

Consumer Champion Group Limited

Annual report and financial statements

Registered number 06792959

31 December 2019



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Company information

Company registration number	06792959
Registered office	1430 Montagu Court Kettering Parkway Kettering Northants NN15 6XR
Directors	J R Atkinson J D Saralis
Secretary	J D Saralis
Bankers	Yorkshire Bank plc Birmingham Financial Solutions Centre Temple Point No.1 Temple Row Birmingham B2 5YB
Solicitors	Pinsent Masons LLP 55 Colmore Row Birmingham B3 2FG

Strategic report

Principal activities and business review

The Company is principally engaged in the provision of management and other business services to the NAHL Group plc group.

The Directors are satisfied with the results for the year. The Company made an operating loss of £6,246,000 (2018: loss of £1,866,000). This relates to administrative expenses to support group activities and a one-off impairment charge in relation to investments of £4,312,000.

Dividends

The Company received dividends of £33,146,000 (2018: £nil) from its 100% owned subsidiary NAH Holdings Limited and dividends of £10,293,000 (2018: £nil) from its 100% owned subsidiary Bush & Company Rehabilitation Limited. The Company has paid dividends of £22,000,000 (2018: £nil) to its parent undertaking NAHL Group plc.

Principal risks and uncertainties

The Directors consider that the Company does not currently face significant business or other risks and uncertainties over the short term, other than exposure to interest rate movements. As part of our normal management process we prepare detailed projections of future trading, which include the impact for possible changes in market or regulatory conditions. Based on these projections we remain positive about the Company's short and longer term prospects.

Key performance indicators

Reporting of principal risks and uncertainties and key performance indicators have been undertaken at a group level and are disclosed in the group Directors' report of NAHL Group plc. There are no additional significant risks that relate to Consumer Champion Group Limited.

It is also important to ensure that high quality personnel are retained in the business. The Company operates a Company-wide appraisal programme for its entire staff.

By order of the board



J D Saralis
Secretary

24 August 2020

1430 Montagu Court
Kettering Parkway
Kettering
Northants
NN15 6XR

Directors' report

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

Directors

The Directors who held office during the year and subsequent to the year end were as follows:

J R Atkinson
J D Saralis

Charitable donations

The Company made donations to national charities totalling £nil (2018: £250).

Going concern

The Company has a positive cash balance at the year end. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully. As part of normal management process detailed projections of future trading are prepared, which include sensitivity analysis for possible changes in market or regulatory conditions. Based on these projections the Board remain positive about the Company's short and longer term prospects. Accordingly, the Directors continue to adopt the going concern basis in preparing the Directors' report and financial statements.

Indemnity provision

The Ultimate Parent Company of the Company maintained during the period and to the date of approval of the financial statements, indemnity insurance for its Directors and Officers against liability in respect of proceedings brought by third parties, subject to the terms and conditions of the Companies Act 2006.

Future developments

No significant changes to current business operations are expected and no significant events have occurred since the end of the financial period.

By order of the board



J D Saralis
Secretary
24 August 2020

1430 Montagu Court
Kettering Parkway
Kettering
Northants
NN15 6XR

Statement of Directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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 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.

Statement of comprehensive income
for the year ended 31 December 2019

	<i>Note</i>	2019 £000	2018 £000
Administrative expenses		(6,246)	(1,866)
Operating loss	2-3	(6,246)	(1,866)
Income from shares in Group undertakings	4	43,439	-
Interest receivable and similar income	5	1	1
Interest payable and similar charges	6	(598)	(465)
Profit/(Loss) before taxation		36,596	(2,330)
Tax on profit/(loss)	7	-	-
Total comprehensive income		36,596	(2,330)

All results reported above arise from continuing operations.

The notes on pages 9 to 20 form part of these financial statements.

Statement of financial position
at 31 December 2019

	<i>Note</i>	2019 £000	2019 £000	2018 £000	2018 £000
Fixed assets					
Investments	8		68,682		72,994
Tangible assets	9		8		-
Intangible assets	10		33		-
			<hr/>		<hr/>
			68,723		72,994
Current assets					
Debtors	11	99,791		64,418	
Cash at bank and in hand		127		165	
		<hr/>		<hr/>	
		99,918		64,583	
Creditors: amounts falling due within one year	12	(138,277)		(128,281)	
		<hr/>		<hr/>	
Net current liabilities			(38,359)		(63,698)
			<hr/>		<hr/>
Total assets less current liabilities			30,364		9,296
Creditors: amounts falling due after more than one year	13		(23,594)		(17,122)
			<hr/>		<hr/>
Net Liabilities			6,770		(7,826)
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	18		341		341
Retained earnings			6,429		(8,167)
			<hr/>		<hr/>
Total Equity			6,770		(7,826)
			<hr/>		<hr/>

The notes on pages 9 to 20 form part of these financial statements.

