

Comparison Creator Limited

Registered number 07336373

Directors' report and Financial Statements

For the year ended 31 December 2021



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Company information

Directors	D J A Milliken S I Jones
Registered office	Springboard Innovation Centre Llantarnam Park Cwmbran United Kingdom NP44 3AW
Registered number	07336373 (England and Wales)
Auditor	Ernst & Young 1 Bridgewater Place Leeds England LS11 5QR

Directors' report

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

Principal activity

The Company's principal activity during the period was the provision of an outsourced solution for product comparison websites.

Directors

The Directors of the Company during the year and up to the date of signing this report were :

D J A Milliken
S I Jones

Dividends

Dividends paid during the year comprise an interim dividend of £1.256 per share, totalling £200,000 (2020: £49,960). The directors do not recommend a final dividend (2020: £nil).

Future Developments

The Company expects trading to remaining materially consistent for the foreseeable future.

Principal risks and uncertainties

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

Going concern

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 31 December 2023 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 and will make funds available if required for the company to meet its liabilities, 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 31 December 2023 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 this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors is unaware and that each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of a Directors' and officers' liability insurance, which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. This indemnity, purchased by Fintel plc and applicable to the Directors of the Company was in force throughout the last financial year and is currently in force.

Auditor

In 2021 Fintel plc, the ultimate parent company, commenced a tender process for the appointment of new auditors both the Group and Company.

Following the conclusion of the formal tender process, the Board approved and proposed appointment of Ernst & Young LLP as the Company's Auditor for the financial year commencing 1 January 2021.

The appointment was approved by shareholders at the Annual General Meeting of the ultimate parent company held on 17th May

On behalf of the Board



D J A Milliken
Director

Springboard Innovation
Centre
Llantarnam Park
Cwbran
United Kingdom
NP44 3AW

28 September 2022

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group and the company for that period.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group and company financial position and financial performance;
- state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the company and the group financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's report to the members of Comparison Creator Limited

Opinion

We have audited the financial statements of Comparison Creator Limited for the year ended 31 December 2021 which contain the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period until 31 December 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Independent Auditor's report to the members of Comparison Creator Limited *(continued)*

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies' exemption in preparing the strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's report to the members of Comparison Creator Limited *(continued)*

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting frameworks being FRS 101 "Reduced Disclosure Framework", the Companies Act 2006, and the relevant tax compliance regulations in the UK.
- We understood how Comparison Creator Limited is complying with those frameworks by initially making inquiries of relevant members of management, as well as those charged with governance. We have further understood the entity's compliance with those frameworks through review of minutes of the Board and key committees. Finally, through our detailed audit procedures we have considered whether any other evidence has been identified that indicates non-compliance with the relevant laws and regulations has occurred.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by understanding the entity's performance against internal key performance indicators used when calculating management's variable remuneration; identifying key judgments and estimates that can materially impact the financial statements; and understanding the controls and processes in place for the prevention and detection of fraudulent financial reporting.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures included testing manual journals recorded by the entity, understanding any unusual and one-off transactions, and where relevant corroborating the basis of accounting judgements and estimates with employees outside of the finance functions.

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

Independent Auditor's report to the members of Comparison Creator Limited
(continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Mark Morrill (Senior statutory auditor)
for and on behalf of Ernst & Young LLP,
Statutory Auditor
Leeds

29 September 2022

Profit and loss account and other comprehensive income
for the year ended 31 December 2021

	<i>Note</i>	31 December 2021 £	31 December 2020 £
Turnover		1,518,060	1,183,498
Operating costs		(920,911)	(805,698)
Operating profit	2	597,149	377,800
Interest payable	5	(606)	(440)
Profit on ordinary activities before taxation		596,543	377,360
Tax on profit on ordinary activities	6	(105,694)	(70,662)
Profit for the financial year		490,849	306,698

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

The notes on pages 12 to 23 form part of these financial statements.

