

**Verbatim Portfolio Management Limited**

**Directors' report and financial  
statements**

Registered number 07037051

31 December 2020

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## Company information

<b>Directors</b>	NM Stevens GJ Kershaw DL Rogers
<b>Registered office</b>	Fintel House St. Andrews Road Huddersfield HD1 6NA
<b>Registered number</b>	07037051 (England and Wales)
<b>Auditor</b>	KPMG LLP 15 Canada Square London England E14 5GL

## **Directors' report**

The directors present their report and financial statements of the company for the year ended 31 December 2020.

### **Principal activities and review of business**

The principal activity of the company in the year under review was that of a provider of investment planning tools to financial advisors. The results for the year are detailed on page 9.

### **Directors**

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

NM Stevens  
GJ Kershaw  
DL Rogers

### **Dividends**

The directors do not recommend payment of a dividend (2019: £nil).

### **Future Developments**

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

### **Principal risks and uncertainties**

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

Actions taken to ensure that the business is well positioned to fully support the requirements of its customers and colleagues during the Covid 19 pandemic have been successful. The business has continued to provide all services to its customers during the lockdown period and employees were able to work from remote locations immediately, avoiding any material impact to trading.

### **Going concern**

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

The directors manage the Company alongside the other companies within the group, with group banking facilities in place of £45m until March 2024. The Group Directors have prepared cash flow forecasts for the Group for the period to December 2022 which indicate that, taking account of severe but plausible downside scenarios, the Group, including this Company, will have sufficient funds through the Group's combined banking facilities to meet its liabilities as they fall due for that period.

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

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due until at least December 2022 and therefore have prepared the financial statements on a going concern basis.

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

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

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

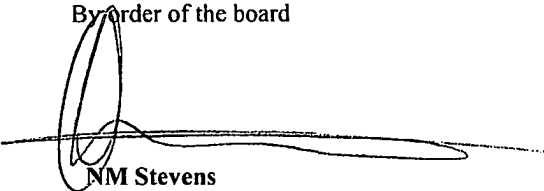
### **Directors' indemnities**

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**

The group intends to hold a tender for audit services prior to the end of the financial year to 31 December 2021. KPMG LLP has indicated that, following a commercial decision, it will not participate in this process and will therefore tender its resignation at the time the new auditor has been selected. KPMG LLP confirms there are no circumstances in connection with its planned resignation that should be brought to the attention of the members or creditors of the Company.

By order of the board



NM Stevens  
Director

Fintel House  
St, Andrews Road  
Huddersfield  
HD1 6NA

30 September 2021

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

The directors acknowledge their responsibilities for preparing 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 elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



**KPMG LLP**

15 Canada Square  
London  
England  
E14 5GL  
United Kingdom

## **Independent Auditor's report to the members of Verbatim Portfolio Management Limited**

### **Opinion**

We have audited the financial statements of Verbatim Portfolio Management Limited (the 'Company') for the year ended 31 December 2020, which comprise the Profit and loss account and Other Comprehensive Income, Balance sheet, Statement of changes in equity, and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

## **Independent Auditor's report to the members of Verbatim Portfolio Management Limited (*continued*)**

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, and whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board meeting minutes.
- Considering remuneration incentive schemes and performance targets for management, directors and staff.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that revenue is not calculated appropriately or recorded in the wrong period and the risk that Company management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates.

We did not identify any additional fraud risks.

We performed procedures including:

- Tested whether a sample of sales transactions were recognised in the correct period by vouching those to underlying supporting documentation.
- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those with unexpected revenue account combinations during the financial year.

#### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery and employment law recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

## **Independent Auditor's report to the members of Verbatim Portfolio Management Limited (continued)**

### **Fraud and breaches of laws and regulations – ability to detect (continued)**

#### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Independent Auditor's report to the members of Verbatim Portfolio Management Limited (*continued*)**

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

### **The purpose of our audit work and to whom we owe our responsibilities**

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.

*Paul Nichols*

**Paul Nichols (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
England  
E14 5GL

Date: 4 October 2021

**Profit and loss account and other comprehensive income**  
*for the year ended 31 December 2020*

	<i>Note</i>	<b>31 December 2020 £</b>	<b>31 December 2019 £</b>
<b>Turnover</b>		<b>122,432</b>	<b>318,929</b>
<b>Operating expenses</b>		<b>(116,601)</b>	<b>(317,789)</b>
		<hr/>	<hr/>
<b>Operating profit and profit before taxation</b>	<b>2-3</b>	<b>5,831</b>	<b>1,140</b>
<b>Tax on profit</b>	<b>4</b>	<b>-</b>	<b>-</b>
		<hr/>	<hr/>
<b>Profit for the financial year</b>		<b>5,831</b>	<b>1,140</b>
		<hr/>	<hr/>


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

The notes on pages 12 to 17 form part of these financial statements.

