

DEFAQTO GROUP LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

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DEFAQTO GROUP LIMITED

COMPANY INFORMATION

Directors	S Z H Bilgrami R P Bijtjes A C G Brown
Company number	5442706
Registered office	Financial Research Centre Haddenham Business Park Pegasus Way Haddenham Buckinghamshire HP17 8LJ
Registered auditor	RSM UK Audit LLP The Pinnacle 170 Midsummer Boulevard Milton Keynes Buckinghamshire MK9 1BP
Bankers	HSBC Bank Plc 26 Broad Street Reading Berkshire RG1 2BU
Solicitors	Capital Law Limited Capital Building Tyndall Street Cardiff CF10 4AZ

DEFAQTO GROUP LIMITED

CONTENTS

FOR THE YEAR ENDED 31 JULY 2018

	Page
Directors' report	1
Statement of directors' responsibilities	2
Independent auditor's report	3 – 4
Statement of comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Notes to the financial statements	8 - 18

DEFAQTO GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2018

The directors present their report and financial statements for the year ended 31 July 2018.

Principal activities

The principal activity of the Company continued to be that of acting as a holding company. Until 30 March 2015, the Company was the holding company of the financial research and software business Defaqto Limited and the web-portal business DefaqtoMedia Limited. As of 30 March 2015, the Company is the holding company of DefaqtoMedia Limited and two dormant subsidiaries. Defaqto Europe Limited and Find Limited.

Directors

The directors who served throughout the year and up to the date of approval of these financial statements were as follows:

S Z H Bilgrami
R P Bijtjes
A C G Brown

The Company maintains Directors' and Officers' Liability Insurance in respect of legal action that might be brought against directors of the Company and of its affiliates.

Risk management

The Company works to mitigate the risks faced regarding the recoverability of balances due to it. There are significant balances outstanding from group undertakings and the group of which the Company is a member has *outstanding bank loan balances and shareholder loan balances*. Repayment and servicing of these balances will principally be financed through the continued profitability of the affiliate company Defaqto Limited. The directors monitor the recoverability of the intercompany balances and the overall group performance on a monthly basis.

Results and dividends

The results for the year are set out on page 5. The directors do not recommend a final dividend (2017: £nil).

Auditors

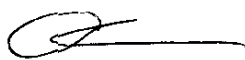
RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Statement of disclosure to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they 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 he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



A C G Brown
Director

30 November 2018

DEFAQTO GROUP LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2018

Statement of directors' responsibilities

The directors are responsible for preparing 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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Practice 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 accounting estimates that are reasonable and prudent;
- 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.

DEFAQTO GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEFAQTO GROUP LIMITED

FOR THE YEAR ENDED 31 JULY 2018

Opinion

We have audited the financial statements of Defaqto Group Limited (the 'company') for the year ended 31 July 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in 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 this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

DEFAQTO GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEFAQTO GROUP LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

RSM UK Audit LLP

GRAHAM RICKETTS (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
Bucks
MK9 1BP

Date *30 November 2018*

DEFAQTO GROUP LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JULY 2018

		Year ended 31 July 2018	Year ended 31 July 2017
	Note	£	£
Turnover	3	717,180	493,268
Staff costs	6	(692,690)	(446,504)
Other operating charges		(27,902)	(57,874)
Operating loss		(3,412)	(11,110)
Interest receivable from group undertakings	5	1,920,000	1,920,000
Profit on ordinary activities before taxation		1,916,588	1,908,890
Tax on profit on ordinary activities	8	-	-
Profit for the financial year		1,916,588	1,908,890
Other comprehensive income		-	-
Total comprehensive income		1,916,588	1,908,890

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

DEFAQTO GROUP LIMITED

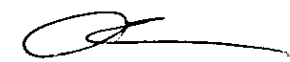
STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2018

