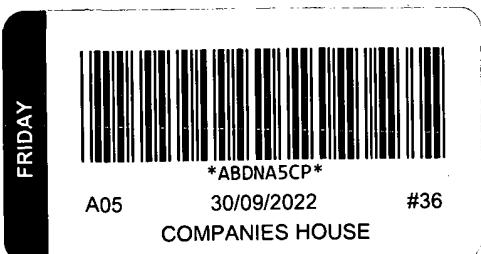


Registration number: 06091083

# Global World-Check Holdings (Nominee) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021



## **Global World-Check Holdings (Nominee) Limited**

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## **Global World-Check Holdings (Nominee) Limited**

### **Directors' Report for the Year Ended 31 December 2021**

The Directors present their annual report and the audited financial statements for the year ended 31 December 2021.

#### **Definitions**

As used in this annual report, "the Group" and "Refinitiv" or "LSEG" refer to London Stock Exchange Group and its subsidiary undertakings, including joint ventures and associates. "The Company" refers to Global World-Check Holdings (Nominee) Limited.

#### **Directors of the Company**

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

P Thorn  
T Knowland

#### **Directors indemnities**

There are no indemnities in place for the Directors. London Stock Exchange Group has a Directors' & Officers' Liability Insurance Policy in place for the Group.

#### **Dividends**

The Company has not proposed any dividend during the year and up to the date of signing of financial statements (2020: \$Nil).

#### **Future development**

The Directors do not envisage any changes to the nature of the business in the foreseeable future.

#### **Post balance sheet event**

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were issued and determined that there were no such events requiring recognition or disclosure in the financial statements.

#### **Going concern**

The Directors have considered the ongoing impact of COVID-19 on the Company in the preparation of these financial statements. The Directors have reviewed Company's performance and critical accounting estimates and judgements for the Company. The Directors have also considered sensitivities including any potential impairments as a result of changes in cash flow forecasts. At the reporting date, no material short-term impacts have crystallised and the Company remains confident about its long-term future performance but remains vigilant in monitoring day to day changes as the global situation evolves. Staff and customer safety remain the paramount concerns of the Company and the Company has adapted successfully to the new ways of working.

Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

## **Global World-Check Holdings (Nominee) Limited**

### **Directors' Report for the Year Ended 31 December 2021 (continued)**

#### **Financial risk management objectives and policies**

The Company's operations expose it to a variety of financial risks. These include the credit risk inherent in a customer base concentrated in the financial community and the interest rate cash flow risk. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company by monitoring customer debt levels and the related financial risks to the business.

Given the size of the Company, the Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the Board of Directors are implemented by the Group's finance department. The department has a policy and procedures manual that sets out specific guidelines to manage credit and currency risks. Interest rate cash flow risk is managed by Company's ultimate parent company.

#### **(i) Credit Risk**

The Company is exposed to concentrations of credit risk. The maximum exposure to credit risk at 31 December 2021 was as follows: other debtors \$751; amounts owed by fellow group undertakings \$9,203,850 and cash and cash equivalents \$253,845 (2020: \$37,284; \$25,917,618 and \$619,303 respectively).

The Company attempts to minimize credit exposure to various instruments as follows:

- Cash and cash equivalents are held with authorised counterparties of a high credit standing. At 31 December 2021, cash and cash equivalents comprise of cash balance with Citibank; and
- Ability of the group to pay the amounts owed on demand minimizes any adverse exposure to the entity.

#### **(ii) Liquidity risk**

The Company's customer profile is such that late payments and defaults may reduce the funds available for operations and planned expansions. The Company manages this risk by engaging external collection agencies.

#### **(iii) Currency Risk**

The Company's financial statements are expressed in US\$ but majority of its business is conducted in ZAR. Changes in the exchange rates for such currencies into US\$ can increase or decrease revenues, operating profit, net earnings and the carrying values of assets and liabilities.

