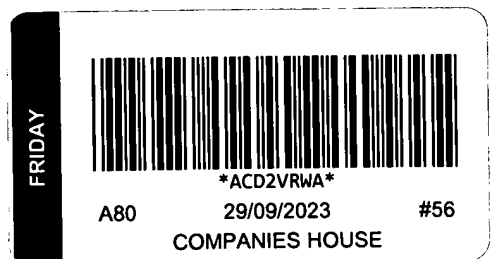


**Gateway Surveying Services Limited**

**Directors' report and Financial  
Statements**

Registered number 05548792

31 December 2022



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## Company information

<b>Directors</b>	ML Timmins NM Stevens PE Hughes SJ Hardwick (resigned 30 September 2022) H Armitage (appointed 30 September 2022) ZD Boehmler (appointed 30 September 2022) J Over (appointed 30 September 2022) M Reynolds (appointed 30 September 2022)
<b>Registered office</b>	Fintel House St. Andrews Road Huddersfield HD1 6NA
<b>Registered number</b>	05548792 (England and Wales)
<b>Auditor</b>	Ernst & Young LLP 1 Bridgewater Place Leeds England LS11 5QR

## Directors' report

The Directors present their report and financial statements of the Company for the year ended 31 December 2022.

### Principal activities and review of business

The principal activity of the Company in the year under review was that of a property survey agency. The results for the year are summarised on page 9.

### Directors

The Directors who held office during the year and up to the signing of this report were as follows.

ML Timmins  
NM Stevens  
PE Hughes  
SJ Hardwick (resigned 30 September 2022)  
H Armitage (appointed 30 September 2022)  
ZD Boehmler (appointed 30 September 2022)  
J Over (appointed 30 September 2022)  
M Reynolds (appointed 30 September 2022)

### Dividends

The Directors have approved a dividend payment to be made to Simplybiz Limited as at 31 December 2022 of £1,579,176 (2021: £nil).

### Future Developments

The Directors do not anticipate any material change in the activities of the Company for the foreseeable future.

### Principal risks and uncertainties

The Directors review and where possible mitigate known business risks. The principal risks of the Fintel plc group of companies (the 'group') are detailed in the financial statements of Fintel plc. The Directors do not believe that there are any significant risks and uncertainties associated with this Company.

### Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors manage the Company alongside the other companies within the group, with group banking facilities in place of £80m until December 2026. The Group directors have prepared cash flow forecasts for the Group for the period to 31 December 2024 which indicate that, taking account of severe but plausible downside scenarios, the Group, including this Company, will have sufficient funds through the Group's combined banking facilities to meet its liabilities as they fall due for that period.

Fintel plc has indicated that it does not intend to seek repayment of the amounts due at the balance sheet date and will make funds available if required for the company to meet its liabilities, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due until at least 31 December 2024 and therefore have prepared the financial statements on a going concern basis.

## **Directors' report** *(continued)*

### **Disclosure of information to auditor**

The Directors who held office at the date of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors is unaware and that each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

### **Directors' indemnities**

As permitted by the Articles of Association, the Directors have the benefit of a Directors' and officers' liability insurance, which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. This indemnity, purchased by Fintel plc and applicable to the Directors of the Company was in force throughout the last financial year and is currently in force.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

By order of the board



**NM Stevens**  
*Director*

Fintel House  
St. Andrews Road  
Huddersfield  
HD1 6NA

27 September 2023

## **Statement of Directors' responsibilities in respect of the Directors' report and the financial statements**

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom 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 Financial Reporting Standard 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 group and the Company and of the profit or loss of the group and the Company for that period.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group and Company financial position and financial performance;
- state whether applicable UK Accounting Standards, including FRS 101, have 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 and group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the group and enable them to ensure that the Company and the group financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent Auditor's report to the members of Gateway Surveying Services Limited**

### **Opinion**

We have audited the financial statements of Gateway Surveying Services Limited for the year ended 31 December 2022 which contain the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 15, 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 FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period until 31 December 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

### **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 contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

## **Independent Auditor's report to the members of Gateway Surveying Services Limited** *(continued)*

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 and 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.