For the year ended 31 December 2019, the Company was entitled to exemption from audit under section 479A of the Companies Act relating to qualifying subsidiaries.

Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of Directors on 24 August 2020 and were signed on its behalf by:



J D Saralis
Director

Registered number 06792959

Statement of changes in equity
at 31 December 2019

	Called up share capital £000	Retained earnings £000	Total Equity £000
Balance at 1 January 2018	341	(5,837)	(5,496)
Total comprehensive income for the year			
Profit for the year	-	(2,330)	(2,330)
Total comprehensive income	-	(2,330)	(2,330)
Balance at 31 December 2018	341	(8,167)	(7,826)
Total comprehensive income for the year			
Profit for the year	-	36,596	36,596
Total comprehensive income	-	36,596	36,596
Transactions with owners recorded directly in equity			
Dividends paid	-	(22,000)	(22,000)
Balance at 31 December 2019	341	6,429	6,770

The notes on pages 9 to 20 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Consumer Champion Group Limited (the 'Company') is a company incorporated and domiciled in the UK.

The registered number is 06792959 and the registered address is 1430 Montagu Court, Kettering Parkway, Kettering, Northamptonshire, NN15 6XR.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ('FRS 101').

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('Adopted IFRSs') but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The Company's ultimate parent undertaking, NAHL Group plc includes the Company in its consolidated financial statements. The consolidated financial statements of NAHL Group plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the corporate website (www.nahlgroupplc.co.uk) or from the address below:

NAHL Group plc
1430 Montagu Court
Kettering Parkway
Kettering
Northants
NN15 6XR

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Disclosures in respect of capital management;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures in respect of transactions with wholly owned subsidiaries.

As the consolidated financial statements of NAHL Group plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures; and
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company in the current and prior periods including the comparative period reconciliation for goodwill.

Notes *(continued)*

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

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. Non-current assets are stated at the lower of previous carrying amount and fair value less costs to sell.

1.2 **Critical accounting judgements and key resources of estimation uncertainty**

The preparation of financial statements in conformity with IFRSs requires management to make judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates are based on past experience and other reasonable assessment criteria. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

In applying the Group's accounting policies, management have not identified any areas of judgement or estimates which are material to the amounts reported within the financial statements.

1.3 **Going concern**

The financial statements have been prepared on the going concern basis, notwithstanding the net current liabilities of £38,359,000 (2018: £63,698,000) and net assets of £6,770,000 (2018: net liabilities £7,826,000). The Company has cash balances of £127,000 (2018: £165,000) as at the year end. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully. As part of the normal management process, detailed forecasts of future trading, profits and cashflows are prepared, which includes the impact for possible changes in market or regulatory conditions. Based on these projections, the Board remains positive about the Company's short and medium-term prospects. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

1.4 **Non-derivative financial instruments**

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, trade and other creditors and loans and borrowings.

Investments in debt and equity securities

Investments in subsidiaries are carried at cost less impairment.

Trade and other debtors and cash and cash equivalents

Trade and other debtors and cash and cash equivalents are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors, loans and borrowings

Trade and other creditors and loans and borrowings are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Notes (continued)

1 Accounting policies (continued)

1.5 Investments

Fixed asset investments are stated at cost less any amount written off for permanent diminution in value.

1.6 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.

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. The estimated useful lives are as follows:

- Computer equipment 3 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

1.7 Intangible assets

Software

Software that is acquired by the Company is stated at cost less accumulated amortisation and less accumulated impairment losses. Software assets are measured at the cost of bringing the asset into use. This may include externally incurred consultant costs or a proportion of internal time and salary where internal resource have been used to build the asset. Internally allocated time is based on hours spent bringing the asset into use multiplied by hourly salary rates.

The cost of an intangible asset acquired in a business combination is its fair value at the acquisition date.

