ANNUAL REPORT
AND
FINANCIAL STATEMENTS

31 December 2019

Blueprint Distribution Limited

Registered in England and Wales No. 05186737

CONTENTS

COMPANY INFORMATION

Directors	S C Gazard M Dean
Secretary	Quilter CoSec Services Limited
Auditors	KPMG LLP 66 Queen Square Bristol BS1 4BE
Registered office	Wiltshire Court Farnsby Street Swindon SN1 5AH

STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2019.

REVIEW OF THE BUSINESS AND PRINCIPAL ACTIVITY

Blueprint Distribution Limited ('the Company') is non trading but it continues to receive some commission income relating to the sale of financial products sold before its advisers transferred out of the business to other regulated entities within the Quilter Financial Planning Group.

The Company is part of the Quilter plc Group. Quilter plc's ordinary shares are listed on the London and Johannesburg Stock Exchanges. The Company forms part of the Quilter Financial Planning division within the Quilter plc Group. Quilter Financial Planning Limited (formerly Intrinsic Financial Services Limited) is an intermediate parent company, providing strategic and governance oversight. The Company forms part of the Advice and Wealth Management segment.

QUILTER PLC STRATEGY

Quilter aims to be the leading UK and cross-border full service wealth manager, providing advice-led investment solutions and investment platforms, focusing on delivering good customer outcomes. The breadth of the Group's model helps to generate prosperity for customers by providing the services to develop suitable financial plans, manage customers' investments in risk-based solutions and by helping customers access modern wealth wrappers via the Group's platforms. Quilter's purpose and strategy are underpinned by core beliefs, which include: the belief in the value of trusted face-to-face advice, that better choice for customers does not mean more choice, and modern, simple and transparent products should be easily accessible and good value. The directors believe that the Group's competitive advantage lies in its strong positions in attractive markets and its ability to offer high quality solutions across each element of the value chain at a competitive, transparent and unbundled price.

Management is confident in the Group's strategic path and growth prospects. Short term market, economic and political uncertainty may temper momentum in near term flows and the level of assets under administration, but the Group operates in a large and fragmented market that has good long-term growth potential.

BLUEPRINT DISTRIBUTION LIMITED STRATEGY

During 2014, the Company transferred part of its business including advisers to other regulated entities within the Quilter Financial Planning Group. The Company has ceased trading but continues to receive some commission income from the sale of financial service products sold before the advisers transferred out.

KEY PERFORMANCE INDICATORS (KPIs)

Management evaluate the performance of the business using a number of measures. Key metrics for the Company were as follows:

	2019	2018
	£	£
Fee income	93,881	109,321
Operating profit	68,846	84,553
Net assets	1,122,804	1,067,039

STRATEGIC REPORT (continued)

There is limited direct impact on the Company from the UK's withdrawal from the European Union. The Company is part of a pan Quilter project to manage the impacts on the business of this withdrawal.

At this time, coronavirus SARS-CoV-2 ("COVID-19"). COVID-19 has been recognised by the World Health Organisation as a global pandemic, therefore this will impact global supply chains, global market growth and employee availability over the next few years. COVID-19 will have limited impact on the Company as it is not actively trading, the commission income being from the sale of financial service products sold before the advisers transferred out.

PRINCIPAL RISKS AND UNCERTAINTIES

The key business risks and uncertainties arise in connection with the timing of cash flows relating to the realisation of inter company assets and settlement of inter company debts.

The risk management objectives and policies of the company are disclosed in note 3.

By order of the Board

Stephen Gazard
Director
23 July 2020

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The review of the business, including future outlook and principal risks and uncertainties are disclosed within the strategic report.

DIRECTORS

The directors of the Company who held office during the period and up to the date of signing these financial statements were:
were:

D W J Sharkey	(resigned 3 July 2020)
A B Thompson	(resigned 30 June 2020)
S C Gazard	(appointed 3 July 2020)
M Dean	(appointed 3 July 2020)

OMW CoSec Services Limited, the Company Secretary, changed its name to Quilter CoSec Services Limited on 3 April 2019.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £55,765 (2018: £68,488).

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

MANAGED CAPITAL

The Company's objectives in managing its capital are to ensure that there are adequate resources to meet the Company's liabilities as they fall due. The Company's capital position and the movement in this from the prior year are disclosed within the statement of changes in equity.

