a consequence, the directors believe that the company is well placed to manage its business risks successfully in the present challenging economic environment.

The company has an adequate level of financial resources, including £3.4 million of cash at bank (2017: £3.1 million) and net current assets of £3.0 million (2016: £2.1 million). Furthermore, the company has no bank debt or other financial liabilities with any restrictive or financial covenants. It has long established relationships with a large number of advisers, product providers and suppliers across a diverse geographical area within the U.K, with no significant credit risk exposure to any single counterparty. The company also enjoys the continuing support of its ultimate parent undertaking.

Taking these factors into account, and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to trade successfully and fully comply with its regulatory requirements for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

Disclosure of information to the auditors

Each director has taken 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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Deloitte LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 6 February 2019 and signed on its behalf by:



K/J Craig
Director

TenetLime Limited

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has 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 corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

TenetLime Limited

Independent Auditor's Report

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of TenetLime Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30th September 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of financial position;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 16.

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

Basis for opinion

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

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

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

TenetLime Limited

Independent Auditor's Report (continued)

Other information

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

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

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

TenetLime Limited

Independent Auditor's Report (continued)

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 the directors' report have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

Use of our report

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



Peter Birch FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Leeds, United Kingdom
6 February 2019

TenetLime Limited

Income Statement for the Year Ended 30 September 2018

	Note	2018 £000's	2017 £000's
Turnover	2	62,531	49,785
Cost of sales		<u>(57,326)</u>	<u>(45,416)</u>
Gross profit		5,205	4,369
Administrative expenses		<u>(4,616)</u>	<u>(4,134)</u>
Operating profit	4	<u>589</u>	<u>235</u>
Other interest receivable and similar income	5	25	12
Interest payable and similar charges	6	<u>-</u>	<u>-</u>
		<u>25</u>	<u>12</u>
Profit before tax		614	247
Tax on profit on ordinary activities	9	<u>(159)</u>	<u>(93)</u>
Profit for the year		<u>455</u>	<u>154</u>

The above results were derived from continuing operations. There was no recognised income and expenditure in the period other than the result for the year as shown above and consequently no statement of comprehensive income has been presented.

The notes on pages 12 to 22 form an integral part of these financial statements.

TenetLime Limited

(Registration number: 04785816)

Statement of Financial Position as at 30 September 2018

	Note	2018 £000's	2017 £000's
Fixed assets			
Intangible assets	10	-	-
Current assets			
Trade and other receivables	11	5,121	4,059
Cash at bank and in hand		3,417	3,050
		<u>8,538</u>	<u>7,109</u>
Trade and other payables	12	<u>(5,554)</u>	<u>(4,987)</u>
Net current assets		<u>2,984</u>	<u>2,122</u>
Total assets less current liabilities		2,984	2,122
Provisions for liabilities	13	<u>(458)</u>	<u>(51)</u>
Net assets		<u>2,526</u>	<u>2,071</u>
Capital and reserves			
Called up share capital	14	1,000	1,000
Other reserves		92	92
Profit and loss account		<u>1,434</u>	<u>979</u>
Shareholders' funds		<u>2,526</u>	<u>2,071</u>

The financial statements of TenetLime Limited (registration number 04785816) were approved by the Board on 6 February 2019 and signed on its behalf by:


 K I Craig
 Director

The notes on pages 12 to 22 form an integral part of these financial statements.

TenetLime Limited

Statement of Changes in Equity for the Year Ended 30 September 2018

	Share capital £000's	Other reserves £000's	Retained earnings £000's	Total £000's
At 1 October 2017	1,000	92	979	2,071
Profit for the year	-	-	455	455
Total comprehensive income	-	-	455	455
At 30 September 2018	1,000	92	1,434	2,526

	Share capital £000's	Other reserves £000's	Retained earnings £000's	Total £000's
At 1 October 2016	1,000	92	825	1,917
Profit for the year	-	-	154	154
Total comprehensive income	-	-	154	154
At 30 September 2017	1,000	92	979	2,071

The notes on pages 12 to 22 form an integral part of these financial statements.

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

1 General information

The company is a private company limited by share capital incorporated and domiciled in England and Wales.

The address of its registered office is:

5 Lister Hill
Horsforth
Leeds
West Yorkshire
LS18 5AZ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council and ("FRS 101") as issued by the Financial Reporting Council and has, in doing so, applied the requirements of FRS 1.6-33 and related appendices.

The financial statements have been prepared on the historic cost basis.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to standards issued but not yet effective, financial instruments, presentation of a cash-flow statement and related party transactions. Where required, equivalent disclosures are given in the Group financial statements of Tenet Group Limited. The Group financial statements of Tenet Group Limited are available to the public.