Balance Sheet
at 31 December 2021

	Note	31 December 2021		31 December 2020	
		£	£	£	£
Non-current assets					
Intangible assets	8		519		1,038
Property, plant and equipment	9		8,092		9,846
			<u>8,611</u>		<u>10,884</u>
Current assets					
Receivables	10	611,674		547,076	
Cash and cash equivalents		1,145,939		678,001	
		<u>1,757,613</u>		<u>1,225,077</u>	
Creditors: amounts falling due less than one year	11	<u>(802,121)</u>		<u>(563,030)</u>	
Net current assets			<u>955,492</u>		<u>662,047</u>
Total assets less current liabilities			<u>964,103</u>		<u>672,931</u>
Non-current liabilities					
Deferred tax liability	12		(1,626)		(1,303)
Net assets			<u>962,477</u>		<u>671,628</u>
Capital and reserves					
Called up share capital	14		159		159
Share premium account			199,948		199,948
Profit and loss account			762,370		471,521
Shareholders' funds			<u>962,477</u>		<u>671,628</u>

The notes on pages 12 to 23 form part of these financial statements.

These financial statements were approved by the Board of Directors on 28 September 2022 and were signed on its behalf by:



D J A Milliken
Director

Company registered number: 07336373

Statement of changes in equity
for the year ended 31 December 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
Balance at 1 January 2020	159	199,948	214,783	414,890
Total comprehensive income for the period				
Profit for the period	-	-	306,698	306,698
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	306,698	306,698
	<hr/>	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity				
Dividends paid	-	-	(49,960)	(49,960)
	<hr/>	<hr/>	<hr/>	<hr/>
Total contributions by and distributions to owners	-	-	(49,960)	(49,960)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	159	199,948	471,521	671,628
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 1 January 2021	159	199,948	471,521	671,628
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period				
Profit for the period	-	-	490,849	490,849
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	490,849	490,849
	<hr/>	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity				
Dividends paid	-	-	200,000	200,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total contributions by and distributions to owners	-	-	200,000	200,000
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	159	199,948	762,370	962,477
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 12 to 23 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Comparison Creator Limited (“the Company”) is a private company limited by shares, domiciled and incorporated in England and Wales. The address of the Company’s registered office and principal place of business is Springboard Innovation Centre, Llantarnam Park, Cwbran, Torfaen, UK, NP44 3AW.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* applicable in the UK and Republic of Ireland (“FRS 101”). The presentation currency of these financial statements is pound sterling.

The Company’s ultimate parent undertaking, Fintel plc includes the Company in its consolidated financial statements. The consolidated financial statements of The Fintel plc are available to the public and may be obtained from Fintel House, St. Andrews Road, Huddersfield, HD1 6NA. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes;
- Key Management Personnel compensation;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.
- Related party transactions entered into between two or more members of the group provided that they are wholly owned by the group.

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

1.1 Measurement convention

The financial statements are prepared on the historical cost basis

1.2 Going concern

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 £nil is drawn as of 30 June 2022. The Group directors have prepared cash flow forecasts for the Group for the period to 31 December 2023 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 Product Provider Agreements all from August 2022 onwards. All scenarios have been modelled separately and combined, on the separate assumptions that management take no action. 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 not seeking repayment of the amounts currently due to other entities within the group, which at 31 December 2021 amounted to £nil. 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 31 December 2023 and therefore have prepared the financial statements on a going concern basis.

1.3 Critical accounting estimates

The Company makes certain 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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below. There are no significant judgements.

Impairment of trade debtors

The Company makes an estimate of the recoverable value of trade and other debtors. A provision for impairment of trade receivables is recognised based on lifetime expected losses, but principally comprise balances where objective evidence exists that the amount will not be collectible. Such amounts are written down to their estimated recoverable amounts, with the charge being made to operating expenses.

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

Trade and other receivables

Trade and other receivables are recognised at fair value, minus expected future losses. A provision for impairment of trade receivables is recognised based on lifetime expected losses, but principally comprise balances where objective evidence exists that the amount will not be collectible. Such amounts are written down to their estimated recoverable amounts, with the charge being made to operating expenses.

Trade and other payables

Trade and other payables are recognised at fair value.

Notes (continued)

1 Accounting policies (continued)

1.5 Non-derivative financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Amounts owed by / to Group Undertakings

Amounts 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 unless management expect to call upon the balance within 1 year, in which case they are classified as current assets.