FINANCIAL INSTRUMENTS

The financial risk management objectives and policies of the Company are disclosed in note 3.

QUALIFYING THIRD-PARTY INDEMNITIES

Qualifying third-party indemnities were in force (as defined by section 234 of the Companies Act 2006) during the course of the financial year ended 31 December 2019 for the benefit of the then directors, and at the date of this report, are in force for the benefit of the directors in relation to certain losses and liabilities which may occur (or have occurred) in connection with their duties/powers or office.

EMPLOYEES

The Company has no employees. Quilter Financial Planning Limited employs all staff and the related disclosures are shown in those financial statements.

GOING CONCERN

In assessing whether the Company is a going concern the directors have taken into account the guidance issued by the Financial Reporting Council in April 2016. As explained in note 14 to the financial statements, the directors do not consider the going concern basis to be appropriate and these financial statements have therefore been prepared on a break up basis.

POLITICAL DONATIONS

No political donations were made during the year (2018: £nil).

DIRECTORS' REPORT (continued)

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the directors are each aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each director has 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 auditor is aware of that information.

This confirmation is given in accordance with the provisions of the Companies Act 2006.

AUDITOR

KPMG LLP has held office in accordance with Section 487 of the Companies Act 2006 for the 2019 financial year. Following a rigorous tender process conducted by Quilter plc, PricewaterhouseCoopers LLP will assume the role of independent auditors for the Quilter Group, of which the Company is a member, for the year-end 31 December 2020. Formal appointment as auditors to the Company will be completed after the approval of these financial statements.

By order of the Board

Stephen Gazard
Director
23 July 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company Law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. As explained in note 14, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis

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

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF Blueprint Distribution Limited

Opinion
We have audited the financial statements of Blueprint Distribution Limited ("the company") for the year ended 31 December 2019 which comprise the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of financial position, statement of cash flows, and related notes, including the accounting policies in note 2.

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter - non-going concern basis of preparation
We draw attention to the disclosure made in note 14 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

Strategic report and directors' report
The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception
Under the Companies Act 2006, we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities
As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF Blueprint Distribution Limited

Auditor's responsibilities
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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities
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 Lomax

Peter Lomax (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

24/7/20

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2019

	Note	2019 £	2018 £
REVENUE			
Revenue from rendering of services	4	93,881	109,321
Cost of sales		(19,533)	(24,698)
GROSS PROFIT		74,348	84,623
Administrative expenses	5	(5,502)	(70)
OPERATING PROFIT		68,846	84,553
PROFIT BEFORE TAXATION		68,846	84,553
Taxation	7	(13,081)	(16,065)
PROFIT FOR THE YEAR		55,765	68,488
TOTAL COMPREHENSIVE INCOME		55,765	68,488

All the above amounts in the current and prior year derive from continuing activities.

The result for the year is attributable to the equity holders of the Company.

The notes on pages 13 to 28 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2019

	Share capital £	Retained earnings £	Total equity holders' funds £
Balance at 31 December 2017	1	958,050	958,051
IFRS 15 opening adjustment	-	40,500	40,500
Balance at 1 January 2018	1	998,550	998,551
Profit for the year	-	68,488	68,488
Balance at 31 December 2018	1	1,067,038	1,067,039
Profit for the year	-	55,765	55,765
Balance at 31 December 2019	1	1,122,803	1,122,804

The IFRS 15 adjustment has been recognised in equity as an opening adjustment to the financial statements, with future movements through the through the statement of profit or loss and other comprehensive income.

The Company did not recognise any other income or expense directly in equity (2018: £nil).

The notes on pages 13 to 28 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
at 31 December 2019

	Note	2019 £	2018 £
CURRENT ASSETS			
Trade and other receivables	8	922,430	863,799
Cash and cash equivalents	9	233,361	228,805
TOTAL ASSETS		1,155,791	1,092,604
CURRENT LIABILITIES			
Current tax liabilities	7	32,987	25,565
NET ASSETS		1,122,804	1,067,039
CAPITAL AND RESERVES			
Share capital	10	1	1
Retained earnings		1,122,803	1,067,038
TOTAL EQUITY		1,122,804	1,067,039

The notes on pages 13 to 28 are an integral part of these financial statements.