#### **(iv) Cash flow risk**

The Company's interest rate risk arises from interest-bearing assets. Short-term investments and amounts owed by Group undertakings subject to variable rates expose the Company to cash flow interest rate risk, which is the risk that future cash flows will fluctuate because of changes in market interest rates. To minimise this exposure, the majority of the Company's amounts owed by Group undertakings are interest free. There is only one loan which is interest bearing taken from the group companies.

## **Global World-Check Holdings (Nominee) Limited**

### **Directors' Report for the Year Ended 31 December 2021 (continued)**

#### **Statement of Directors' responsibilities**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**Global World-Check Holdings (Nominee) Limited**

**Directors' Report for the Year Ended 31 December 2021 (continued)**

**Statement of Directors' responsibilities (continued)**


**Disclosure of information to the auditor**

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

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

The confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Approved by the Board on 27 September 2022 and signed on its behalf by:

DocuSigned by:  
  
E50DD26E0723742B...  
P Thorn  
Director

## **Global World-Check Holdings (Nominee) Limited**

### **Independent Auditor's Report to the members of Global World-Check Holdings (Nominee) Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

We have audited the financial statements of Global World-Check Holdings (Nominee) Limited ("the Company") for the year ended 31 December 2021 which comprise Profit and Loss Account, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes 1 to 20, 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 Company's affairs as at 31 December 2021 and of its profit for the year then ended 2021;
- 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 of 12 months from when the financial statements are authorised for issue.

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.

## **Global World-Check Holdings (Nominee) Limited**

### **Independent Auditor's Report to the members of Global World-Check Holdings (Nominee) Limited (continued)**

#### **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.

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 the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 3 and 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.



## **Global World-Check Holdings (Nominee) Limited**

### **Independent Auditor's Report to the members of Global World-Check Holdings (Nominee) 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 the Companies Act 2006, FRS 102 and tax legislation (governed by HM Revenue and Customs)
- We understood how the Company is complying with those frameworks by making enquiries with management and seeking representation from those charged with governance. We corroborated our enquiries with a review of minutes of board meetings.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of management and those responsible for legal compliance matters for their awareness of any non-compliance with laws and regulations, inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees, enquiring about the Company's methods of enforcing and monitoring compliance with such policies, reviewing board minutes and corroborating these with enquiries from those charged with governance.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the impact of improper revenue recognition due to management override of controls and the incorrect application of transfer pricing. We considered the controls the Company has established to address the risks identified by the Company, or that otherwise seek to prevent, deter or detect fraud. This included assessing the impact of remote working due to COVID-19. Our procedures involved journal entry testing by specific risk criteria, with a focus on manual top side financial statement adjustments and journals indicating large or unusual transactions based on our understanding of the business. We tested a sample of revenue transactions to supporting documentation. We recalculated the transfer pricing amounts by substantively testing revenue and operating costs, recalculated the mark-up margin and concluded the mark-up was reasonable.

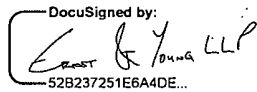
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **Global World-Check Holdings (Nominee) Limited**

### **Independent Auditor's Report to the members of Global World-Check Holdings (Nominee) 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.

DocuSigned by:  
  
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Hitesh Patel (Senior Statutory Auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor,

London, United Kingdom

27 September 2022 | 2:08:48 BST  
Date:.....

**Global World-Check Holdings (Nominee) Limited**

**Profit and Loss Account for the Year Ended 31 December 2021**

	Note	2021 \$	2020 \$
Revenue	3	8,168,429	7,695,506
Operating expenses	4	<u>(7,817,878)</u>	<u>(7,379,780)</u>
Operating profit		350,551	315,726
Finance expense	5	<u>(97,836)</u>	<u>(551,588)</u>
Profit/(Loss) before taxation		252,715	(235,862)
Tax on profit/(loss)	9	<u>42,643</u>	<u>156,211</u>
Profit/(Loss) for the financial year		<u>295,358</u>	<u>(79,651)</u>

The above results were derived from continuing operations.