**Balance sheet**  
at 31 December 2020

	Note	31 December 2020	31 December 2019
		£	£
<b>Current assets</b>			
Debtors	5	398,620	477,705
Cash at bank and in hand		87,539	-
		<u>486,159</u>	<u>477,705</u>
<b>Creditors: amounts falling due within one year</b>	6	<u>(327,407)</u>	<u>(324,784)</u>
<b>Net current assets</b>		<u>158,752</u>	<u>152,921</u>
<b>Net assets</b>		<u>158,752</u>	<u>152,921</u>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Profit and loss account		<u>158,751</u>	<u>152,920</u>
<b>Shareholders' funds</b>		<u>158,752</u>	<u>152,921</u>

These financial statements were approved by the board of directors on 30 September 2021 and were signed on its behalf by:

  
NM Stevens  
Director

Registered no: 07037051

The notes on pages 12 to 17 form part of these financial

**Statement of changes in equity**  
*at 31 December 2020*

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2019	1	151,780	151,781
<b>Total comprehensive income for the period</b>			
Profit for the period	-	1,140	1,140
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	1,140	1,140
	<hr/>	<hr/>	<hr/>
<b>Transactions with owners, recorded directly in equity</b>			
Dividends	-	-	-
	<hr/>	<hr/>	<hr/>
Total contribution by and distributions to owners	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2019</b>	<b>1</b>	<b>152,920</b>	<b>152,921</b>
	<hr/>	<hr/>	<hr/>
Balance at 1 January 2020	1	152,920	152,921
<b>Total comprehensive income for the period</b>			
Profit for the period	-	5,831	5,831
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	5,831	5,831
	<hr/>	<hr/>	<hr/>
<b>Transactions with owners, recorded directly in equity</b>			
Dividends	-	-	-
	<hr/>	<hr/>	<hr/>
Total contribution by and distributions to owners	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2020</b>	<b>1</b>	<b>158,751</b>	<b>158,752</b>
	<hr/>	<hr/>	<hr/>

The notes on pages 12 to 17 form part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

Verbatim Portfolio Management Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK. The address of its registered office is Fintel House, St. Andrews Road, Huddersfield, HD1 6NA.

The Company's ultimate parent undertaking, Fintel plc (formerly The SimplyBiz Group 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.

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.

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*.

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

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

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

The directors manage the Company alongside the other companies within the Fintel group of companies ('the group'), with group banking facilities in place of £45m until March 2024, of which £24m is drawn as of 30 June 2021. The Group Directors have prepared cash flow forecasts for the Group for the period to December 2022 which indicate that, taking account of severe but plausible downside scenarios, the Group, including this Company will have sufficient funds, through the Group's combined banking facilities to meet its liabilities as they fall due for that period.

Various sensitivity analyses have been performed to assess the impact of more severe but plausible downside scenarios to future trading including a 33% reduction in revenue linked to the mortgage market affecting both valuations and commissions, a 33% reduction in core membership revenue, and a 50% reduction in Marketing Service Agreements all from July 2021 onwards. All scenarios have been modelled separately and combined, on the separate assumptions that management take no action, and that debt repayments are paused until the revenue position normalises. Under these severe but plausible downside scenarios the Group continues to operate within its available facilities and does not incur any covenant breaches.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.2 Going concern (continued)

The position of the company is dependent on Fintel plc (formerly The SimplyBiz Group plc) not seeking repayment of the amounts currently due to other entities within the group, which at 31 December 2020 amounted to £318,325. Fintel plc has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due until at least December 2022 and therefore have prepared the financial statements on a going concern basis.

#### 1.3 Critical accounting estimates and judgements

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

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

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

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

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

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

#### 1.5 Non-derivative financial instruments

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

##### *Trade and other payables*

Trade and other payables are recognised at fair value.

## Notes (continued)

### 1 Accounting policies (continued)

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

##### *Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

##### *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 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.

##### *Rendering of services*

Revenue from the rendering of services is recognised in the period in which the services are provided.

#### 1.7 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.

Auditors' remuneration of £3,600 (2019: £1,800) is borne by a fellow group undertaking.

### 3 Staff numbers and costs

There were no employees during the year other than directors. All staff costs, including directors' costs, are paid by the parent company and recharged to the company via management charges. No specific amount has been recharged with respect due to the Directors' costs due to their involvement in a large number of other entities across the Group.

### 4 Taxation

*Total tax credit recognised in the profit and loss account*

	31 December 2020 £	31 December 2019 £
<i>Current tax</i>		
Current tax on income for the period	-	-
<b>Total current tax</b>	-	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
<b>Total deferred tax</b>	-	-
<b>Total tax credit</b>	-	-

## Notes (continued)

### 4 Taxation (continued)

#### Reconciliation of effective tax rate

	31 December 2020 £	31 December 2019 £
Profit for the year	5,531	1,140
Total tax credit	-	-
Profit before taxation	5,531	1,140
Tax using the UK corporation tax rate of 19% (2019: 19%)	1,051	217
Effects of:		
Group relief claimed	(1,051)	(217)
Total tax credit included in the profit or loss	-	-

#### Changes affecting the future tax charge

Reductions in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2017. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

There were no recognised or unrecognised deferred tax balances at 31 December 2020 or 31 December 2019.

### 5 Debtors

	31 December 2020 £	31 December 2019 £
Amounts owed by group undertakings	398,620	474,235
Prepayments and accrued income	-	3,470
	398,620	477,705

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

## Notes (continued)

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

	31 December 2020 £	31 December 2019 £
Trade creditors	432	3,806
Bank overdraft	-	8,158
Amounts owed to group undertakings	318,325	306,811
Accruals	8,650	6,009
	<u>327,407</u>	<u>324,784</u>

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

### 7 Share capital

			31 December 2020 £	31 December 2019 £
Allotted, issued and fully paid:				
Number	Class:	Nominal value:		
1	Ordinary	£1	1	1

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

### 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 (formerly The SimplyBiz Group plc).

The Company paid expenses on behalf of Sandringham Financial Partners Limited a company in which Neil Stevens is a shareholders of £4,000 (2019: £11,000). The balance at the end of the year held in debtors was £nil (2019: £nil).

### 9 Ultimate parent company

The immediate parent undertaking is Verbatim Asset Management Limited.

The ultimate parent undertaking is Fintel plc (formerly The SimplyBiz Group 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.