Approved at a meeting of the Board of directors on 23 July 2020 and signed on its behalf by:

Mitchell Dean
Director

Company registered number: 05186737

STATEMENT OF CASH FLOWS
for the year ended 31 December 2019

	2019	2018
	£	£
Cash flow from operating activities		
Operating profit	68,846	84,553
Adjustment to reconcile operating loss before tax to net cash flow from operating activities:		
Increase in trade and other receivables	(58,631)	(125,303)
Movement in debtors as a result of IFRS 15	-	50,000
Group relief paid	(5,659)	-
Net increase in cash and cash equivalents	4,556	9,250
Cash and cash equivalents at beginning of the year	228,805	219,555
Cash and cash equivalents at end of the year	233,361	228,805

Statement of cashflows is prepared according to the indirect method.

The notes on pages 13 to 28 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019

1 GENERAL INFORMATION

The Company is a limited company, incorporated in England and Wales. The address of its registered office is disclosed in the Company information section on page 1. The principal activities of the Company are disclosed in the strategic report.

2 SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION

The Company's financial statements have been prepared under the historical costs accounting convention and in accordance with applicable accounting standards. For the reasons explained in the Directors Report and note 15, the financial statements have not been prepared on a going concern basis.

The accounting policies set out below, have, unless otherwise stated, been applied consistently to all periods presented on these financial statements.

b) ADOPTION OF NEW IFRS ACCOUNTING STANDARDS

New standards, amendments to standards, and interpretations adopted by the Company

The Company has adopted IFRIC 23 Uncertainty over Income Tax Treatments during the year ended 31 December 2019. This interpretation sets out how to determine taxable profits/losses, tax bases, unused tax losses, unused tax credits and tax rates (collectively referred to as the "accounting tax position") where there is uncertainty over treatment. All tax provisions for the Company continue to be calculated consistent with IAS 12 Income taxes and provisions in respect of any uncertain tax positions have been calculated consistent with IFRIC 23. No adjustments to tax balances have resulted from the adoption of IFRIC 23.

Other standards

In addition to IFRIC 23, the following amendments to the accounting standards, issued by the International Accounting Standards Board (IASB) and endorsed by the EU, have been adopted by the Company from 1 January 2019 with no impact on the result, financial position or disclosures:

- Amendments to IFRS 9: Financial Instruments – Prepayment features with negative compensation
- Amendments to IAS 28: Investments in Associates – Long-term interests in associates and joint ventures
- Amendments to IAS 19: Employee Benefits – Plan amendments, curtailments or settlements
- Annual improvements to IFRSs 2015-2017 Cycle – Amendments to IFRS 3 Business combinations, IFRS 11 Joint arrangements, IAS 12 Income taxes and IAS 23 Borrowing costs

Future standards, amendments to standards, and interpretations not early adopted in the 2018 annual financial statements

Certain new standards, interpretations and amendments to existing standards have been published by the IASB that are mandatory for the Company's annual accounting period beginning after 1 January 2020. The Company has not early adopted these standards, amendments and interpretations.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

c) IFRS 9 FINANCIAL INSTRUMENTS

Financial instruments
Financial instruments cover a wide range of financial assets, including financial investments, trade receivables and cash and cash equivalents and financial liabilities, trade payables, and borrowings.

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument. The Company derecognises a financial asset when the contractual rights to receive cash flows have expired or been forfeited by the Company. A financial liability is derecognised when, and only when the liability is extinguished.

Business model assessment
The Company assesses the objective of a business model in which an asset is held at a portfolio level because this best represents the way the business is managed, and information is reported to management. The assessment considers the stated portfolio policies and objectives. The Company determines it's strategy in holding the financial asset, particularly considering whether the Company earns contractual interest revenue, for example to match the duration of financial assets to the duration of liabilities that are funding those assets or to realise cash flows through the sale of the assets. The frequency, volume and timing of sales in prior periods may be reviewed, along with the reasons for such sales and expectations about future sales activity. These factors enable management to determine which financial assets should be measured at fair value through the profit and loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets. Reclassifications are expected to occur infrequently.

Classification and measurement of financial assets and financial liabilities

Initial measurement
A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement
The classification of financial assets depends on (i) the purpose for which they were acquired, (ii) the business model in which a financial asset is managed, and (iii) its contractual cash flow characteristics. This classification determines the subsequent measurement basis. The following accounting policies apply to the subsequent measurement of financial assets.