### **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.
- the directors were not entitled to take advantage of the small companies' exemption in preparing the strategic report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

## **Independent Auditor's report to the members of Gateway Surveying Services Limited *(continued)***

### **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.

#### ***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.


- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting frameworks being United Kingdom Accounting Standards, FRS 101 "Reduced Disclosure Framework, the Companies Act 2006, and the relevant tax compliance regulations in the UK.
- We understood how Gateway Surveying Services Limited is complying with those frameworks by initially making inquiries of relevant members of management, as well as those charged with governance. We have further understood the entity's compliance with those frameworks through review of minutes of the Board and key committees. Finally, through our detailed audit procedures we have considered whether any other evidence has been identified that indicates non-compliance with the relevant laws and regulations has occurred.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by understanding the entity's performance against internal key performance indicators used when calculating management's variable remuneration; identifying key judgments and estimates that can materially impact the financial statements; and understanding the controls and processes in place for the prevention and detection of fraudulent financial reporting.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures included testing manual journals recorded by the entity, understanding any unusual and one-off transactions, and where relevant corroborating the basis of accounting judgements and estimates with employees outside of the finance functions.

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

**Independent Auditor's report to the members of Gateway Surveying Services Limited** *(continued)*

**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.

<sup>DS</sup>  
The logo for Ernst & Young, featuring the company name in a stylized, handwritten-style font.

Christopher Robson (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP,  
Statutory Auditor  
Newcastle-Upon-Tyne  
28 September 2023

**Profit and loss account and other comprehensive income**  
*for the year ended 31 December 2022*

	<i>Note</i>	<b>31 December 2022</b>	31 December 2021
		£	£
<b>Turnover</b>		<b>10,117,155</b>	9,764,129
Cost of sales		<b>(3,921,383)</b>	(2,871,341)
		<hr/>	<hr/>
<b>Gross profit</b>		<b>6,195,772</b>	6,892,788
Administrative expenses		<b>(5,920,144)</b>	(5,980,294)
		<hr/>	<hr/>
<b>Operating profit/(loss)</b>	<b>2</b>	<b>275,628</b>	912,494
Interest payable	<b>4</b>	<b>(3,835)</b>	(2,807)
Investment impairment	<b>8</b>	<b>(612,180)</b>	-
Income from shares in group undertakings		<b>764,591</b>	-
		<hr/>	<hr/>
<b>Profit/(loss) before taxation</b>		<b>424,204</b>	909,687
Tax on profit/(loss)	<b>5</b>	<b>(1,945)</b>	(169,548)
		<hr/>	<hr/>
<b>Profit/(loss) for the financial year</b>		<b>422,259</b>	740,139
		<hr/> <hr/>	<hr/> <hr/>

There are no other items to be included in Other Comprehensive Income in the current or preceding year.


The notes on pages 12 to 23 form part of these financial statements.

**Balance sheet**  
*at 31 December 2022*

	<i>Note</i>	31 December 2022		31 December 2021
		£	£	£
<b>Fixed assets</b>				
Tangible assets	6	-		-
Investments	8	-		612,180
Lease asset	6 & 7	181,314		202,353
		<u>181,314</u>		<u>814,533</u>
<b>Current assets</b>				
Debtors	9	1,011,200	2,528,297	
Cash at bank and in hand		215,499	839,021	
		<u>1,226,699</u>	<u>3,367,318</u>	
<b>Creditors: amounts falling due within one year</b>	10	(1,284,848)	(2,893,171)	
<b>Net current assets</b>		<u>(58,149)</u>		<u>474,147</u>
<b>Total assets less current liabilities</b>		<u>123,165</u>		<u>1,288,680</u>
<b>Creditors: amounts falling due after one year</b>				
Lease liability	7	(103,370)		(111,968)
<b>Net assets</b>		<u>19,795</u>		<u>1,176,712</u>
<b>Capital and reserves</b>				
Called up share capital	12	1,258		1,258
Share premium		2,862		2,862
Profit and loss account		15,675		1,172,592
<b>Shareholders' funds</b>		<u>19,795</u>		<u>1,176,712</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies

These financial statements were approved by the Board of Directors on 27 September 2023 and were signed on its behalf by:



**NM Stevens**  
*Director*

Registered no: 05548792

The notes on pages 12 to 23 form part of these financial statements.