The notes on pages 13 to 25 form an integral part of these financial statements.

**Global World-Check Holdings (Nominee) Limited**

**Statement of Comprehensive Income for the Year Ended 31 December 2021**

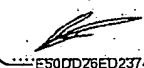
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Profit/(loss) for the year	295,358	(79,651)
<b>Items that may be reclassified subsequently to profit or loss</b>		
Foreign currency translation losses	<u>170,151</u>	<u>(516,916)</u>
<b>Total comprehensive income/(expense) for the year</b>	<u><u>465,509</u></u>	<u><u>(596,567)</u></u>

The notes on pages 13 to 25 form an integral part of these financial statements.

**Global World-Check Holdings (Nominee) Limited**  
**(Registration number: 06091083)**  
**Statement of Financial Position as at 31 December 2021**

	Note	2021 \$	2020 \$
<b>Assets</b>			
<b>Fixed assets</b>			
Property, plant and equipment	10	133,059	246,377
		<u>133,059</u>	<u>246,377</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	10,202,835	26,641,304
Current tax receivable		1,254,801	1,320,440
Cash and cash equivalents	12	253,845	619,303
		11,711,481	28,581,047
Creditors: amounts falling due within one year	13	(5,413,433)	(22,820,870)
<b>Net current assets</b>		<u>6,298,048</u>	<u>5,760,177</u>
<b>Non-current liabilities</b>			
Other non-current financial liabilities	15	(24,759)	(61,976)
Provisions	16	(287,531)	(291,270)
		<u>(312,290)</u>	<u>(353,246)</u>
<b>Net assets</b>		<u>6,118,817</u>	<u>5,653,308</u>
<b>Capital and reserves</b>			
Called up share capital	17	111,285	111,285
Share premium		456,403	456,403
Translation reserve		1,585,732	1,415,581
Retained earnings		<u>3,965,397</u>	<u>3,670,039</u>
<b>Total shareholders' funds</b>		<u>6,118,817</u>	<u>5,653,308</u>

The financial statements on pages 9 to 25, were approved and authorised for issue by the Board of Directors on 27 September 2022 and signed on its behalf by:

DocuSigned by:  
  
.....  
P Thorn  
Director

The notes on pages 13 to 25 form an integral part of these financial statements.

**Global World-Check Holdings (Nominee) Limited**

**Statement of Changes in Equity for the Year Ended 31 December 2021**

	Share capital \$	Share premium \$	Translation reserve \$	Retained earnings \$	Total shareholders' funds \$
At 1 January 2021	111,285	456,403	1,415,581	3,670,039	5,653,308
Profit for the year	-	-	-	295,358	295,358
Other comprehensive income	-	-	170,151	-	170,151
Total comprehensive income	-	-	170,151	295,358	465,509
At 31 December 2021	111,285	456,403	1,585,732	3,965,397	6,118,817

	Share capital \$	Share premium \$	Translation reserve \$	Retained earnings \$	Total shareholders' funds \$
At 1 January 2020	111,285	456,403	1,932,497	3,749,690	6,249,875
Loss for the year	-	-	-	(79,651)	(79,651)
Other comprehensive expense	-	-	(516,916)	-	(516,916)
Total comprehensive expense	-	-	(516,916)	(79,651)	(596,567)
At 31 December 2020	111,285	456,403	1,415,581	3,670,039	5,653,308

The notes on pages 13 to 25 form an integral part of these financial statements.

## **Global World-Check Holdings (Nominee) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **1 General information**

The company is a private company limited by share capital incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales.

The address of its registered office is:

Five Canada Square  
Canary Wharf  
London  
England  
E14 5AQ

Global World-Check Holdings (Nominee) Limited (the "Company") provides research and administration services to the World-Check group of companies forming part of the wider Group.