Amortisation

Amortisation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Software 3 years

1.8 Pension costs

The Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company. The annual contributions payable are charged to the profit and loss account.

1.9 Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes (continued)

2 Directors' remuneration

Remuneration in respect of Directors was as follows:

	2019 £'000	2018 £'000
Directors' emoluments	432	407

The Company made contributions to pension schemes in respect of two Directors totalling £3,753 (2018: £2,327). The emoluments of the highest paid Director were £246,821 (2018: £240,122).

3 Staff numbers and costs

The average number of persons (full-time equivalents) employed by the Company (including Directors) during the year, analysed by category, was as follows:

	Number of employees 2019	2018
Directors	2	2
Other	2	2
	4	4

The Company also pays for the costs of 4 non-executive Directors of the Group Board of NAHL Group plc (being the ultimate parent Company).

The aggregate payroll costs of these persons were as follows:

	2019 £'000	2018 £'000
Wages and salaries	1,083	888
Share based payments (See note 16)	306	168
Social security costs	141	113
Pension costs	17	5
	1,547	1,174

4 Income from shares in Group undertakings

	2019 £'000	2018 £'000
Dividends received from subsidiaries	43,439	-
	43,439	-

Notes (continued)

5 Interest receivable and similar income

	2019 £'000	2018 £'000
Bank interest receivable	1	1
	<u>1</u>	<u>1</u>

6 Interest payable and similar charges

	2019 £'000	2018 £'000
On bank loans	521	390
Bank charges	77	75
	<u>598</u>	<u>465</u>

7 Taxation

Recognised in the statement of comprehensive income

Analysis of credit for the year

	2019 £'000	2018 £'000
<i>UK corporation tax</i>		
Current tax on income for the year	-	-
Adjustments in respect of prior years	-	-
	<u>-</u>	<u>-</u>
Total current tax credit	-	-
	<u>-</u>	<u>-</u>
Tax on loss on ordinary activities	-	-
	<u>-</u>	<u>-</u>

The tax charge for the year is higher (2018: higher) than the standard rate of corporation tax in the UK of 19.00% (2018: 19.00 %). The differences are explained below:

	2019 £'000	2018 £'000
<i>Reconciliation of effective tax rate</i>		
Profit/(Loss) on ordinary activities before tax	36,596	(2,330)
	<u>6,953</u>	<u>(443)</u>
Tax using UK corporation tax rate of 19.00% (2018: 19.00%)	(8,253)	
Non-taxable income	876	38
Expenses not deductible for tax purposes	424	405
	<u>-</u>	<u>-</u>
Total tax credit	-	-
	<u>-</u>	<u>-</u>

Notes (continued)

7 Taxation (continued)

Changes in tax rates and factors affecting the future tax charge

In the Spring Budget 2020 the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17% as previously announced). This new law was substantively enacted on 17 March 2020.

8 Investments

Company	Interests in subsidiary undertakings £'000
Cost	
At 31 December 2018 and 31 December 2019	<u>72,994</u>
Amortisation and impairment	
At 31 December 2018	-
Impairment charge for the year	<u>4,312</u>
At 31 December 2019	<u>4,312</u>
Net book value	
At 31 December 2018	<u>72,994</u>
At 31 December 2019	<u><u>68,682</u></u>

The Company's subsidiary undertakings are as follows:

Company	Country of registration	Principal activity	Ownership
Bush & Company Rehabilitation Limited	United Kingdom	Critical care services	100%
Fitzalan Partners Ltd	United Kingdom	Agency services for solicitors	100%
NAH Holdings Limited	United Kingdom	Holding company	100%
NAH Group Limited	United Kingdom	Holding company	100%
NAHL Support Services Limited (previously National Accident Helpline Limited)	United Kingdom	Agency services for solicitors	100%
Lawyers Agency Services Limited	United Kingdom	Dormant	100%
Accident Helpline Limited	United Kingdom	Dormant	100%
NAH Support Services Limited	United Kingdom	Dormant	100%
Tiger Claims Limited	United Kingdom	Dormant	100%
National Accident Helpline Limited (previously Your Law 1 Limited)	United Kingdom	Dormant	100%
NAH Legal Services Limited	United Kingdom	Dormant	100%
Searches UK Limited	United Kingdom	Agency services for solicitors	100%
Inside Eye Limited	United Kingdom	Dormant	100%
Project Jupiter Limited	United Kingdom	Holding company	100%
National Accident Law Limited	United Kingdom	Personal Injury Lawyers	100%

The registered office of all of the above subsidiaries is 1430 Montagu Court, Kettering Parkway, Kettering Venture Park, Kettering, Northamptonshire, NN15 6XR.

