

**Consumer Champion Group Limited**

Annual report and financial statements

Registered number 06792959

31 December 2021

Unaudited

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## **Company information**

<b>Company registration number</b>	06792959
<b>Registered office</b>	Bevan House Kettering Parkway Kettering Northamptonshire NN15 6XR
<b>Director</b>	J D Saralis
<b>Secretary</b>	J D Saralis (resigned 24 November 2021) K Cove (appointed 24 November 2021)
<b>Bankers</b>	Yorkshire Bank plc Birmingham Financial Solutions Centre Temple Point No.1 Temple Row Birmingham B2 5YB
<b>Solicitors</b>	Addleshaw Goddard LLP Milton Gate 60 Chiswell Street London EC1Y 4AG

## **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 Director is satisfied with the results for the year. The Company made an operating loss of £1,995,000 (2020: loss of £2,326,000). This relates to administrative expenses to support group activities.

### **Dividends**

The Company received dividends of £nil (2020: £nil) from its 100% owned subsidiary NAH Holdings Limited and dividends of £nil (2020: £nil) from its 100% owned subsidiary Bush & Company Rehabilitation Limited. The Company has paid dividends of £nil (2020: £nil) to its parent undertaking NAHL Group plc.

### **Principal risks and uncertainties**

The Director considers 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 the normal management process the Director prepares detailed projections of future trading, which include the impact for possible changes in market or regulatory conditions. Based on these projections the Director remains 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



**K Cove**  
*Secretary*

27 September 2022

Bevan House  
Kettering Parkway  
Kettering  
Northamptonshire  
NN15 6XR

## Director's report

The Director presents his annual report and the financial statements for the year ended 31 December 2021.

### Directors

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

JD Saralis

### Charitable donations

The Company made donations to national charities totalling £795 (2020: £50).

### Going concern

The Company has a positive cash balance at the year end. After making enquiries, the Director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As a consequence, the Director believes 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 Director continues to adopt the going concern basis in preparing the Director's 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



K Cove  
Secretary  
27 September 2022

Bevan House  
Kettering Parkway  
Kettering  
Northamptonshire  
NN15 6XR

## **Statement of Director's responsibilities in respect of the Strategic Report, Director's Report and the financial statements**

The Director is responsible for preparing the Strategic Report, the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has 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 Director 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 Director is 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 Director is 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 Director is 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 2021*

	Note	2021 £000	2020 £000
Administrative expenses		(1,995)	(2,326)
<b>Operating loss</b>	2-4	<b>(1,995)</b>	<b>(2,326)</b>
Interest receivable and similar income	5	-	1
Interest payable and similar charges	6	(545)	(575)
<b>Loss before taxation</b>		<b>(2,540)</b>	<b>(2,900)</b>
Tax on loss	7	(39)	(23)
<b>Total comprehensive income</b>		<b>(2,579)</b>	<b>(2,923)</b>

All results reported above arise from continuing operations.

The notes on pages 9 to 21 form part of these financial statements.

**Statement of financial position**  
*at 31 December 2021*

	Note	2021 £000	2021 £000	2020 £000	2020 £000
<b>Fixed assets</b>					
Investments	8		69,727		68,682
Tangible assets	9		324		117
Intangible assets	10		127		170
Right of use assets	11		2,278		2,699
			<hr/>		<hr/>
			72,456		71,668
<b>Current assets</b>					
Debtors	12	100,440		100,827	
Cash at bank and in hand		108		340	
		<hr/>		<hr/>	
		100,548		101,167	
<b>Creditors: amounts falling due within one year</b>	13	(151,595)		(146,670)	
<b>Lease liabilities</b>	11	(216)		(222)	
		<hr/>		<hr/>	
		(151,811)		(146,892)	
<b>Net current liabilities</b>			(51,263)		(45,725)
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			21,193		25,943
<b>Creditors: amounts falling due after more than one year</b>					
Other interest-bearing loans and borrowings	14	(17,910)		(19,901)	
Lease liabilities	11	(1,953)		(2,172)	
Deferred tax	15	(62)		(23)	
		<hr/>		<hr/>	
			(19,925)		(22,096)
<b>Net Assets</b>			<hr/>		<hr/>
			1,268		3,847
<b>Capital and reserves</b>					
Called up share capital	19		341		341
Retained earnings			927		3,506
			<hr/>		<hr/>
<b>Total Equity</b>			1,268		3,847
			<hr/>		<hr/>

The notes on pages 9 to 21 form part of these financial statements.