		31 July 2018	31 July 2018	31 July 2017	31 July 2017
	Note	£	£	£	£
Fixed assets					
Investments	9		798,489		798,489
Current assets					
Debtors: amounts falling due within one year	10	79,140		59,140	
Debtors: amounts falling due after one year	10	30,412,274		28,492,274	
Cash at bank and in hand		13,448		10,974	
		<u>30,504,862</u>		<u>28,562,388</u>	
Creditors: amounts falling due within one year	11	<u>(2,521,708)</u>		<u>(2,495,822)</u>	
Net current assets			27,983,154		26,066,566
Total assets less current liabilities			28,781,643		26,865,055
Net assets			<u>28,781,643</u>		<u>26,865,055</u>
Capital and reserves					
Called up share capital	12		1,398,912		1,398,912
Share premium account	12		173,173		173,173
Capital contribution reserve	12		13,615,790		13,615,790
Other reserve	12		18,531,753		18,531,753
Retained earnings	12		(4,937,985)		(6,854,573)
Total equity			<u>28,781,643</u>		<u>26,865,055</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 5 to 18 were approved by the Board of directors and authorised for issue on 30 November 2018 and signed on its behalf by



A C G Brown
Director

Company Registration No. 5442706

DEFAQTO GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JULY 2018

	Share capital £	Share premium account £	Capital contribution reserve £	Other reserve £	Retained earnings £	Total £
Balance at 1 August 2016	1,398,912	173,173	13,615,790	18,531,753	(8,763,463)	24,956,165
Profit for the year	-	-	-	-	1,908,890	1,908,890
Total comprehensive income for the year	-	-	-	-	1,908,890	1,908,890
Balance at 1 August 2017	1,398,912	173,173	13,615,790	18,531,753	(6,854,573)	26,865,055
Profit for the year	-	-	-	-	1,916,588	1,916,588
Total comprehensive income for the year	-	-	-	-	1,916,588	1,916,588
Balance at 31 July 2018	1,398,912	173,173	13,615,790	18,531,753	(4,937,985)	28,781,643

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

Company Information

Defaqto Group Limited is a private company limited by shares domiciled and incorporated in England. The registered office is Financial Research Centre, Haddenham Business Park, Pegasus Way, Haddenham, Buckinghamshire, HP17 8LJ.

The Company's principal activities and the nature of the Company's operations are described in the Directors' Report on page 1.

1.1 Accounting convention

These financial statements are prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention.

Monetary amounts in these financial statements are rounded to the nearest £1 except where otherwise indicated.

The Company has taken advantage of the exemption in section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. Consequently, these financial statements present the financial position and financial performance of the Company as a single entity and are therefore its separate financial statements.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of Statement of Cash Flow and related notes and disclosures
- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 33 'Related Party Disclosures' – Compensation of key management personnel
- Section 11- 'Basic Financial Instruments' and section 12- 'Other Financial Instrument Issues'- carrying amounts, interest income/ expense and net gains/ losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.

The financial statements of the Company are consolidated in the financial statements of Regulus Midco Limited and Regulus Topco Limited.

The consolidated financial statements of both these companies are available from the registered office address shown in company information.

Functional and presentational currencies

The financial statements are presented in sterling which is also the functional currency of the Company.

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies (continued)

1.2 Going concern

The Company projections prepared by the directors demonstrate that the Company will generate sufficient cash to enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment and as such the going concern basis of preparation is appropriate. In making this assessment, the directors have considered a period of at least 12 months from the date of authorising these financial statements. The directors acknowledge that there can be no certainty over future events, although at the date of approval of these financial statements, they have no reason to believe that the Company will not perform as expected.

1.3 Related party disclosures

As the Company is a wholly owned subsidiary within the group headed by Regulus Topco Limited, the Company has taken advantage of the exemption contained under section 33 of FRS 102 and has therefore not disclosed transactions or balances with wholly owned entities which form part of the group.

1.4 Investments in subsidiaries

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.5 Financial assets

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any impairment.

Amounts due from group undertakings are measured at the transaction price, less any impairment.