1.6 Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, along with one or more other lease or non-lease components, the Company accounts for each lease component separately from the non-lease components. However, for the leases of class of underlying asset, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price and the aggregate stand-alone price of the non-lease components.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise;
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Notes (continued)

1 Accounting policies (continued)

1.6 Leases (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to nil, with any further adjustment required from the remeasurement being recorded in profit or loss.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for lease of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.7 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

- Straight line over 5 years

1.8 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

- Computer equipment: Straight line over 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.9 Impairment of tangible and intangible assets

At each reporting end date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Notes (continued)

1 Accounting policies (continued)

1.9 Impairment of tangible and intangible assets (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1.10 Revenue recognition

Revenue is recognised by reference to the five-step model set out in IFRS 15. Revenue is recognised when an entity transfers goods or services to a customer, measured at the amount to which the entity expects to be entitled. Depending on whether certain criteria are met, revenue is recognised:

- over time, in a manner that depicts the entity's performance; or
- at a point in time, when control of the good or service is transferred to the customer.

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Contract assets

A contract asset is initially recognised for revenue earned from services for which the receipt of consideration is conditional on successful completion of the service and performance obligation. Upon completion of the service, the amount recognised as accrued income is reclassified to trade receivables.

Contract liabilities

A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as deferred income until the Group delivers the performance obligations under the contract (i.e. transfers control of the related goods or services to the customer) at which point revenue is recognised in line with the delivery of the performance obligation.

1.11 Expenses

Interest receivable and Interest payable

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

1.12 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.

Notes (continued)

1 Accounting policies (continued)

1.13 Leases (continued)

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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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.

2 Profit and Loss Account Information

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

The operating profit is stated after charging:

	31 December 2021 £	31 December 2020 £
Depreciation – owned assets	3,161	3,225
Amortisation of intangible assets	519	519
	<u>£</u>	<u>£</u>

Auditors remuneration of £5,000 (2020: £5,000) is borne by a fellow group company.

3 Staff numbers and costs

	31 December 2021 £	31 December 2020 £
Wages and salaries	412,993	382,173
Social security costs	36,137	39,793
Pension costs	8,339	6,508
	<u>£</u>	<u>£</u>
	457,469	428,474

Notes (continued)

3 Staff numbers and costs (continued)

The average monthly number of employees during the year was as follows:

	31 December 2021	31 December 2020
Sales and administration	10	10
Directors	1	1
	<u>11</u>	<u>11</u>

4 Directors' remuneration

	31 December 2021 £	31 December 2020 £
Directors' remuneration	102,595	99,500
Pension contributions	1,319	1,314
	<u>103,914</u>	<u>100,814</u>

Information regarding the highest paid director for the year ended 31 December 2021 is as follows:

	31 December 2021 £	31 December 2020 £
Wages and salaries	102,595	99,500
Pension contributions	1,319	1,314
	<u>103,914</u>	<u>100,814</u>

5 Interest payable

	31 December 2021 £	31 December 2020 £
Interest payable to group undertakings	-	-
Interest on other loans	606	440
	<u>606</u>	<u>440</u>

Notes (continued)

6 Taxation

Total tax charge recognised in the profit and loss account

	31 December 2021 £	31 December 2020 £
Current tax		
Current tax on income for the period	116,306	69,666
Adjustments in respect of prior periods	(10,934)	-
Total current tax	105,372	69,666
Deferred tax		
Adjustments in respect of prior years	-	-
Effect of change in tax rate	(91)	36
Origination and reversal of timing differences	413	960
Total deferred tax (see note 12)	322	996
Total tax charge	105,694	70,662

Reconciliation of effective tax rate

	31 December 2021 £	31 December 2020 £
Profit for the year	471,622	306,698
Total tax charge	105,694	70,662
Profit before taxation	577,316	377,360
Tax using the UK corporation tax rate of 19% (2020: 19%)	109,690	71,698
Effects of:		
Effect of expenses not deductible in determining taxable profit	6,616	1,123
Group relief	(10,934)	(2,316)
Depreciation in excess of capital allowances	413	121
Change in tax rate	(91)	36
Total tax charge included in the profit or loss	105,694	70,662

Changes affecting the future tax charge

Deferred tax assets and liabilities have been stated at the corporation tax rate of 25% (2020: 19%) reflecting the increase in the main UK corporation tax rate which was enacted to take effect from 1 April 2023. This rate was substantively enacted on 24 May 2021 and remained in force at the Balance Sheet date. This is on the basis that it is anticipated that the Company's deferred tax assets and liabilities will materially unwind after 1 April 2023.