For the year ended 31 December 2021, 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 Director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts are prepared in accordance with the special provisions relating to the companies subject to the medium-sized companies regime.

These financial statements were approved by the board of Directors on 27 September 2022 and were signed on its behalf by:



**JD Saralis**

Director

Registered number 06792959



**Statement of changes in equity**  
*at 31 December 2021*

	<b>Called up share capital £000</b>	<b>Retained earnings £000</b>	<b>Total Equity £000</b>
<b>Balance at 1 January 2020</b>	<b>341</b>	<b>6,429</b>	<b>6,770</b>
<b>Total comprehensive income for the year</b>			
Profit for the year	-	(2,923)	(2,923)
Total comprehensive income	-	(2,923)	(2,923)
<b>Balance at 31 December 2020</b>	<b>341</b>	<b>3,506</b>	<b>3,847</b>
<b>Total comprehensive income for the year</b>			
Profit for the year	-	(2,579)	(2,579)
Total comprehensive income	-	(2,579)	(2,579)
<b>Balance at 31 December 2021</b>	<b>341</b>	<b>927</b>	<b>1,268</b>

The notes on pages 9 to 21 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 Bevan House, 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 Accounting Standards but makes amendments where necessary in order to comply with the 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 Accounting Standards and are available to the public and may be obtained from the corporate website ([www.nahlgroupplc.co.uk](http://www.nahlgroupplc.co.uk)) or from the address below:

NAHL Group plc  
Bevan House  
Kettering Parkway  
Kettering  
Northamptonshire  
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 £51,263,000 (2020: £45,725,000) and net assets of £1,268,000 (2020: £3,847,000). The Company has cash balances of £108,000 (2020: £340,000) as at the year end. After making enquiries, the Director has 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 Director believes 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 Director continues 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
- Fixtures and fittings 3 – 10 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 within administrative expenses 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.

#### 1.10 Government grants

As a result of the economic impact of the COVID-19 pandemic, the Company made use of the Government's Coronavirus Job Retention Scheme. Income from this scheme has been accounted for under IAS 20: Government Grants and is included within the profit and loss account as a deduction from the corresponding expense.

#### 1.11 Retained earnings

Retained earnings represents the cumulative balance of profits and losses to 31 December 2021 less any cumulative dividends to 31 December 2021.

## Notes (continued)

### 2 Operating loss

Operating loss is stated after charging:

	December 2021 £000	December 2020 £000
Depreciation of fixed assets	40	18
Amortisation of intangible assets	43	39
Right of use asset depreciation	280	185
Government grants	(4)	(33)
	<u>          </u>	<u>          </u>

### 3 Directors' remuneration

Remuneration in respect of Directors was as follows:

	2021 £'000	2020 £'000
Directors' emoluments	220	533
	<u>          </u>	<u>          </u>

The Company made contributions to pension schemes in respect of one Director totalling £1,892 (2020: two directors totalling £3,276). The emoluments of the highest paid Director were £219,662 (2020: £353,182).

### 4 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	
	2021	2020
Directors	1	2
Other	22	20
	<u>          </u>	<u>          </u>
	23	22
	<u>          </u>	<u>          </u>

The Company also pays for the costs of four 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:

	2021 £'000	2020 £'000
Wages and salaries	1,571	1,610
Share based payments	203	83
Social security costs	167	183
Pension costs	30	28
	<u>          </u>	<u>          </u>
	1,971	1,904
	<u>          </u>	<u>          </u>

**Notes** *(continued)*

**5 Interest receivable and similar income**

	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Bank interest receivable	-	1
	<hr/>	<hr/>
	-	1
	<hr/>	<hr/>

**6 Interest payable and similar charges**

	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
On bank loans	389	462
Loan arrangement fees	99	88
Interest on lease liabilities	57	25
	<hr/>	<hr/>
	545	575
	<hr/>	<hr/>

## Notes (continued)

### 7 Taxation

#### Recognised in the statement of comprehensive income

##### Analysis of charge for the year

	December 2021 £'000	December 2020 £'000
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Adjustments for prior periods	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>
<i>Deferred tax</i>		
Origination/reversal of timing differences	39	23
	<hr/>	<hr/>
Total deferred tax	39	23
	<hr/>	<hr/>
<b>Tax on loss</b>	<b>39</b>	<b>23</b>
	<hr/>	<hr/>