As stated in the Directors' Report, after making enquiries the directors have a reasonable expectation that the company has adequate resources to continue trading successfully and fully comply with its regulatory requirements for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

2 Accounting policies (continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents commissions receivable, other amounts receivable from product providers and sales of services provided in the normal course of business, net of discounts, VAT and other sales related taxes. All revenue arises in the United Kingdom. Initial commissions are accounted for when policies are accepted by the product providers, or mortgages complete, whilst renewal commissions are accounted for when received. Related amounts of commission due to the company's agents (Appointed Representatives) are included in cost of sales and trade creditors.

Revenue from fees paid directly by the end consumer to Appointed Representatives must be declared and included as revenue as this is considered to be regulated income by the FCA. This is included as a gross value in revenue and net of related service fees in cost of sales.

Due to the nature of the company's business, it is not possible to precisely determine at the date of the accounts which policies have been accepted by the product providers or mortgages completed where commissions have not yet been received by these companies. As a consequence, an estimate of the amounts owed by product providers is included in the financial statements. This estimate is based upon historic data regarding the value of policies submitted to the product providers and deemed to be on risk. The directors review the basis of this estimate to ensure the adequacy of these calculations.

Tax

The tax expense represents the sum of the tax currently payable and deferred tax

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 expenses 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, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Unless the effect of discounting is material, deferred tax is measured on a non-discounted basis.

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

2 Accounting policies (continued)

Intangible assets

Intangible assets are stated at cost net of amortisation. Amortisation is provided at rates calculated to write off the cost of each asset on a straight line basis over its estimated useful economic life of 7-10 years.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade receivables

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method where the effect is material. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the effective interest rate computed at initial recognition where the effect is material.

Trade payables

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

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Goodwill

Purchased goodwill, representing the excess of the fair value of the consideration paid and associated costs over the fair value of the separable net assets acquired on the acquisition of a business, is capitalised and is subject to an annual impairment review. Any impairment identified is recognised immediately in the income statement and is not subsequently reversed. For the purposes of impairment testing, cash generating units to which goodwill has been allocated are tested annually using the latest forecasts of future cashflows to which an appropriate discount factor is applied.

Discounted cashflows are projected for a period of twenty years, based upon the five year plan, followed by a growth rate in subsequent years in line with the directors' expectation and experience of each cash generating unit. However, where the directors deem the risk to be greater than this base discount factor for a cash generating unit, then the rate is increased accordingly.

Intangible Assets

Intangible assets are stated at cost net of amortisation. Amortisation is provided at rates calculated to write off the cost of each asset on a straight line basis over its estimated useful economic life of 10 years.

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

2 Accounting policies (continued)

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

The two most significant provisions are:

Commission clawback

The company makes a provision in respect of commissions received on "indemnity" terms whereby commission amounts are repayable if policies are cancelled subsequent to their sale. This provision is estimated based on historic data.

All commission amounts clawed back in respect of such cancelled policies are recharged to the relevant Appointed Representatives. Where the collection of such receivables is doubtful, the company makes an appropriate provision (see Note 13).

Claims payable

In the normal course of business the company receives queries and complaints regarding the sale of regulated financial products. Where appropriate these are investigated in accordance with the company's procedures. In some instances redress may be payable. Based upon the experience of the company, an estimate of total redress which may become payable is calculated. These amounts, if they become payable, will usually be recovered from either Professional Indemnity insurers and/or the Appointed Representative responsible for giving the advice about which the complaint was made (see Note 13). Where the collection of such receivables is doubtful, the company makes an appropriate provision.

Pension costs

The company contributes to a defined contribution pension scheme administered by another Group company. The amount charged to the income statement relates to the contributions payable in the year. Differences arising between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Financial assets and liabilities

Classification

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Recognition and measurement

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty

FRS 101 requires critical accounting estimates to be identified. Within these financial statements the following fall under this category:

- Revenue recognition including calculation of commissions owed by debtors – see Note 2;
- Provisions for commission clawback – see Notes 2 and 13;
- Provisions for claims payable – see Notes 2 and 13; and
- Accounting for goodwill and intangible assets – see Notes 2 and 10.

In relation to each of the first three items, whilst the estimates are critical, there is both a liability and recoverable such that the net exposure is mitigated and not significant.

4 Operating profit

Arrived at after charging/(crediting)

	2018 £000's	2017 £000's
Staff costs	3,133	2,661
Auditor's remuneration	-	18

Audit fees for the Company are borne by Tenet Group Limited on behalf of all the Group companies.

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

5 Interest receivable and similar income

	2018 £000's	2017 £000's
Bank interest	5	3
Other interest	20	9
	<u>25</u>	<u>12</u>

6 Interest payable and similar charges

	2018 £000's	2017 £000's
Other interest	-	-
	<u>-</u>	<u>-</u>

7 Staff costs

All staff utilised by the company in the delivery of its services are employed by Tenet Group Limited. Tenet Business Solutions Limited is responsible for the payment of the remuneration of all Tenet Group Limited employees, including the directors of the company, and it receives recompense from the company in respect of this service through management recharges which are allocated on a time incurred basis.