The Company has three direct subsidiaries, Bush & Company Rehabilitation Limited, Fitzalan Partners Ltd and NAH Holdings Limited. All other subsidiaries are indirectly owned. The Company directly or indirectly owns 100% of the issued ordinary share capital of all its subsidiary undertakings.

Notes (continued)

8 Investments (continued)

In light of the continuing uncertainty around the residential property market (which has been further impacted by the development of the COVID-19 situation in the first half of 2020), the Directors undertook an impairment review of investment held in Fitzalan Partners Ltd at the end of 2019. The recoverable amount of this asset was calculated on a value in use basis using the latest operating cash forecasts. These forecasts indicate that there are insufficient cash flows to support the recoverable value of the investment in Fitzalan Partners Ltd. As such, an impairment loss of £4,312,000 has been recognised in the statement of comprehensive income in relation to the investment. All impairment losses are included within administrative expenses in the statement of comprehensive income.

9 Tangible assets

	Computer Equipment and Total £000
Cost	
Balance at 1 January 2019	-
Additions	10
	<hr/>
Balance at 31 December 2019	10
	<hr/>
Accumulated depreciation and impairment	
Balance at 1 January 2019	-
Depreciation charge for the period	2
	<hr/>
Balance at 31 December 2019	2
	<hr/>
Net book value	
At 31 December 2018	-
	<hr/>
At 31 December 2019	8
	<hr/>

10 Intangible assets

	Software £000
Cost	
Balance at 1 January 2019	-
Additions	36
	<hr/>
Balance at 31 December 2019	36
	<hr/>
Accumulated amortisation and impairment	
Balance at 1 January 2019	-
Amortisation charge for the period	3
	<hr/>
Balance at 31 December 2019	3
	<hr/>
Net book value	
At 31 December 2018	-
	<hr/>
At 31 December 2019	33
	<hr/>

Notes (continued)

11 Debtors

	2019 £'000	2018 £'000
Amounts owed by group undertakings	99,597	64,370
Prepayments & accrued income	134	28
Other taxation and social security	60	20
	<u>99,791</u>	<u>64,418</u>

Amounts owed from group undertakings are unsecured, interest free and repayable on demand.

12 Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Trade creditors	226	104
Amounts owed to group undertakings	137,733	127,925
Accruals & deferred income	318	252
	<u>138,277</u>	<u>128,281</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

13 Creditors: amounts falling after more than one year

	2019 £'000	2018 £'000
Revolving credit facility	23,750	17,250
Less: future finance charges	(156)	(128)
	<u>23,594</u>	<u>17,122</u>

The Company renewed its banking facilities in September 2018 by taking out a revolving credit facility of £25,000,000 and repaying the outstanding term loan at that date of £9,375,000. An extension to the facility term was secured in July 2020 and this facility is now due to terminate on 31 December 2022. Interest is payable at between 1.25% - 1.75% (2018: 1.25% - 1.65%) above LIBOR.

14 Capital commitments

The Company had no capital commitments at either 31 December 2019 or 31 December 2018.

15 Contingent liabilities

There were no contingent liabilities requiring disclosure at either 31 December 2019 or 31 December 2018.

16 Employee share schemes

The group operates 3 employee share plans as follows:

SAYE plan

The SAYE plan is available to all employees. Options may be satisfied by newly issued Ordinary Shares, Ordinary Shares purchased in the market by an employees' trust or by the transfer of Ordinary Shares held in treasury.

LTIP

The LTIP will enable selected employees (including Directors) to be granted awards in respect of Ordinary Shares. Awards may be granted in the form of nil or nominal cost options to acquire Ordinary Shares; or contingent rights to receive Ordinary Shares. Awards may be satisfied by newly issued Ordinary Shares, Ordinary Shares purchased in the market by an employees' trust or by the transfer of Ordinary Shares held in treasury.

EMI Scheme

Options may be granted as tax-favoured enterprise management incentive options ('EMI Options') or non-tax favoured Options. The EMI Plan provides for the grant, to selected employees of the Group, of rights to acquire (whether by subscription or market purchase) Ordinary Shares in the Company ('Options').