#### Factors affecting the tax charge for the current period

The tax for the year is higher (2020: *higher*) than the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%). The differences are explained below:

	2021 £'000	2020 £'000
<i>Reconciliation of effective tax rate</i>		
Loss on ordinary activities before tax	(2,540)	(2,900)
	<hr/>	<hr/>
Tax using UK corporation tax rate of 19.00% (2020: 19.00%)	(483)	(551)
	<hr/>	<hr/>
Expenses not deductible for tax purposes	59	18
Group relief	463	556
	<hr/>	<hr/>
Total tax charge	39	23
	<hr/>	<hr/>

#### Changes in tax rates and factors affecting the future tax charge

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. This was substantively enacted at the reporting date and the effects are included within these financial statements.

## Notes (continued)

### 8 Investments

Company	Interests in subsidiary undertakings £'000
<i>Cost</i>	
At 31 December 2020	72,994
Additions	1,045
31 December 2021	<u>74,039</u>
<i>Amortisation and impairment</i>	
At 31 December 2020	4,312
Impairment charge for the year	-
At 31 December 2021	<u>4,312</u>
<i>Net book value</i>	
At 31 December 2020	68,682
At 31 December 2021	<u>69,727</u>

Searches UK Limited, an indirect subsidiary of Consumer Champion Group Limited, was transferred from Homeward Legal Limited to Consumer Champion Group Limited in December 2021 for consideration of £1,045,000.

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%
Homeward Legal Limited	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	United Kingdom	Provision of Group support services	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	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 Bevan House, Kettering Parkway, Kettering, Northamptonshire, NN15 6XR.

The Company has four direct subsidiaries, Bush & Company Rehabilitation Limited, Homeward Legal Limited, Searches UK Limited 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.

In 2019, in light of the continuing uncertainty around the residential property market (which was further impacted by the development of the COVID-19 situation in the first half of 2020), the Director undertook an impairment review of investment held in Homeward Legal 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 Homeward Legal. As such, an impairment loss of £4,312,000 was 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.



## Notes (continued)

### 9 Tangible assets

	Fixtures & fittings £'000	Computer Equipment £'000	Total £'000
<b>Cost</b>			
Balance beginning of year	118	19	137
Additions	233	-	233
Transfer	55	(19)	36
<b>Balance at 31 December 2020</b>	<b>406</b>	<b>-</b>	<b>406</b>
<b>Accumulated depreciation and impairment</b>			
Balance beginning of year	12	8	20
Charge for the year	37	3	40
Transfers	33	(11)	22
<b>Balance at 31 December 2021</b>	<b>82</b>	<b>-</b>	<b>82</b>
<b>Net book value</b>			
At 31 December 2020	106	11	117
<b>At 31 December 2021</b>	<b>324</b>	<b>-</b>	<b>324</b>

### 10 Intangible assets

	Software £000
<b>Cost</b>	
Balance at 1 January 2021	212
Additions	-
<b>Balance at 31 December 2021</b>	<b>212</b>
<b>Accumulated amortisation and impairment</b>	
Balance at 1 January 2021	42
Amortisation charge for the period	43
<b>Balance at 31 December 2021</b>	<b>85</b>
<b>Net book value</b>	
At 31 December 2020	170
<b>At 31 December 2021</b>	<b>127</b>

## Notes (continued)

### 11 Leases

This note provides information for leases where the Company is a lessee.

Amounts recognised in the balance sheet

	December 2021 £'000	December 2020 £'000
<b>Right of use assets</b>		
Buildings	2,278	2,699
	<u>2,278</u>	<u>2,699</u>

Additions to right of use assets of £nil were made during the year. During the year, the Company took advantage of a rent-free period in exchange for making improvements to the property. The right of use asset and lease liabilities have been re-valued accordingly. Lease liabilities of £2,169,000 have been recognised at the balance sheet date (2020: £2,394,000).

Maturity analysis – contractual undiscounted cash flows

	December 2021 £'000	December 2020 £'000
Less than one year	267	259
One to five years	1,135	1,116
More than five years	1,010	1,306
	<u>2,412</u>	<u>2,681</u>

The total cash flow for leases during the year was £121,000 (2020: £130,000).