Measurement basis	Accounting policies
Financial assets at FVTPL	These financial assets are subsequently measured at fair value. Net gains and losses, including interest and dividend income, are recognised in profit or loss.
Amortised cost	These financial assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

Amortised cost

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

c) IFRS 9 FINANCIAL INSTRUMENTS (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding on specified dates.

For the purposes of this assessment, principal is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration of the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

Financial assets at FVTPL
All other financial assets that are not measured at amortised cost are classified as measured at FVTPL. In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost, at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Loans and advances
Loans with fixed maturities are recognised when cash is advanced to borrowers or policyholders. Loans and advances are carried at amortised cost using the effective interest rate method. These assets are subject to the impairment requirements outlined below.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits that are readily convertible to a known amount of cash. All other cash and cash equivalents are classified as amortised cost which means they are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method and are subject to the impairment requirements outlined below.

Financial liabilities and equity
Management also determines the classification of financial liabilities at initial recognition. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities are measured at amortised cost using the effective interest method.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Trade payables and receivables
Trade payables and receivables are classified at amortised cost. Due to the short term nature of trade payables and receivables, their carrying amount is considered to be the same as their fair value.

Investments in subsidiaries
Investments in subsidiary undertakings are initially stated at cost. Subsequently, investments in subsidiary undertakings are stated at cost less provision for impairment. An investment in a subsidiary is deemed to be impaired when its carrying amount is greater than its estimated recoverable amount, and there is evidence to suggest that the impairment occurred subsequent to the initial recognition of the asset in the financial statements. All impairments are recognised in the income statement as they occur.

Impairment of financial assets

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

c) IFRS 9 FINANCIAL INSTRUMENTS (continued)

The expected loss accounting model for credit loss applies to financial assets measured at amortised cost, contract assets, but not to investments in equity instruments. Financial assets at amortised cost include trade receivables, cash and cash equivalents and corporate debt securities.

Credit loss allowances are measured on each reporting date according to a three stage ECL impairment model.

Performing financial assets
Stage 1
From initial recognition of a financial asset to the date on which an asset has experienced a significant increase in credit risk relative to its initial recognition, a stage 1 loss allowance is recognised equal to the credit losses expected to result from its default occurring over the earlier of the next 12 months or its maturity date ('12-month ECL').

Stage 2
Following a significant increase in credit risk relative to the initial recognition of the financial asset, a stage 2 loss allowance is recognised equal to the credit losses expected from all possible default events over the remaining lifetime of the asset ('Lifetime ECL').

The assessment of whether there has been a significant increase in credit risk requires considerable judgment, based on the lifetime probability of default ('PD'). Stage 1 and 2 allowances are held against performing loans; the main difference between stage 1 and stage 2 allowances is the time horizon. Stage 1 allowances are estimated using the PD with a maximum period of 12 months, while stage 2 allowances are estimated using the PD over the remaining lifetime of the asset.

Impaired financial assets
Stage 3
When a financial asset is considered to be credit-impaired, the allowance for credit losses ('ACL') continues to represent lifetime expected credit losses, however, interest income is calculated based on the amortised cost of the asset, net of the loss allowance, rather than its gross carrying amount.

Application of the new impairment model
The Company applies IFRS 9's new ECL model to two main types of financial assets that are measured at amortised cost:

- Trade receivables to which the simplified approach prescribed by IFRS 9 is applied. This approach requires the recognition of a Lifetime ECL allowance on day one and thereafter.
- Loans at amortised cost, to which the general three stage model (described above) is applied, whereby a 12 month ECL is recognised initially and the balance is monitored for significant increases in credit risk which triggers the recognition of a Lifetime ECL allowance.

ECLs are a probability-weighted estimate of credit losses. ECLs for financial assets that are not credit-impaired at the reporting date are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due in accordance with the contract and the cash flows that the Company expects to receive). ECLs for financial assets that are credit-impaired at the reporting date are measured as the difference between the gross carrying amount and the present value of estimated future cash flows. ECLs are discounted at the effective interest rate of the financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The measurement of ECLs considers information about past events and current conditions, as well as supportable information about future events and economic conditions. The Company has implemented its impairment methodology

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

c) IFRS 9 FINANCIAL INSTRUMENTS (continued)

for estimating the ACL, taking into account forward-looking information in determining the appropriate level of allowance. In addition it has identified indicators and set up procedures for monitoring for significant increases in credit risk.