Any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies (continued)

1.6 Financial liabilities and equity

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.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Trade creditors, other creditors and amounts due to group undertakings

Trade creditors, other creditors and amounts due to group undertakings are initially measured at the transaction price and subsequently measured at amortised costs, being the transaction price less any amounts settled.

1.7 Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

1.8 Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies (continued)

1.9 Turnover

Turnover relates to management charges to group companies, is recognised at the time of such services being provided and is stated net of Value Added Tax.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. Employees are entitled to carry forward any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Dividends

Dividends are recognised as liabilities once they are no longer at the discretion of the Company.

1.12 Retirement benefits

The Company operates a defined contribution pension scheme. The amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

2 Critical accounting estimates and areas of judgements

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

Critical accounting estimates and assumptions

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

The key area of estimation that affects these accounts is the assessment of the recoverability of amounts due from group undertakings where the Company makes an estimate of the recoverable amount, predominantly through considering the viability of the group entities from which monies are owed.

3 Turnover

The Company's entire turnover is derived from its activities in the United Kingdom and relates to the provision of management services to group companies.

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

4 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	Year ended 31 July 2018	Year ended 31 July 2017
	£	£
Audit of these financial statements	2,100	2,000

Amounts receivable by the Company's auditors in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is disclosed on a consolidated basis in the consolidated financial statements of the intermediate parent undertaking, Regulus Midco Limited, and the ultimate parent undertaking, Regulus Topco Limited.

5 Interest receivable and similar income

	Year ended 31 July 2018	Year ended 31 July 2017
	£	£
Loans due from group undertaking	1,920,000	1,920,000
	<u>1,920,000</u>	<u>1,920,000</u>

6 Employees

The average monthly number of employees were:

	Year ended 31 July 2018 Number	Year ended 31 July 2017 Number
Administration	2	2
Sales and marketing	1	1
	<u>3</u>	<u>3</u>

The aggregate payroll costs of these persons were as follows:

	Year ended 31 July 2018 £	Year ended 31 July 2017 £
Wages and salaries	546,122	331,142
Social security costs	71,713	42,333
Pension	74,855	73,029
	<u>692,690</u>	<u>446,504</u>

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

7 Directors' remuneration

Directors' remuneration represents the following:

	Year ended 31 July 2018	Year ended 31 July 2017
	£	£
Directors' remuneration	564,664	356,691
Company contributions to money purchase pension schemes	74,855	73,029
	<u>639,519</u>	<u>429,720</u>

The highest paid director earned total remuneration of £250,765 in the year to 31 July 2018, including £22,230 in pension contributions (2017: £159,863 and £21,688 respectively). As at 31 July 2018, retirement benefits were accruing under the Defaqto Group Personal Pension Plan in respect of three directors (2017: three).

The above directors' remuneration includes £18,542 (2017: £29,644) in respect of certain benefits paid by Defaqto Limited, a group undertaking, that were not recharged to the Company.

8 Taxation

	Year ended 31 July 2018	Year ended 31 July 2017
	£	£
Current tax		
Current tax on income in the year	-	-
	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	-	-
	<u>-</u>	<u>-</u>

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

8 Taxation (continued)

The charge for the year can be reconciled to the profit per the statement of comprehensive income as follows:

	Year ended 31 July 2018	Year ended 31 July 2017
	£	£
Profit before taxation on continued operations	1,916,588	1,908,890
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19% (2017: 19.67%)	364,152	375,398
Tax effect of expenses not deductible in determining taxable profit	689	817
Group relief	(364,841)	(376,215)
Tax charge for the year	-	-

The charge for the year to 31 July 2017 was calculated at 19.67% to reflect the 12 month period during which the tax rate was 20% for the initial 8 months and 19% for the final 4 months.

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

9 Fixed asset investments

	31 July 2018 £	31 July 2017 £
Investments in subsidiaries	798,489	798,489

The following information relates to the Company's subsidiary undertakings:

Name	Country of incorporation	Class of share held	Percentage held	Nature of business
DefaqtoMedia Limited	United Kingdom	Ordinary	100%	Website administration
Defaqto Europe Limited	United Kingdom	Ordinary	100%	Dormant
Find Limited	United Kingdom	Ordinary	100%	Dormant

The registered office of all subsidiary undertakings is Financial Research Centre, Haddenham Business Park, Pegasus Way, Haddenham, Buckinghamshire, HP17 8LJ.