The amounts disclosed below relate to amounts which are incurred by the company and have been recharged to the company by Tenet Business Solutions Limited.

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018 £000's	2017 £000's
Wages and salaries	2,722	2,325
Social security costs	274	214
Pension costs, defined contribution scheme	137	121
	<u>3,133</u>	<u>2,660</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2018 No.	2017 No.
Administration and support	67	58
Directors	8	7
	<u>75</u>	<u>65</u>

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

8 Directors' remuneration

The Directors' remuneration for the year was as follows:

The Directors did not receive any fees or emoluments from the Company during the year (2017: £338,000). All directors fees or emoluments were paid by Tenet Business Solutions Ltd.

Four of the Directors are executives of the ultimate parent undertaking, Tenet Group Limited, and their remuneration is disclosed within Tenet Group Limited consolidated accounts. The remaining four directors are also directors of other group companies, during the year these three directors received total remuneration of £371,000 and £29,000 defined contribution pension benefit. No allocation between the services is made nor is the Group prepared to attempt such allocation.

9 Tax charged in the income statement

	2018 £000's	2017 £000's
Current taxation		
UK corporation tax	159	93

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2017 - the same as the standard rate of corporation tax in the UK) of 19.0% (2017 – 19.5%).

The differences are reconciled below:

	2018 £000's	2017 £000's
Profit before tax	614	247
Corporation tax at standard rate	117	48
Decrease in current tax from adjustment for prior periods	-	(1)
Increase from effect of expenses not deductible in determining taxable profit	42	46
Total tax charge	159	93

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

10 Intangible assets

	Acquisition Cost £000's	Total £000's
Cost or valuation		
At 1 October 2016	12	12
At 30 September 2017	12	12
Amortisation		
At 1 October 2017	12	12
At 30 September 2018	12	12
Carrying amount		
At 30 September 2018	-	-
At 30 September 2017	-	-

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

11 Trade and other receivables

	2018 £000's	2017 £000's
Trade receivables	3,409	2,766
Provision for impairment of trade receivables	(144)	(201)
Net trade receivables	3,265	2,565
Receivables from related parties	732	379
Loans to related parties	-	405
Prepayments	1,124	710
Total current trade and other receivables	5,121	4,059

The directors consider that the carrying amount of trade and other receivables approximates their fair value. Included in trade receivables is £nil (2016: £1,016) that relates to amounts recoverable in relation to claims payable (see Notes 2 and 13).

12 Trade and other payables

	2018 £000's	2017 £000's
Trade payables	4,972	4,840
Accrued expenses	65	68
Amounts due to related parties	357	79
Taxation	160	-
	5,554	4,987

The directors consider that the carrying amount of trade and other payables approximates their fair value.

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

13 Provisions for liabilities

	Claims payable £000's	Clawbacks £000's	Total £000's
At 1 October 2017	40	11	51
Movement of existing provisions	(40)	(877)	(917)
Provisions released	-	(8)	(8)
Provisions added	55	1,277	1,332
At 30 September 2018	55	403	458
Non-current liabilities	55	403	458

Claims payable provision

The claims payable provision is in respect of amounts that may be payable to customers of the firm following a review of the sales process of the individual cases involved. These amounts, if payable, will usually be recovered from Professional Indemnity insurers less a policy excess (see Note 2), and the policy excess is usually recovered from the Appointed Representative responsible for the individual case. The directors re-assess the provision each year.

Commission clawback provision

The commission clawback provision relates to commission receipts subsequently repaid should policies be cancelled after their sale. All commissions previously paid in respect of such cancelled policies will usually be recovered from the relevant Appointed Representative (see Note 2). The directors re-assess the provision each year.

14 Share capital

Allotted, called up and fully paid shares

	No.	2018 £000's	No.	2017 £000's
Ordinary shares of £1 each	1,000,000	1,000	1,000,000	1,000

15 Related party transactions

Summary of transactions with parent entities

As a wholly owned subsidiary, the company has taken advantage of the exemption in FRS 101 "Related Party Transactions" from disclosing related party transactions with other entities included in the consolidated financial statements of Tenet Group Limited.

TenetLime Limited

Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

16 Parent and ultimate parent undertaking

The company is a wholly owned subsidiary of Tenet Limited, a company incorporated in England and Wales. The directors consider that Tenet Group Limited, also a company incorporated in England and Wales, is the company's ultimate parent undertaking and is the controlling party.

Tenet Group Limited is the smallest and largest group in which the results of the company are consolidated. Copies of the financial statements of Tenet Group Limited are available from 5 Lister Hill, Horsforth, Leeds, LS18 5AZ.