Credit-impaired financial assets
At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes events such as significant financial difficulty of the borrower or issuer, a breach of contract such as a default or past due event or the restructuring of a loan or advance by the Company on terms that the Company would not otherwise consider. The assumption that the credit risk for balances over 30 days significantly increases has been rebutted on the basis that some balances will go over 30 days in the normal course of the settlement cycle, and therefore, there is no increase in the credit risk.

Presentation of impairment
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-offs
Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of the amount being recovered. This is generally the case when the Company concludes that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

d) IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS
The Company has adopted IFRS 15 as issued by the IASB in May 2014 using the cumulative effect method.

Under IFRS 15, revenue is recognised when a customer obtains control of goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires judgement. IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Provision for repayment of indemnity commission in the event that a policy may lapse is made in the financial statements.

The Company performed an assessment to determine the impact of the new standard on the Company's statement of financial position and performance. It considered the analysis prescribed by the standard, taking into account the different types of contracts it has with its customers, the corresponding types of services provided to customers and when these service obligations are satisfied. In addition, the Company considered the types of fee income generated across all products from the contracts with its customers and when the fee income is recognised. The assessment concluded that new requirements would result in the Company having to change the nature or timing of satisfaction of performance obligations and significant payment terms. Consequently, the cumulative impact of adoption was £50,000 and as a result an adjustment to the Company's opening retained earnings as at 1 January 2018 has been recognised.

d) IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

The introduction of IFRS 15 did not result in changes to the Company's significant accounting policies, except to update them for new terminology introduced by the new standard for "Contract assets accrued income" (previously known as accrued income from contracts with customers).

Revenue is recognised to the extent that the services have been provided and it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding VAT.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

All turnover relates to continuing operations in the United Kingdom.

e) TAXES

Current income tax

Current income tax assets and liabilities for the current period and prior periods are measured as the amount expected to be recovered from or paid to the taxation authorities, or paid to or recovered from other group companies in respect of group relief surrendered or received. The tax rates and laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss and other comprehensive income.

3 RISK MANAGEMENT FRAMEWORK

Enterprise-wide risk management

The Board of Quilter has developed an Enterprise-wide Risk Management ("ERM") approach that applies to all companies within the Quilter Group, including the Company. Quilter's risk management objective is to operate a robust ERM framework within every part of the Group through embedding a risk and governance framework that supports an efficient and effective operating environment. The ERM framework encompasses a number of elements, including:

- The corporate governance arrangements which set out the way that the organisation is structured and managed;
- The end-to-end processes involved in the identification, assessment, measurement, monitoring and management of risk, including assignment of risk owners and risk reporting;
- The culture and behaviour that is exhibited and the associated reward mechanisms.

The ERM framework aims to align strategy, capital, processes, people, technology and knowledge in order to evaluate and manage business opportunities, uncertainties and threats in a structured, disciplined manner. In this way Quilter seeks to ensure that risk and capital implications are considered when making strategic and operational decisions, and to ensure that the risk profile is understood and managed within the agreed risk appetite.

Risk Appetite

The Risk Appetite Framework (RAF) is defined as the policies, processes, skills and systems that set out the way that Quilter staff across all businesses and control functions should talk about, think about, and manage risk in relation to Quilter's risk appetite. The RAF builds upon the existing business planning, capital and risk management processes and has three distinctive components:

- **Strategy and Business Planning Process**: Quantitative and qualitative strategic risk appetite principles linked to risk limits.
- **The Stress and Scenario Framework**: Quantitative risk appetite statements linked to the businesses strategic objectives, and contractual and regulatory requirements.
- **The Risk Policy Framework**: Quantitative and qualitative risk appetite statements for individual risks embedded into the policy framework. These set out the approach taken to mitigate and manage risks, informed by the policy appetite statements and control standards.

The qualitative and quantitative risk appetite statements are undergoing further development as part of the enhancement to the ERM framework.