The Company's functional currency are measured using the currency of the primary economic environment in which the Company's operates ('the functional currency'). The Company's functional currency is South African Rand and the financial statements are presented in US Dollars, which is the Company's presentation currency.

#### **2 Accounting policies**

##### **2.1 Basis of preparation**

These financial statements have been prepared using the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The principal accounting policies applied in the preparation of these financial statements are set out below.

##### **Summary of disclosure exemptions**

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of the Company's ultimate parent undertaking, LSEG, copies of which will be appended with the Company's financial statements while filing with Companies House.

In these financial statements, the Company has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of financial instruments;
- Disclosures in respect of capital management;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures in respect of transactions with wholly owned subsidiaries.

## **Global World-Check Holdings (Nominee) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **2.2 Measurement convention**

The financial statements are prepared on the historical cost basis.

##### **2.3 Going concern**

The Directors have considered the ongoing impact of COVID-19 on the Company in the preparation of these financial statements. The Directors have reviewed Company's performance and critical accounting estimates and judgements for the Company. The Directors have also considered sensitivities including any potential impairments as a result of changes in cash flow forecasts. At the reporting date, no material short-term impacts have crystallised and the Company remains confident about its long-term future performance but remains vigilant in monitoring day to day changes as the global situation evolves. Staff and customer safety remain the paramount concerns of the Company and the Company has adapted successfully to the new ways of working.

Accordingly, they continue to adopt the going concern basis in preparing the financial statements

##### **2.4 Foreign currency transactions and balances**

###### **(a) Functional and presentation currency**

The functional currency of the Company is South African Rand since this is the currency of the primary economic environment in which the Company operates. For ease of presentation, the Company has elected to use US Dollars as the presentation currency given that a significant majority of the Group's earnings are denominated in US Dollars and thus believes that the presentation currency will give the users of the financial statements a clearer understanding of the Company's financial position and performance.

###### **(b) Transactions and balances**

The Company translates its results and financial position into its presentation currency using the following procedures:

- (i) assets and liabilities for each statement of financial position presented (i.e. including comparatives) are translated at the closing rate at the date of that statement of financial position;
- (ii) income and expenses for each statement of comprehensive income (i.e. including comparatives) are translated at exchange rates at the dates of the transactions; and
- (iii) all resulting exchange differences are recognised in other comprehensive income.



## **Global World-Check Holdings (Nominee) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **2.5 Property, plant and equipment**

The cost of an item of property, plant and equipment is recognized as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Company; and
- the cost of the item can be measured reliably.

Property, plant and equipment purchased, but not used yet is disclosed as assets under construction.

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognized in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognized.

Property, plant and equipment is depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

##### **2.6 Depreciation**

The useful lives of items of property, plant and equipment have been assessed as follows:

<b>Asset class</b>	<b>Useful lives</b>
Furniture, fittings and equipment	3 to 7 years
Office equipment	6 years
Other property, plant and equipment	3 years
Leasehold improvements	over the period of the lease

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge from each period is recognized in profit or loss unless it is included in the carrying amount of another asset. Assets under construction are not depreciated.

The gain or loss arising from the derecognizing of an item of property, plant and equipment is included in profit or loss when the item is derecognized. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

##### **2.7 Financial instruments**

## **Global World-Check Holdings (Nominee) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction cost) and subsequently at amortised cost.

##### **Group company loans**

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs. The values are subsequently recognized at amortised cost.

Loans to group companies are classified as loans and receivables.

##### **2.8 Receivables**

Receivables are measured at initial recognition at fair value and are subsequently measured at amortized cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognized in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Receivables are classified as loans and receivables.

##### **2.9 Trade and other payables**

Trade payables are initially measured at fair value and are subsequently recognized at amortised cost.

##### **2.10 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits. These are initially and subsequently recorded at fair value.