Movements in fixed asset investments

	Shares £
Cost	
At 31 July 2018 and 1 August 2017	7,481,554
Impairment	
At 31 July 2018 and 1 August 2017	(6,683,065)
Carrying amount	
At 31 July 2018 and 1 August 2017	798,489

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

10 Debtors

	31 July 2018	31 July 2017
	£	£
Amounts due from group undertakings	77,958	58,317
Prepayments and accrued income	412	823
Other debtors	770	-
	<u>79,140</u>	<u>59,140</u>
Amounts falling due within one year	79,140	59,140
Amounts falling due after one year from group undertakings	<u>30,412,274</u>	<u>28,492,274</u>
	<u>30,491,414</u>	<u>28,551,414</u>

The amounts due after one year from group undertakings represents a £24,000,000 loan and interest accrued thereon due from Regulus Bidco Limited. The loan carries an interest rate of 8% and all interest is payable on maturity of the loan on 30 March 2022.

11 Creditors

	Due within one year	
	31 July 2018	31 July 2017
	£	£
Trade creditors	4,620	-
Other creditors	786	786
Amounts due to group undertakings	2,272,628	2,478,687
Accruals	<u>243,674</u>	<u>16,349</u>
	<u>2,521,708</u>	<u>2,495,822</u>

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

12 Share capital and reserves

	31 July 2018 £	31 July 2017 £
Ordinary share capital		
Issued and fully paid		
180,761 (2017: 180,761) Ordinary shares of £1 each	180,761	180,761
1,217,151 (2017: 1,217,151) A Ordinary shares of £1 each	1,217,151	1,217,151
1,000 (2017: 1,000) B Ordinary shares of £1 each	1,000	1,000
	<u>1,398,912</u>	<u>1,398,912</u>

Ordinary share rights

The Company's Ordinary shares and A Ordinary shares, neither of which carry any rights to fixed income, each carry the right to one vote at general meetings of the Company. The B Ordinary shares carry no voting rights.

Reserves

Reserves of the Company represent the following:

Share premium

Cash consideration received for shares issued above their nominal value net of transaction costs.

Capital contribution reserve

Contributions to the equity capital of the Company.

Other reserve

Unrealised gain on disposal of subsidiary undertaking as part of group restructuring.

Retained earnings

Cumulative profit and loss net of distributions to owners.

DEFAQTO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

13 Controlling party

The directors consider the ultimate parent undertaking to be Regulus Topco Limited, a company incorporated in the United Kingdom. The immediate parent company is Regulus Bidco Limited, a company incorporated in the United Kingdom.

The directors consider that the controlling party is Synova Capital LLP.

Regulus Midco Limited is the parent company of the smallest group for which consolidated accounts including Defaqto Group Limited are prepared. Regulus Topco Limited is the parent undertaking of the largest group for which consolidated accounts including Defaqto Group Limited are prepared. The consolidated accounts of both of these companies are available to the public and may be obtained from:

Financial Research Centre
Haddenham Business Park
Pegasus Way
Haddenham
Buckinghamshire
HP17 8LJ

14 Contingent liabilities

The Company is registered with HMRC as a member of a group for VAT purposes, and as a result is jointly and severally liable on a continuing basis for amounts owing by any other members of that group in respect of unpaid VAT. At the reporting date, the outstanding VAT balance of the other group companies in the VAT group, of which the Company is a member, was a payable amount of £174,648 (2017: £214,724 payable).

The Company has provided a charge over its assets to HSBC Bank Plc in relation to a loan provided by HSBC Bank Plc to Regulus Bidco Limited, a fellow subsidiary undertaking of Regulus Topco Limited and Regulus Midco Limited.