Risk Culture

Risk culture is defined as the system of values and behaviours embedded in the Company that shapes risk decisions. The Company's risk culture is defined by the following principles:

- Responsibility and accountability for risk management is clearly assigned throughout the organisation with the aim of fostering an open and transparent organisational culture that encourages the right behaviours.
- Creating a climate for our employees to voice genuine concerns about, and risks within, the business.
- A risk-aware culture is seen as an enabler for management to be empowered to take risks in a manner that is transparent and in line with the business and risk strategy.
- Good risk management practices are encouraged, such that our employees understand how to make educated risk related decisions in their day-to-day roles.
- Training and awareness programmes are in place to ensure that a risk-aware culture is fostered and that employees understand the importance of good risk management.
- Performance management encourages and incentivises good risk management practices.

3 RISK MANAGEMENT FRAMEWORK (continued)

a) Credit risk

Credit risk is the risk that the Company is exposed to a loss if another party fails to meet its financial obligations, including failing to meet them in a timely manner. The Group has established a credit risk policy which sets out restrictions on the permitted financial transactions with counterparties to control and monitor the level of credit risk to which the Company is exposed.

The Company is exposed to limited credit risk. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The Company's maximum exposure to credit risk does not differ from the carrying value disclosed in the relevant notes to the financial statements.

Credit risk primarily arises from cash held at bank and other receivables, which are all current. The principal amounts receivable on these balances are materially the same as fair value and as such credit risk has not had a significant impact on the valuation of these balances.

b) Market risk

Market risk is defined as the risk that a change in the value of or income from any asset is not matched by an equal change in the value of the related liability. Market risk arises from fluctuations in variables such as interest rates and foreign exchange rates. The Company is subject to market risk in the following areas:

Interest rate risk
The effective interest rate applicable to interest bearing financial instruments is at a floating rate based on daily bank deposit rates.

Currency risk
The Company is not exposed to currency risk, as all company assets are held in GBP.

Liquidity risk
Liquidity risk is the risk that a company, although solvent, does not have available sufficient financial resources to enable it to meet its financial obligations as they fall due, or can secure them only at excessive cost.

The Company is exposed to minimal liquidity risk as all its investments and bank accounts are available either on demand or next day settlement, and sufficient to meet day-to-day outgoings. There are no external borrowings.

3 RISK MANAGEMENT FRAMEWORK (continued)

Political risk
The withdrawal of the UK from the EU on 31 January continues to generate a level of uncertainty in the UK financial services sector. The effect of this uncertainty is the extent to which this translates into an impact upon advice income. The Company actively supports advisers in their communication with customers in order to mitigate the adverse impact of this uncertainty.

At this time, COVID-19 has been recognised by the World Health Organisation as a global pandemic, therefore this will impact global supply chains, global market growth and employee availability over the next few years. The Company will be adversely impacted by falls in equity market levels, adverse investor sentiment affecting revenue and increased operational risks depending on the extent of employment availability. The length and severity of the impact from COVID-19 remains a clear risk, although the Company would not expect this to materially change the underlying long-term prospects and going concern basis of the business. Whilst there will be a detrimental impact on cash flow, capital support will be provided by the broader Quilter group given that the Company is a key component for Quilter plc to achieve its strategy.

Risk and capital management
The Quilter Group's capital management policy sets out the key considerations and restrictions with regard to the amount of capital that is retained by each entity within the Group.

In the event of the Company incurring losses resulting in erosion of its capital base it is supported financially by its immediate parent company Blueprint Organisation Limited.

c) Operational risk
Operational risk is defined as the risk of adverse business outcomes resulting from inadequate or failed internal processes, personnel and systems, or from external events (other than financial or business environment risks). Operational risk is an unavoidable consequence of being in business as it can never be fully eliminated. However, it can be effectively managed to ensure exposures and associated risk events are kept to a minimum.

The constituent parts of the Operational Risk Framework are:

Risk & Control Self-Assessment
Identify, assess, manage, monitor and report risk exposures arising from people, processes, systems and external events.

Significant Business Change
Comprehensively assess risk arising from new products, significant variations to existing products, new areas to undertake business, regulatory change programmes or other material or transformational programmes.

Scenario Analysis
Assess the possible impact of extreme but plausible operational risk events.

Issues Management
Ensure that all risk issues raised against the business are captured, classified and managed consistently.