The profit and loss account includes the following amounts in relation to leases:

	December 2021 £'000	December 2020 £'000
<b>Depreciation charge of right of use assets</b>		
Buildings	280	185
	<u>280</u>	<u>185</u>
Interest expense	57	25
Expenses relating to leases of low value assets	-	-
	<u>-</u>	<u>-</u>

**Notes (continued)**

**12 Debtors**

	2021 £'000	2020 £'000
Amounts owed by group undertakings	100,328	100,644
Prepayments & accrued income	90	103
Other taxation and social security	22	80
	<u>100,440</u>	<u>100,827</u>

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

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

	2021 £'000	2020 £'000
Trade creditors	65	285
Amounts owed to group undertakings	150,257	145,058
Accruals & deferred income	1,010	1,109
Other taxation and social security	263	218
	<u>151,595</u>	<u>146,670</u>

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

**14 Other interest-bearing loans and borrowings**

	2021 £'000	2020 £'000
Revolving credit facility	18,000	20,000
Less: future finance charges	(90)	(99)
	<u>17,910</u>	<u>19,901</u>

The Company renewed its banking facilities in September 2017 by taking out a revolving credit facility of £25,000,000 and repaying the outstanding term loan at that date of £9,375,000. The facility was reduced to £20,000,000 in December 2021 and was extended with the facility now due to terminate on 31 December 2024. Interest is payable at 2.25% above SONIA per annum.

**Notes** *(continued)*

**15 Deferred taxation**

	<b>December 2021 £'000</b>	December 2020 £'000
Liability at beginning of the period	<b>23</b>	-
Profit and loss account movement during the period	<b>39</b>	23
	<hr/>	<hr/>
Liability at end of period	<b>62</b>	23
	<hr/>	<hr/>

The deferred taxation liability consists of the tax effect of timing differences in respect of:

	<b>December 2021 £'000</b>	December 2020 £'000
Accelerated capital allowances	<b>62</b>	23
	<hr/>	<hr/>
	<b>62</b>	23
	<hr/>	<hr/>

**16 Capital commitments**

The Company had no capital commitments at either 31 December 2021 or 31 December 2020.

**17 Contingent liabilities**

There were no contingent liabilities requiring disclosure at either 31 December 2021 or 31 December 2020.

## Notes (continued)

### 18 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 and from group undertakings*

The fair value of amounts owed by and from 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 2021 £000	Fair value 2021 £000	Carrying amount 2020 £000	Fair value 2020 £000
Amounts owed by group undertakings		100,328	100,328	100,644	100,644
Total financial assets		100,328	100,328	100,644	100,644
Amounts owed to group undertakings		(150,257)	(150,257)	(145,058)	(145,058)
Total financial liabilities measured at amortised cost		(150,257)	(150,257)	(145,058)	(145,058)

### 19 Share capital

*Authorised, allotted, called up and fully paid:*

	2021		2020	
	No.	£'000	No.	£'000
Ordinary shares of £0.50 each	682,490	341	682,490	341
	682,490	341	682,490	341

#### *Voting rights*

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

## Notes (continued)

### 20 Reserves

The following describes the nature and purpose of each reserve within equity:

Share capital - nominal value of share capital subscribed for.

Retained earnings – the cumulative amount of all other net gains and losses and transactions with owners not recognised elsewhere.

### 21 Share-based payments

Certain employees of the company participate in equity-settled share-based payment schemes which are operated by the Company's ultimate parent company NAHL Group plc. No (2020: none) share options were exercised in the current year.

At 31 December 2021 there are 612,243 outstanding options (2020 – 420,023).

#### SAYE plan

Options may be satisfied by newly issued Ordinary Shares, or by the transfer of Ordinary Shares held in treasury. The SAYE scheme is open to all employees of the Group headed by NAHL Group plc. The scheme runs over three years with employees choosing to save between £0 – £500 per month, the proceeds of which can then be used to purchase the shares under option. These options vest over three years to 31 December 2021.

#### Nominal Cost LTIP

The nominal cost LTIP enables selected employees 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, or by the transfer of Ordinary Shares held in treasury. Vesting conditions are based on certain performance criteria over a two or three year period.

The weighted average remaining contractual lives of the options are 673 days (2020: 354). At the end of the year, 612,243 options had an exercise price of £nil (2020: 380,071 had an exercise price of £0.0025 and 39,952 had an exercise price of £0.856).

As at 31 December 2021, 31,542 options were exercisable (31 December 2020: nil).

### 22 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 23.

### 23 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](http://www.nahlgroupplc.co.uk)) or from the address below:

NAHL Group plc  
Bevan House  
Kettering Parkway  
Kettering  
Northamptonshire  
NN15 6XR