

New Model Business Academy Limited

**Directors' report and Financial
Statements**

Registered number 06542304

31 December 2022



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Company information

Directors	NM Stevens
Registered office	Fintel House St. Andrews Road Huddersfield HD1 6NA
Registered number	06542304 (England and Wales)
Auditor	Ernst & Young LLP 1 Bridgewater Place Leeds England LS11 5QR

Directors' report

The Directors present their report and financial statements 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 providing educational and development support to everyone in or wanting to join the financial services profession. The results for the year are summarised on page 9.

Dividend

The Directors do not recommend payment of a dividend (2021: £nil).

Directors

The Directors who held office during the year and up to the date of signing of this report were:

NM Stevens

Principal risks and uncertainties

The Directors review and where possible mitigate known business risks. The principal risks of the Fintel 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

In previous years, the financial statements have been prepared on a going concern basis. However, during the financial year ended 31 December 2022, the directors took the decision to cease trading. Accordingly, the directors have prepared the financial statements on a basis other than going concern. This change has resulted in no adjustments to the financial statements.

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.

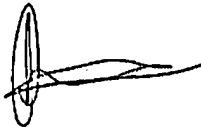
Directors' indemnities

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 NEW MODEL BUSINESS ACADEMY LIMITED

Opinion

We have audited the financial statements of New Model Business Academy Limited (the 'company') for the year ended 31 December 2022 which comprise the Profit and loss account and other comprehensive income, the Balance sheet, the Statement of changes in equity, and the related notes 1 to 9, 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 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 loss 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 the provisions available for small entities, in the circumstances set out in note 1 to the financial statements], 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.

Emphasis of matter –financial statements prepared on a basis other than going concern

We draw attention to Note 1.2 Going Concern to the financial statements which explains that the directors took the decision to cease trading and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in the Note 1.2 Going Concern. Our opinion is not modified in respect of this matter.

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 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 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a 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.

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.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are 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 New Model Business Academy Limited is complying with those frameworks by 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 involved testing manual journals recorded by the entity, understanding 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.

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.

Ernst & Young

*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

	Note	31 December 2022 £	31 December 2021 £
Turnover		9,833	99,906
Administrative expenses		(41,369)	(196,235)
Operating loss	2-3	(31,536)	(96,329)
Provision for amounts due from group undertakings		-	(90,497)
Loss before tax		(31,536)	(186,826)
Tax on loss	4	-	-
Loss for the financial year		(31,536)	(186,826)

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

The notes on pages 12 to 18 form part of these financial statements.

Balance sheet
at 31 December 2022

	Note	31 December 2022	31 December 2021
		£	£
Current assets			
Debtors	5	1,943	7,641
Cash at bank and in hand		3,249	81,997
		<u>5,192</u>	<u>89,638</u>
Creditors: amounts falling due within one year	6	<u>(387,819)</u>	<u>(440,729)</u>
Net current liabilities		<u>(382,627)</u>	<u>(351,091)</u>
Net liabilities		<u>(382,627)</u>	<u>(351,091)</u>
Capital and reserves			
Profit and loss account		<u>(382,627)</u>	<u>(351,091)</u>
Shareholders' deficit		<u>(382,627)</u>	<u>(351,091)</u>

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

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



N M Stevens
Director

Registered no: 06542304

The notes on pages 12 to 18 form part of these financial statements.

Statement of changes in equity
at 31 December 2022

	Profit and loss account £	Total equity £
Balance at 1 January 2021	(164,265)	(164,265)
Total comprehensive income for the period		
Loss for the period	(186,826)	(186,826)
	<hr/>	<hr/>
Total comprehensive loss for the period	(186,826)	(186,826)
	<hr/>	<hr/>
Balance at 31 December 2021	(351,091)	(351,091)
	<hr/>	<hr/>
Balance at 1 January 2022	(351,091)	(351,091)
	<hr/>	<hr/>
Total comprehensive income for the period		
Loss for the period	(31,536)	(31,536)
	<hr/>	<hr/>
Total comprehensive loss for the period	(31,536)	(31,536)
	<hr/>	<hr/>
Balance at 31 December 2022	(382,627)	(382,627)
	<hr/>	<hr/>

The notes on pages 12 to 16 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

New Model Business Academy Limited (the "Company") is a company limited by guarantee and incorporated and domiciled in England and Wales. The address of its registered office is Fintel House, St. Andrews Road, Huddersfield, HD1 6NA.

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

Following a loss for the year ended 31 December 2022 of £31,536 and net current liabilities of £382,627 the financial statements have been prepared on a basis other than going concern as the directors took the decision to cease trading. This change has resulted in no adjustments to the financial statements.

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.

Notes (continued)

1 Accounting policies (continued)

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 and debt securities, 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.

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.

1.6 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.

Notes (continued)

1 Accounting policies (continued)

1.7 Revenue recognition

Revenue is recognised by reference to the five-step model set out in IFRS 15. Revenue is recognised when an entity 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.

The Company reports revenue under the following categories:

Training fees

Revenue from training fees are recognised on an over time basis, in line with the access to services (output method). No significant judgements are made to determine the right of access.

Software licence income

Revenue from software licence income and fees is recognised over time, in line with the right to access to the software (output method). No significant judgements are made to determine the right of access.

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.

1.8 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. 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.

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.

Notes (continued)

2 Profit and loss account information

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

Auditor's remuneration of £4,000 (2021: £3,700) is borne by a fellow group company.

3 Staff numbers and costs

There were no employees during the year. All staff costs, including Directors' costs are paid by the parent company and recharged to the Company via management charges. No specific amount has been recharged with respect to the Directors' costs (2021: £nil) due to their limited involvement in the day-to-day management of the Company in comparison to other entities across the group.

4 Tax on loss on ordinary activities

Total tax charge recognised in the profit and loss account

	31 December 2022 £	31 December 2021 £
Current tax		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax (see note 7)	-	-
Total tax charge	-	-

Reconciliation of effective tax rate

	31 December 2022 £	31 December 2021 £
Loss for the year	(31,536)	(186,826)
Total tax charge	-	-
Loss before taxation	(31,536)	(186,826)
Tax using the UK corporation tax rate of 19% (2021: 19%)	(5,992)	(35,497)
Effects of:		
Expenses not deductible for tax purposes	-	17,889
Deferred tax not recognised	5,992	17,608
Total tax charge included in the profit or loss	-	-

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)

5 Debtors: amounts falling due within one year

	31 December 2022 £	31 December 2021 £
Trade debtors	143	216
Prepayments and accrued income	1,800	12,308
	<u>1,943</u>	<u>12,524</u>

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

6 Creditors: amounts falling due within one year

	31 December 2022 £	31 December 2021 £
Amounts owed to group undertakings	384,160	433,116
Social security and other taxes	3,659	3,200
Accruals	-	4,413
	<u>387,819</u>	<u>440,729</u>

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

7 Deferred tax assets and (liabilities)

Deferred tax assets and (liabilities) are attributable to the following:

	Assets 31 December 2022 £	31 December 2021 £	(Liabilities) 31 December 2022 £	31 December 2021 £	Net 31 December 2022 £	31 December 2021 £
Losses	80,957	73,253	-	-	80,957	73,253
Tax assets / (liabilities)	<u>80,957</u>	<u>73,253</u>	<u>-</u>	<u>-</u>	<u>80,957</u>	<u>73,253</u>

The above deferred tax balances have not been recognised due to uncertainty over their future recoverability.

Notes *(continued)*

8 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.

9 Ultimate parent company and controlling party

The immediate parent undertaking is Simply Biz Limited.

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.