Share options expenses are paid through intercompany charges. The terms and conditions of grants of share options to employees of the Group, in the shares of NAHL Group plc are as follows:

Grant date/employees entitled/nature of scheme	Number of instruments	Vesting conditions	Contractual life of options
SAYE Equity-settled award to 1 employee granted by the parent Company on 29 November 2017	14,913 ordinary shares	Performance based	1 January 2021
SAYE Equity-settled award to 3 employees granted by the parent Company on 23 October 2018	48,364 ordinary shares	Performance based	1 December 2021
EMI Equity-settled award to 3 employees granted by the parent Company on 24 May 2018	284,815 ordinary shares	Performance based	On determination of performance criteria (as soon as practicable after 31 December 2020)
EMI Equity-settled award to 3 employees granted by the parent Company on 18 April 2019	325,194 ordinary shares	Performance based	On determination of performance criteria (as soon as practicable after 31 December 2021)

Notes (continued)

16 Employee share schemes (continued)

The number and weighted average exercise prices of share options are as follows:

	2019	2019	2018	2018
	Weighted	Number of	Weighted	Number of
	average	options	average	options
	exercise price		exercise price	
	£	No.	£	No.
At beginning of the year	0.12	491,508	1.07	268,193
Granted during the year	0.0025	325,194	0.15	370,814
Vested during the year	-	-	(2.00)	(124,999)
Lapsed during the year	(0.0025)	(143,416)	(1.60)	(22,500)
Outstanding at the end of the year	0.09	673,286	0.12	491,508
Exercisable at the end of the year	2.00	124,999	2.00	124,999

A charge of £307,000 (2018: £168,000) has been made through the profit and loss account in the current year.

Notes (continued)

17 Financial instruments

The Company has taken an exemption from the requirement to prepare a financial instruments note on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements. The amounts owed by group undertakings have not been included within the consolidated financial statements and have been considered below.

Amounts owed by group undertakings

The fair value of amounts owed by group undertakings are estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Management believe there are no risks arising from these financial instruments on the grounds that the amounts are payable on demand and no interest is charged to group undertakings. The Board reviews and agrees policies for managing these risks. There have been no substantive changes in the Company's exposure to financial instrument risks or its objectives, policies and processes for managing and measuring those risks during the periods in this report unless otherwise stated.

	Fair value hierarchy	Carrying amount 2019 £000	Fair value 2019 £000	Carrying amount 2018 £000	Fair value 2018 £000
Amounts owed by group undertakings	Level 3	99,597	99,597	64,370	64,370
Total financial assets		<u>99,597</u>	<u>99,597</u>	<u>64,370</u>	<u>64,370</u>
Amounts owed to group undertakings	Level 3	(137,733)	(137,733)	(127,925)	(127,925)
Total financial liabilities measured at amortised cost		<u>(137,733)</u>	<u>(137,733)</u>	<u>(127,925)</u>	<u>(127,925)</u>

Fair value hierarchy

IFRS 7 requires fair value measurements to be recognised using a fair value hierarchy that reflects the significance of the inputs used in the value measurements:

Level 1 – inputs are quoted prices in active markets

Level 2 – a valuation that uses observable inputs for the asset or liability other than quoted prices in active markets

Level 3 – a valuation using unobservable inputs, i.e. a valuation technique.

There were no transfers between levels throughout the periods under review.

18 Share capital

Authorised, allotted, called up and fully paid:

	2019		2018	
	No.	£'000	No.	£'000
Ordinary shares of £0.50 each	682,490	341	682,490	341
	<u>682,490</u>	<u>341</u>	<u>682,490</u>	<u>341</u>

Voting rights

All classes of share are entitled to one vote per share.

Notes *(continued)*

19 Related party transactions

As all of the Company's voting rights are controlled within the group headed by NAHL Group plc, the Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of NAHL Group plc, within which this Company is included, can be obtained from the address given in note 20.

20 Ultimate parent Company and controlling party

The Company's immediate parent undertaking and the ultimate controlling party is NAHL Group plc, a company incorporated in the United Kingdom.

The smallest and largest group in which the results of the Company are consolidated is that headed by NAHL Group plc. The consolidated financial statements are available to the public and may be obtained from the corporate website (www.nahlgroupplc.co.uk) or from the address below:

NAHL Group plc
1430 Montagu Court
Kettering Parkway
Kettering
Northants
NN15 6XR