**Statement of changes in equity**  
*at 31 December 2022*

	<b>Called up share capital £</b>	<b>Share premium £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
Balance at 1 January 2021	1,258	2,862	432,453	436,573
<b>Total comprehensive income for the period</b>				
Loss for the period	-	-	740,139	740,139
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	740,139	740,139
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Transactions with owners, recorded directly in equity</b>				
Dividends	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total contributions by and distributions to owners	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2021</b>	<b>1,258</b>	<b>2,862</b>	<b>1,172,592</b>	<b>1,176,712</b>
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 1 January 2022	1,258	2,862	1,172,592	1,176,712
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	422,259	422,259
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	422,259	422,259
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Transactions with owners, recorded directly in equity</b>				
Dividends paid	-	-	(1,579,176)	(1,579,176)
	<hr/>	<hr/>	<hr/>	<hr/>
Total contributions by and distributions to owners	-	-	(1,579,176)	(1,579,176)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2022</b>	<b>1,258</b>	<b>2,862</b>	<b>15,675</b>	<b>19,795</b>
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 12 to 23 form part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

Gateway Surveying Services Limited (the "Company") is a company limited by shares and incorporated and domiciled in England & Wales. The address of its principal place of business is Weston House, Bradgate Park View, Chellaston, Derby, DE73 5UJ.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* applicable in the UK and Republic of Ireland ("*FRS 101*"). The presentation currency of these financial statements is pound sterling.

The Company's ultimate parent undertaking, Fintel plc includes the Company in its consolidated financial statements. The consolidated financial statements of Fintel plc are available to the public and may be obtained from Fintel House, St. Andrews Road, Huddersfield, HD1 6NA. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes;
- Key Management Personnel compensation;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.
- Related party transactions entered into between two or more members of the group provided that they are wholly owned by the group.

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

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors manage the Company alongside the other companies within the Fintel group of companies ('the Group'), with group banking facilities in place of £80m until December 2026, of which £nil is drawn as of 30 June 2023. The Group directors have prepared cash flow forecasts for the Group for the period to 31 December 2024 which indicate that, taking account of severe but plausible downside scenarios, the Group, including this Company will have sufficient funds, through the Group's combined banking facilities to meet its liabilities as they fall due for that period.

Various sensitivity analyses have been performed to assess the impact of more severe but plausible downside scenarios to future trading including a 33% reduction in revenue linked to the mortgage market affecting both valuations and commissions, a 33% reduction in core membership revenue, and a 50% reduction in Product Provider Agreements all from August 2023 onwards. All scenarios have been modelled separately and combined, on the separate assumptions that management take no action. Under these severe but plausible downside scenarios the Group continues to operate within its available facilities and does not incur any covenant breaches.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.2 Going concern (continued)

The position of the Company is dependent on Fintel plc not seeking repayment of the amounts currently due to other entities within the group, which at 31 December 2022 amounted to £201,569. Fintel plc has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due until at least 31 December 2024 and therefore have prepared the financial statements on a going concern basis.

#### 1.3 Critical accounting estimates and judgements

The Company makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The Directors believe that there are no critical estimates or judgements material to these financial statements.

#### 1.4 Classification of financial instruments issued by the Company

In accordance with FRS 101, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

#### 1.5 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

##### *Trade and other receivables*

Trade and other receivables are recognised at fair value, minus expected future losses. A provision for impairment of trade receivables is recognised based on lifetime expected losses, but principally comprise balances where objective evidence exists that the amount will not be collectible. Such amounts are written down to their estimated recoverable amounts, with the charge being made to operating expenses.

##### *Trade and other payables*

Trade and other payables are recognised at fair value.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.5 Non-derivative financial instruments (continued)

##### *Amounts owed by / to Group Undertakings*

Amounts owed to group undertakings are classified as current liabilities unless specific payment terms are in place. Amounts owed by group undertakings are classified as non-current assets unless management expect to call upon the balance within one year, in which case they are classified as current assets.

##### *Investments in ordinary shares*

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognition in profit or loss. Other investments are measured at cost less impairment in profit or loss.

#### 1.6 Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16.

##### *As a lessee*

At commencement or on modification of a contract that contains a lease component, along with one or more other lease or non-lease components, the Company accounts for each lease component separately from the non-lease components. However, for the leases of class of underlying asset, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price and the aggregate stand-alone price of the non-lease components.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.6 Leases (continued)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to nil, with any further adjustment required from the remeasurement being recorded in profit or loss.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

##### *Short-term leases and leases of low-value assets*

The Company has elected not to recognise right-of-use assets and lease liabilities for lease of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### 1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The Company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Fixtures and Fittings: 4 years
- Motor Vehicles: 2-3 years
- Office Equipment: 5 years
- Property: 20 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

#### 1.8 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

#### 1.9 Revenue recognition

transfers goods or services to a customer, measured at the amount to which the entity expects to be entitled. Depending on whether certain criteria are met, revenue is recognised:

- over time, in a manner that depicts the entity's performance; or
- at a point in time, when control of the good or service is transferred to the customer.