Events Management
Ensure that internal events are identified, assessed, analysed for root causes, managed, monitored and reported.

3 RISK MANAGEMENT FRAMEWORK (continued)

COVID-19

In early 2020, COVID-19 was recognised by the World Health Organisation as a global pandemic. This will have the impact of increasing existing risks as well as creating new ones through disruption to global supply chains and employee availability along with the negative impact on global market growth. The Company is addressing these risks through the application of the Enterprise-wide Risk Management framework outlined above.

As part of its capital adequacy planning the Company performs adverse scenario assessments to ensure it remains adequately capitalised to cover such scenarios. In support of this and as outlined in the Strategic Report the Company will continue to benefit from ongoing capital support from Blueprint Organisation Limited and the broader Quilter group.

4 REVENUE FROM RENDERING OF SERVICES

Revenue primarily represents income receivable on financial products sold and advice provided by restricted financial advisers and is derived from continuing operations in the United Kingdom.

5 OPERATING COSTS

Administrative expenses include:

	2019	2018
	£	£
Auditor's remuneration: audit of these financial statements paid to KPMG LLP	2,500	2,500

The audit fees of £2,500 (2018: £2,500) were borne by Quilter Financial Planning Limited, the immediate parent undertaking and were not recharged.

6 REMUNERATION OF KEY MANAGEMENT PERSONNEL

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the entity and as such, only directors are considered to meet this definition.

The directors have minimal input in the day to day administration of the Company and therefore there is no appropriate basis on which they can apportion part of their remuneration for their services to the Company. For those directors remunerated by Quilter Financial Planning Limited (formerly Intrinsic Financial Services Limited) their emoluments are disclosed in those financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019

7 TAXATION

	2019 £	2018 £
Current year corporation tax payable	13,081	16,065
Tax payable for the year	13,081	16,065

The total tax payable for the year can be reconciled to the accounting profit as

	2019 £	2018 £
Profit before tax	68,846	84,553
Tax on profit at the applicable tax rate 19% (2018: 19%)	13,081	16,065
	13,081	16,065

The main rate of corporation tax reduced from 20% to 19% with effect 1 April 2017.

8 TRADE AND OTHER RECEIVABLES

	2019 £	2018 £
Trade receivables	50,000	50,000
Amounts due from Quilter Financial Planning Limited	872,353	813,799
Amounts due from Blueprint Organisation Limited	77	-
	922,430	863,799

For terms and conditions relating to related party transactions, refer to note 13. Trade receivables and other receivables are non interest bearing.

9 CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash and cash equivalents	233,361	228,805

Cash at bank earns interest at floating rates based on daily bank deposit rates. The carrying amount of these assets approximates to their fair value.

10 CALLED UP SHARE CAPITAL

	2019 £	2018 £
1 ordinary share of £1	1	1

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019

11 CATEGORIES OF FINANCIAL INSTRUMENTS

The analysis of financial assets and liabilities into their categories as defined in IFRS 9 'Financial Instruments' is set out in the following tables. Assets and liabilities of a non financial nature, or financial assets and liabilities that are specifically excluded from the scope of IFRS 9, are reflected in the non financial assets and liabilities category.

For information about the methods and assumptions used in determining fair value please refer to note 2. The Company's exposure to various risks associated with financial instruments is discussed in note 12.

At 31 December 2019

Measurement basis	Fair Value				£
	Mandatorily at FVTPL	Designated at FVTPL	Amortised cost	Non-financial assets and liabilities	Total
Assets					
Trade receivables and other assets	-	-	-	922,430	922,430
Cash and cash equivalents	-	-	233,361	-	233,361
Total assets that include financial instruments	-	-	233,361	922,430	1,155,791
Total assets	-	-	233,361	922,430	1,155,791
Liabilities					
Trade, other payables and other liabilities	-	-	32,987	-	32,987
Total liabilities that include financial instruments	-	-	32,987	-	32,987
Total liabilities	-	-	32,987	-	32,987