However, on 23 September 2022 the Government announced that the rate increase to 25% will be cancelled and the main UK corporation tax rate will remain at 19%. As this has yet to be enacted into law it has not been reflected in the Company's deferred tax balance in this accounting period.

There are no recognised deferred tax balances at 31 December 2021 or 31 December 2020 (see note 12).

Notes (continued)

7 Dividends

	31 December 2021 Per share	31 December 2020 Per share	31 December 2021 £	31 December 2020 £
Amounts recognised as distributions to equity holders				
Dividend paid	1.256	0.314	200,000	49,960

8 Intangible fixed assets

	Trademark £
<i>Cost</i>	
At 31 December 2020	2,595
At 31 December 2021	2,595
<i>Amortisation</i>	
At 31 December 2020	1,557
Charge for year	519
At 31 December 2021	2,076
<i>Net book value</i>	
At 31 December 2021	519
At 31 December 2020	1,038

Notes *(continued)*

9 Property, plant and equipment

	Computer equipment £
<i>Cost</i>	
At 31 December 2020	15,620
Additions	1,407
	<hr/>
At 31 December 2021	17,027
	<hr/>
<i>Accumulated depreciation</i>	
At 31 December 2020	5,774
Charge for year	3,161
	<hr/>
At 31 December 2021	8,935
	<hr/>
<i>Net book value</i>	
At 31 December 2021	8,092
	<hr/> <hr/>
At 31 December 2020	9,846
	<hr/> <hr/>

10 Receivables

	31 December 2021 £	31 December 2020 £
<i>Current assets</i>		
Trade receivables	571,981	475,935
Other receivables	3,972	3,276
Prepayments	35,724	32,530
Corporation tax	-	35,335
	<hr/>	<hr/>
	611,677	547,076
	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

11 Creditors: amounts falling due within one year

	31 December 2021 £	31 December 2020 £
Trade creditors	311,817	219,668
Amounts due to group undertakings	-	2,470
Accruals	357,278	287,085
Other payables	10,473	16,114
Taxation and social security	39,320	37,693
Corporation tax liability	83,233	-
	<u>802,121</u>	<u>563,030</u>

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

12 Deferred tax assets

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	31 December 2021 £	31 December 2020 £	31 December 2021 £	31 December 2020 £	31 December 2021 £	31 December 2020 £
Accelerated capital allowances	-	-	(1,645)	(1,463)	(1,645)	(1,463)
Other short term timing differences	19	160	-	-	19	160
	<u>19</u>	<u>160</u>	<u>(1,645)</u>	<u>(1,463)</u>	<u>1,626</u>	<u>(1,303)</u>

The above deferred tax assets have not been recognised due to the uncertainty over future recovery.

13 Retirement benefit schemes

Defined contribution schemes

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The total costs charged to income in respect of defined contribution plans is £8,339 (2020: £6,508).

Notes (continued)

14 Called up share capital

Allotted, issued and fully paid:

Number	Class:	Nominal value:	31 December 2021 £	31 December 2020 £
159,260	Ordinary	£0.01	<u>159</u>	<u>159</u>

15 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.

During the year, the Company paid a dividend to Jump Topco Limited, which owns 100% of the Company's share capital. investment in Jump Topco Limited of £200,000 (2020: £49,960).

16 Ultimate parent company and controlling party

The immediate parent undertaking is Jump Topco Limited.

The ultimate parent undertaking is Fintel plc, which is the only set of consolidated financial statements which include the results of the Company. These accounts can be obtained from the company's registered office.

In the opinion of the Directors, the ultimate controlling party is Fintel plc.