##### **2.11 Provisions**

Provisions are recognized when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

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

## **Global World-Check Holdings (Nominee) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **2.12 Current and Deferred Income Tax**

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

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

Unrelieved tax losses and other deferred tax assets are recognized only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognized for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

##### **2.13 Revenue**

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognized. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the select entity.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

##### **(a) Interest Income**

Interest income is recognized on a time-proportion basis using the effective interest method.

##### **(b) Management Income**

Management fees are charged for services rendered to group Companies and are accrued when due payment or when services are rendered.

## Global World-Check Holdings (Nominee) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 2 Accounting policies (continued)

##### 2.14 Employee benefits

###### (a) Bonus plans

The Company recognizes a liability and expense for bonus payments based upon a percentage of employees' salaries. The Company recognizes a provision where contractually obliged or where there is a past practice that has a constructive obligation.

###### (b) Defined contribution schemes

The Company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the Company in an independently administered fund. The amounts charged against profits represent the contributions payable to the schemes in respect of the accounting period.

##### 2.15 Critical accounting estimates and judgements

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

###### *Critical accounting judgements*

Management have not identified any critical estimates and judgements in applying the Company's accounting policies.

###### *Key source of estimation uncertainty*

Management do not consider there to be any key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### 3 Revenue

The analysis of the Company's revenue for the year is as follows:

	2021	2020
	\$	\$
Management fees	8,168,429	7,695,506

Management fees are charged for services rendered to group Companies and are accrued when due for payment or when the services are rendered.

## Global World-Check Holdings (Nominee) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 4 Operating (loss)/profit

		2021	2020
	Note	\$	\$
<b>Arrived at after charging</b>			
Employee benefits expense	6	7,446,168	6,145,653
Operating lease payment expense		313,015	514,985
Depreciation		195,500	375,952
Foreign exchange (gains)/losses		(744,567)	(276,650)
Other expenses		607,762	619,840
		<u>7,817,878</u>	<u>7,379,780</u>

#### 5 Finance expense

		2021	2020
		\$	\$
<b>Finance (expense)/income</b>			
Group Companies		(97,836)	(551,966)
Interest income/(expense)		-	378
Total finance expense		<u>(97,836)</u>	<u>(551,588)</u>

Interest income/(expense) relates to interest accrued on asset retirement obligation in last year.

#### 6 Staff costs

The aggregate payroll costs were as follows:

	2021	2020
	\$	\$
Wages and Salaries	5,161,706	4,462,379
Bonus	458,961	382,187
Social security costs	90,832	79,804
Pension costs	541,206	438,344
Redundancy costs	22,609	1,681
Other employee costs	1,170,854	781,258
	<u>7,446,168</u>	<u>6,145,653</u>

The average monthly number of persons employed by the Company (including Directors) during the year, was as follows:

	2021	2020
	No.	No.
Administration and support	<u>219</u>	<u>219</u>

## Global World-Check Holdings (Nominee) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 7 Directors' remuneration

None of the Directors had any beneficial interest in the share capital of the Company or an interest in any transactions or arrangements with the Company which require disclosure. None of the Directors received any payment for their services as Directors of the Company (2020: \$Nil).

#### 8 Auditor's remuneration

The auditor's remuneration in relation to audit of financial statements for 2021 is \$66,677 (2020: \$62,170) and is paid by a fellow group undertaking and is not recharged to the Company.

#### 9 Tax on (loss)/profit

Tax expense/(credit) included in profit or loss

	2021 \$	2020 \$
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	(37,304)	(147,436)
Adjustment in respect of previous periods	(5,339)	(8,775)
<b>Total deferred tax</b>	<u>(42,643)</u>	<u>(156,211)</u>

Tax credit for the year is higher (2020: higher) than the standard rate of corporation tax in South Africa for the year ended 31 December 2021 of 28% (2020: 28%).