11 CATEGORIES OF FINANCIAL INSTRUMENTS (continued)

At 31 December 2018

					£
Measurement basis	**Fair Value**				
	Mandatorily at FVTPL	**Designated at FVTPL**	**Amortised cost**	**Non-financial assets and liabilities**	**Total**
Assets					
Trade receivables and other assets	-	-	-	863,799	863,799
Cash and cash equivalents	-	-	228,805	-	228,805
Total assets that include financial instruments	-	-	228,805	863,799	1,092,604
Total assets	-	-	228,805	863,799	1,092,604
Liabilities					
Trade, other payables and other liabilities	-	-	25,565	-	25,565
Total liabilities that include financial instruments	-	-	25,565	-	25,565
Total liabilities	-	-	25,565	-	25,565

12 MAXIMUM EXPOSURE TO CREDIT RISK

The tables below represents the company's maximum exposure to credit risk. The Company does not have any significant exposure arising from items not recognised on the statement of financial position.

	Credit rating relating to financial assets that are neither past due nor impaired									£
At 31 December 2019	**AAA**	**AA**	**A**	**BBB**	**<BBB**	**Internally rated**	**Included through consolidation of funds**	**Carrying value including held for sale**	**Less: Amount classified held for sale**	**Carrying value**
Financial investments	-	-	-	-	-	-	-	-	-	-
Short-term funds and securities	-	-	-	-	-	-	-	-	-	-
Other investments and securities	-	-	-	-	-	-	-	-	-	-
Assets subject to 12 month ECL model	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	223,361	-	-	-	-	-	-	223,361
Other receivables	-	-	-	-	-	-	-	-	-	-
	-	-	223,361	-	-	-	-	-	-	223,361
	-	-	223,361	-	-	-	-	-	-	223,361

	Credit rating relating to financial assets that are neither past due nor impaired									£
At 31 December 2018	**AAA**	**AA**	**A**	**BBB**	**<BBB**	**Internally rated**	**Included through consolidation of funds**	**Carrying value including held for sale**	**Less: Amount classified held for sale**	**Carrying value**
Financial investments	-	-	-	-	-	-	-	-	-	-
Short-term funds and securities	-	-	-	-	-	-	-	-	-	-
Other investments and securities	-	-	-	-	-	-	-	-	-	-
Assets subject to 12 month ECL model	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	228,805	-	-	-	-	-	-	228,805
Other receivables	-	-	-	-	-	863,799	-	-	-	863,799
	-	-	228,805	-	-	863,799	-	-	-	1,092,604
	-	-	228,805	-	-	863,799	-	-	-	1,092,604

13 RELATED PARTY TRANSACTIONS

Period end balances and transactions with related parties

Outstanding balances are unsecured and interest free. The Company has not provided or benefited from any guarantees for any related party receivables or payables. During the year ended 31 December 2019 the Company has not made any provision for doubtful debt relating to amounts owed by related parties (2018: £nil).

Year end balances for related party transactions are as follows:

	2019	2018
	£	£
Quilter Financial Planning Limited	872,353	813,799
Blueprint Organisation Limited	77	-
	872,430	813,799

Details of transactions with key management personnel are found in note 6, intercompany in notes 7 and 8.

14 GOING CONCERN

In 2014, the Company transferred its business activity, including advisers, to other regulated entities within the Group. Commission income is on financial service products sold before the advisors transferred out. The directors are therefore of the opinion that these financial statements should be prepared on a break up basis as the Company is not actively trading. As all assets and liabilities are with related parties (see note 13) and settled at cost, it is the directors opinion that there is no requirement to revalue the assets and liabilities.

The Company continues to have sufficient assets to meet its ongoing commitments and will continue in operational existence but classified as dormant.

15 EVENTS AFTER THE REPORTING DATE

CORONAVIRUS

In early 2020, the existence of the new coronavirus COVID-19 was confirmed which has since spread across a significant number of countries, leading to the disruption to businesses and economic activity which has been reflected in recent fluctuations in global stock markets. The Company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event. Given the inherent uncertainties, it is not practicable at this time to determine the impact of COVID-19 on the Company or to provide a quantitative estimate of this impact.

16 ULTIMATE PARENT COMPANY

The immediate parent company is Blueprint Organisation Limited, a company registered in England and Wales.

The Company's financial statements are consolidated within the financial statements of Quilter plc, the ultimate parent company and controlling party, registered in England and Wales. The financial statements are available from:

The Company Secretary
Quilter plc
5th Floor, Millennium Bridge House
2 Lambeth Hill
London
EC4V 4AJ