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

## **Notes** *(continued)*

### **1 Accounting policies** *(continued)*

#### **1.9 Revenue recognition** *(continued)*

The Company reports revenue under the following category:

##### *Valuation services*

Revenue is recognised at the point at which the service is delivered to the customer, based on the agreed price. No performance obligations exist beyond the provision of the service. No significant judgements are involved in the valuation of the revenues.

##### *Contract assets*

A contract asset is initially recognised for revenue earned from services for which the receipt of consideration is conditional on successful completion of the service and performance obligation. Upon completion of the service, the amount recognised as accrued income is reclassified to trade receivables.

##### *Contract liabilities*

A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as deferred income until the Group delivers the performance obligations under the contract (i.e. transfers control of the related goods or services to the customer) at which point revenue is recognised in line with the delivery of the performance obligation.

#### **1.10 Expenses**

##### *Interest receivable and Interest payable*

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the Company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

#### **1.11 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.11 Taxation (continued)

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

### 2 Profit and Loss account information

The Company's activities consist solely of the Company's principal activity in the UK.

The operating profit/(loss) is stated after charging:

	31 December 2022 £	31 December 2021 £
Depreciation – leased assets	89,973	137,265
Depreciation – owned assets	-	-
	<u>89,973</u>	<u>137,265</u>

Auditors remuneration of £13,000 (2021: £12,000) is borne by a fellow group company.

### 3 Staff numbers and costs

There were no employees during the year other than Directors. All staff costs, including Directors' costs, are paid by the parent company and recharged to the Company via management charges. The Company was recharged £102,137 with respect to Directors' costs (2021: £137,000). This is considered to be equivalent to the amount attributable to the services provided by the Directors to the Company.

### 4 Interest payable and similar charges

	31 December 2022 £	31 December 2021 £
Finance charge on lease liability	3,835	2,807
	<u>3,835</u>	<u>2,807</u>

## Notes (continued)

### 5 Taxation

#### *Total tax charge recognised in the profit and loss account*

	31 December 2022 £	31 December 2021 £
<b>Current tax</b>		
Current tax on income for the period	-	171,634
Adjustments in respect of prior periods	(291)	-
<b>Total current tax</b>	<u>(291)</u>	<u>171,634</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	1,710	2,698
Impact of change in tax rate	540	(4,636)
Prior year adjustment	(14)	(148)
<b>Total deferred tax (see note 11)</b>	<u>2,236</u>	<u>(2,086)</u>
<b>Total tax charge</b>	<u><u>1,945</u></u>	<u><u>169,548</u></u>

#### *Reconciliation of effective tax rate*

	31 December 2022 £	31 December 2021 £
Profit/(loss) for the year	422,259	740,139
Total tax charge	<u>1,945</u>	<u>169,548</u>
Profit/(loss) before taxation	<u>424,204</u>	<u>909,687</u>
Tax using the UK corporation tax rate of 19% (2021: 19%)	<u>80,599</u>	<u>172,841</u>
<b>Effects of:</b>		
Expenses not deductible for tax purposes	116,987	741
Adjustments in respect of prior years	(306)	(146)
Impact of change in tax rate	540	(4,636)
Income not taxable	(145,272)	
Group relief claimed	(52,315)	
Capital allowance in excess of depreciation	1,712	748
<b>Total tax charge included in the profit or loss</b>	<u><u>1,945</u></u>	<u><u>169,548</u></u>

#### **Changes affecting the future tax charge**

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in the financial statements.

**Notes** *(continued)*

**6 Tangible fixed assets**

	<b>Property £</b>	<b>Motor Vehicles £</b>	<b>Office Equipment £</b>	<b>Fitxtures and Fittings £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 January 2022	139,245	355,172	2,771	-	497,188
Additions	-	68,934	-	-	68,934
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2022	139,245	424,106	2,771	-	566,122
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation and impairment</b>					
Balance at 1 January 2022	13,924	280,247	664	-	294,835
Depreciation charge for the year	27,847	61,663	463	-	89,973
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2022	41,771	341,910	1,127	-	384,808
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>					
At 31 December 2021	125,321	74,925	2,107	-	202,353
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	97,474	82,196	1,644	-	181,314
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

At 31 December, net book values comprise:

	<b>Property £</b>	<b>Motor Vehicles £</b>	<b>Office Equipment £</b>	<b>Fitxtures and Fittings £</b>	<b>Total £</b>
Leased assets (see note 7)	97,474	82,196	1,644	-	181,314
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

## Notes (continued)

### 7 Leases

#### Amounts recognised in the statement of financial position

The balance sheet shows the following amounts relating to leases:

##### *Right-of-use assets*

Right-of-use assets related to lease properties that do not meet the definition of investment properties are presented as property, plant and equipment (see note 6):

	Property £	Motor Vehicles £	Office equipment £	Total £
Balance at 1 January 2022	125,321	74,925	2,107	202,353
Additions of right-of-use assets	-	68,934	-	68,934
Depreciation charge for the year	(27,847)	(61,663)	(463)	(89,973)
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2022	97,474	82,196	1,644	181,314
	<hr/>	<hr/>	<hr/>	<hr/>

##### *Lease Liabilities*

The following lease liabilities existed at 31 December:

	2022 £	2021 £
Current liability (note 10)	62,349	66,879
Non-current liability	103,370	111,968
	<hr/>	<hr/>
Closing balance	165,719	178,847
	<hr/>	<hr/>

##### *Changes in the lease liability from financing activities:*

	2022 £
Opening balance	178,847
Other changes:	
Additions	68,934
Lease payments	(85,897)
Interest charged	3,835
	<hr/>
Closing balance	165,719
	<hr/>

## Notes (continued)

### 7 Leases (continued)

#### Amounts recognised in profit or loss

The following amounts have been recognised in profit or loss for which the Company is a lessee:

	31 December 2022 £	31 December 2021 £
Lease depreciation	89,973	137,265
Interest charged on lease liability	3,835	2,807
	<hr/>	<hr/>

### 8 Investments

	Shares in group undertakings £
<i>Cost</i>	
At 1 January 2022	612,180
Impairment	(612,180)
	<hr/>
At 31 December 2022	-
	<hr/>
<i>Net book value</i>	
At 31 December 2022	-
	<hr/>
At 31 December 2021	612,180
	<hr/>

The Company's investment consisted of the share capital in the following companies.

**Sonas Surveyors Limited** (registered office: Fintel House, St. Andrews Road, Huddersfield, HD1 6NA) incorporated in England & Wales.

Nature of business: Residual survey and valuation services

Class of shares	% holding
Ordinary	100.00
Ordinary B	100.00

Sonas Surveyors Limited was liquidated during 2022. As such, the total investment value has been impaired to £nil.

## Notes (continued)

### 9 Debtors

	31 December 2022 £	31 December 2021 £
Trade debtors	733,140	796,066
Amounts owed by group undertakings	-	1,433,470
Prepayments	207,799	110,904
Accrued income	55,721	171,080
Deferred tax asset	14,540	16,777
	<u>1,011,200</u>	<u>2,528,297</u>

Amounts owed by group undertakings are repayable on demand and do not attract interest.

### 10 Creditors: amounts falling due within one year

	31 December 2022 £	31 December 2021 £
Trade creditors	1,286	4,830
Amounts owed to group undertakings	201,569	1,687,654
VAT creditor	260,438	300,756
Other creditors and accruals	748,676	619,198
Deferred income	10,530	42,221
Corporation tax liability	-	172,607
Lease liability	62,349	66,879
	<u>1,284,848</u>	<u>2,894,145</u>

Amounts owed to group undertakings are repayable on demand and do not attract interest.

### 11 Deferred tax assets

Deferred tax assets are attributable to the following:

	31 December 2022 £	31 December 2021 £
Accelerated capital allowances	14,540	16,777
Deferred tax assets	<u>14,540</u>	<u>16,777</u>

## Notes (continued)

### 12 Share capital

			31 December 2022	31 December 2021
			£	£
Allotted, issued and fully paid:				
Number	Class:	Nominal value:		
1,258	Ordinary	£1	1,258	1,258

There is a single class of Ordinary share. There are no restrictions on the distribution of dividends or the repayment of capital.

### 13 Contingencies

The Company has provided a guarantee against the bank loans of Fintel plc, the ultimate parent company. The total amount outstanding at 31 December 2022 amounted to £nil (2021: £7,000,000).

### 14 Related party disclosures

The Company has taken advantage of the exemption within FRS 101 and therefore not disclosed details of transactions with fellow companies within the group headed by Fintel plc.

In September 2021 Matt Timmins engaged Gateway Surveyors for structural surveying services totalling £810. This was an arm's length transaction, and the invoice was settled in full.

### 15 Ultimate parent company and controlling party

The immediate parent undertaking is Simply Biz Limited.

The financial statements contain information about Gateway Surveying Services Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

The ultimate parent undertaking is Fintel plc, which is the only set of consolidated financial statements which include the results of the Company. These accounts can be obtained from the Company's registered office.

In the opinion of the Directors, the ultimate controlling party is Fintel plc.