The differences are reconciled below:

	2021 \$	2020 \$
Profit/(Loss) before tax	<u>252,715</u>	<u>(235,862)</u>
Tax on profit/(loss) at standard South Africa tax rate of 28% (2020: 28%)	70,760	(66,041)
South African profit/(loss)	(16,057)	(131,181)
Expenses not deductible	7,460	7,919
Adjustments to tax charge in respect of previous periods - deferred tax	(5,339)	(8,775)
Other adjustments	(99,467)	123,261
Income not taxable	<u>-</u>	<u>(81,394)</u>
<b>Total tax credit</b>	<u>(42,643)</u>	<u>(156,211)</u>

## Global World-Check Holdings (Nominee) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 9 Tax on (loss)/profit (continued)

Any future income is expected to be taxed in South Africa. On 23 February 2022, the South Africa Minister of Finance announced that the corporate income tax rate would be reduced to 27%, effective from years of assessment ending on or after 31 March 2023. This change has been included in the "Draft Rates and Monetary Amounts Bill for 2022" which also includes amendments changing the effective dates of other amendments including changes to section 20. These amendments are proposed to be effective 31 March 2023 and will apply in respect of years of assessment ending on or after that date. Accordingly, deferred tax is recognised at the main rate in South Africa of 28%.

	2021 \$	2020 \$
Deferred tax assets	<u>622,524</u>	<u>579,881</u>

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

#### Deferred tax assets:

	2021 \$	2020 \$
Provision at start of year	579,881	423,670
Deferred tax charge to profit and loss for the year	<u>42,643</u>	<u>156,211</u>
Provision at end of year	<u>622,524</u>	<u>579,881</u>

	2021 \$	2020 \$
Short term timing differences - trading	342,457	323,892
South African losses	<u>280,067</u>	<u>255,989</u>
	<u>622,524</u>	<u>579,881</u>

South African losses can be carried forward indefinitely, as the Company has an active business and is carried on without any interruption.

**Global World-Check Holdings (Nominee) Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

**10 Property, plant and equipment**

	<b>Furniture, fittings and equipment</b>	<b>Office equipment</b>	<b>Assets under construction</b>	<b>Leasehold improvements</b>	<b>Other property, plant and equipment</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
<b>Cost</b>						
At 1 January 2021	175,659	44,201	4,721	1,967,965	815,527	3,008,073
Additions	-	-	951	88,431	19,403	108,785
Disposals	-	-	-	-	-	-
Foreign exchange movements	-	-	(1,392)	(176,510)	47,503	(130,399)
At 31 December 2021	175,659	44,201	4,280	1,879,886	882,433	2,986,459
<b>Accumulated depreciation</b>						
At 1 January 2021	175,659	44,201	-	1,810,937	730,899	2,761,696
Charge for the year	-	-	-	148,943	46,556	195,499
Disposals	-	-	-	-	-	-
Foreign exchange movements	-	-	-	(166,647)	62,852	(103,795)
At 31 December 2021	175,659	44,201	-	1,793,233	840,307	2,853,400
<b>Carrying amount</b>						
At 31 December 2021	-	-	4,280	86,653	42,126	133,059
At 31 December 2020	-	-	4,721	157,028	84,628	246,377

There are no contractual commitments for the acquisition of Property, Plant and Equipment.



## Global World-Check Holdings (Nominee) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 11 Debtors: amounts falling due within one year

	Note	2021 \$	2020 \$
Other debtors		751	37,284
Prepayments		-	36,974
Amounts owed by fellow group undertakings		9,203,850	25,917,618
Other taxes and social security		375,710	69,547
Deferred tax asset	9	622,524	579,881
		<u>10,202,835</u>	<u>26,641,304</u>

Amounts owed by fellow group undertakings are unsecured, non-interest bearable and repayable on demand. The fair value of receivables approximates their carrying value.

#### 12 Cash and cash equivalents

	2021 \$	2020 \$
Bank balances	<u>253,845</u>	<u>619,303</u>

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

	2021 \$	2020 \$
Trade creditors	92,895	181,702
Amounts owed to fellow group undertakings	4,372,549	22,000,380
Leave pay accrual	68,926	136,155
Bonus accrual	649,310	458,526
Other taxation and social security	206,871	24,521
Accruals and other payables	22,882	19,586
	<u>5,413,433</u>	<u>22,820,870</u>

Amounts owed to fellow group undertakings are unsecured and repayable on demand. Amounts owed to fellow group undertakings are non-interest bearing except a loan granted by a group undertaking of US\$ 4,247,898 (2020: US\$ 21,538,609), which accrues an interest equal to the greater of 0.25% and the one month Rand (ZAR) Johannesburg Inter Bank Offered Rate quoted by a recognized financial data provider on the first day of each month plus a margin of 0.125%. The carrying amount of trade and other payables approximates their fair values, given their short-term nature.

#### 14 Pension and other schemes

The total pension cost for the Company was \$541,206 (2020: \$438,344). As at 31 December 2021, accrued pension contributions were \$Nil (2020: \$Nil).

## Global World-Check Holdings (Nominee) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 15 Other Non-current financial liabilities

	2021	2020
	\$	\$
Other Non-current financial liabilities	<u>24,759</u>	<u>61,976</u>

Other Non-Current financial liabilities relate to a Long-term Incentive Plan wherein eligible employees are provided Cash LTI as part of their compensation package. As per group plan, these vest over a period of time, typically three years, subject to continued employment and certain performance conditions being met.

#### 16 Provisions

	2021	2020
	\$	\$
Opening balance for the year	291,270	408,204
Translation	(3,739)	(3,861)
Movement	<u>-</u>	<u>(113,073)</u>
Closing balance for the year	<u>287,531</u>	<u>291,270</u>

Provision is made for estimated cost of leasehold improvements dilapidations, which arise when the Company agrees to restore a leased property to a specified condition at the completion of the lease period. In January 2021, the old lease expired and consequently a new lease was entered into by the Company for its principal place of business as listed in the Directors' Report, which will expire in January 2026. The 2021 dilapidation provision relates entirely to this lease. The dilapidation provision expected to restore a lease property is \$287,531. (2020: \$291,270 based on business confirmation. Therefore, the excess provision has been reversed in the previous year.)

#### 17 Share capital and reserves

##### Allotted, called up and fully paid shares

	2021		2020
	No.	\$	No.
			\$
Ordinary shares £1 of \$1.96 each	<u>56,701</u>	<u>111,285</u>	<u>56,701</u>
			<u>111,285</u>

Share premium amounting to \$456,403 is on account of issue of 56,700 ordinary shares on 8 February 2007.

The ordinary shares have full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

## **Global World-Check Holdings (Nominee) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **18 Contingencies and commitments**

The Company enters into operating leases in the ordinary course of business, primarily for office space. Payments for these leases are contractual obligations as scheduled per each agreement. Operating lease payments in 2021 were \$313,014 (2020: \$514,984). The future aggregate minimum lease payments under operating leases are as follows:

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
- within one year	437,481	382,645
- in second to fifth year	<u>1,564,891</u>	<u>1,798,232</u>
	<u><u>2,002,372</u></u>	<u><u>2,180,877</u></u>

There are no contingent liabilities identified as on the year ended 31 December 2021 (2020: Nil).

#### **19 Parent and ultimate parent undertaking**

As at 31 December 2021, the Company's immediate parent company is Global World-Check Holdings Limited. Within the meaning of the CA2006, London Stock Exchange Group plc. (LSEG) is regarded by the directors of the Company as being the Company's ultimate parent company and controlling party. LSEG is incorporated under the laws of England and Wales with registered address at 10 Paternoster Square, London EC4M 7LS.

#### **20 Post balance sheet events**

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were issued and determined that there were no such events requiring recognition or disclosure in the financial statements.