

COMPANY REGISTRATION NUMBER: 07447397

Verex Premium Finance Limited
Directors' Report and Financial Statements

For the period from 1 November 2019 to 30 April 2021



ANDERSON ROSS LLP
Chartered Accountants and Statutory Auditor
22 West Green Road
London
United Kingdom
N15 5NN

Verex Premium Finance Limited

Financial Statements

Period from 1 November 2019 to 30 April 2021

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Verex Premium Finance Limited

Directors' Report

Period from 1 November 2019 to 30 April 2021

The directors present their report and the financial statements of the company for the period ended 30 April 2021.

Directors

The directors who served the company during the period were as follows:

Andrew Christopher Long
Crispin Peter Burdett

Results and Dividends

The results for the period are set out in detail on page 7.

Dividend paid during the period amounted to £550,000 (2019: £975,000).

Auditor

The auditors, Anderson Ross LLP, have expressed their willingness to continue in office and a resolution to appoint them will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

Directors' responsibilities statement:

The directors are responsible 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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and 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 then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting policies 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 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 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

Verex Premium Finance Limited

Directors' Report *(continued)*

Period from 1 November 2019 to 30 April 2021

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 28 April 2022 ... and signed on its behalf by:



Andrew Christopher Long
Director

Verex Premium Finance Limited

Independent Auditor's Report to the Member of Verex Premium Finance Limited

Period from 1 November 2019 to 30 April 2021

Opinion

We have audited the financial statements of Verex Premium Finance Limited (the 'Company') for the period ended 30 April 2021 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued by the Financial Reporting Council (United Kingdom Generally Accepted Accounting Practice – UK GAAP).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2021 and of its profit for the period then ended;
- have been properly prepared in accordance with UK GAAP; and
- have been properly 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 Financial Reporting Council'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 director's 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 of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Verex Premium Finance Limited

Independent Auditor's Report to the Member of Verex Premium Finance Limited

(continued)

Period from 1 November 2019 to 30 April 2021

Other information *(continued)*

In connection with our audit of the financial statements, 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this 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 solely on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

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

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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.

Verex Premium Finance Limited

Independent Auditor's Report to the Member of Verex Premium Finance Limited

(continued)

Period from 1 November 2019 to 30 April 2021

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The inherent limitations of an audit mean that there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with laws and regulations. This risk increases the more that compliance is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities due to fraud than error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. 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 those charged with governance and management.

In common with all audits performed under ISAs (UK), we are required to perform specific procedures to respond to the risk of management override. In addressing this risk, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgments made in making accounting estimates were indicative of potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business. We challenged the assumptions and judgments made by management in its significant accounting estimates, and identified and tested journal entries, in particular any journal entries posted with unusual account combinations.

Additionally, our procedures to respond to the risks identified included the following:

- Review of financial statements disclosures by testing to supporting documentation in order to assess compliance with relevant laws and regulations described as having a direct effect on the financial statements, such as FRS 102 and the Act; and
- Performance of analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

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

...continued

Verex Premium Finance Limited

Independent Auditor's Report to the Member of Verex Premium Finance Limited
(continued)

Period from 1 November 2019 to 30 April 2021

Use of our report

This report is made solely to the Company's member, 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 member those matters we are required to state to him 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 member as a body, for our audit work, for this report, or for the opinions we have formed.


Naraidoo Savomy FCCA FCA CTA
(Senior Statutory Auditor)

For and on behalf of

ANDERSON ROSS LLP

Chartered Accountants and Statutory Auditor

22 West Green Road

London

United Kingdom, N15 5NN

Date: 28th April 2022

Verex Premium Finance Limited

Statement of Income and Retained Earnings

Period from 1 November 2019 to 30 April 2021

	Period from 1 Nov 19 to 30 Apr 21 £	Period from 1 Jul 18 to 31 Oct 19 £
Turnover	1,667,532	1,477,371
Gross profit	1,667,532	1,477,371
Administrative expenses	183,565	275,600
Operating profit	1,483,967	1,201,771
Interest payable and similar expenses	699,856	686,374
Profit before taxation	784,111	515,397
Tax on profit	—	—
Profit for the financial period and total comprehensive income	784,111	515,397
Dividends paid and payable	(550,000)	(975,000)
Retained (losses)/earnings at the start of the period	(214,656)	244,947
Retained earnings/(losses) at the end of the period	19,455	(214,656)

All the activities of the company are from continuing operations.

The notes on pages 10 to 13 form part of these financial statements.

Verex Premium Finance Limited

Statement of Financial Position

30 April 2021

	Note	30 Apr 21 £	31 Oct 19 £
Current assets			
Debtors	5	5,563,212	5,155,562
Cash at bank and in hand		43,463	261,572
		<u>5,606,675</u>	<u>5,417,134</u>
Creditors: amounts falling due within one year	6	5,587,219	5,631,789
Net current assets/(liabilities)		<u>19,456</u>	<u>(214,655)</u>
Total assets less current liabilities		<u>19,456</u>	<u>(214,655)</u>
Net assets/(liabilities)		<u>19,456</u>	<u>(214,655)</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		19,455	(214,656)
Shareholders funds		<u>19,456</u>	<u>(214,655)</u>

The statement of financial position
continues on the following page.

The notes on pages 10 to 13 form part of these financial statements.

Verex Premium Finance Limited

Statement of Financial Position *(continued)*

30 April 2021

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on ... 28 April 2022 ... and are signed on behalf of the board by:



Andrew Christopher Long
Director

Company registration number: 07447397

The notes on pages 10 to 13 form part of these financial statements.

Verex Premium Finance Limited

Notes to the Financial Statements

Period from 1 November 2019 to 30 April 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 730 Waterside Drive, Aztec West, Bristol, Gloucestershire, BS32 4UE, England.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in pound Sterling, which is the functional currency of the entity.

The company's accounting period was extended to 30 April 2021. This extension was deemed necessary by the company in order to align the accounting reference dates of all companies in its group. For efficiency reasons, it was also deemed necessary to align the period end for which accounts are prepared for all group companies' period on 30th April in line with the group companies' common VAT quarter end date. In order to achieve this, the company has made use of the provision of section 390 (3) (b) Companies Act 2006 to prepare the financial statements within seven days of the accounting reference date, such that these financial statements have been prepared for the period to 30 April 2021 instead of 29 April 2021. The comparative amounts presented in the financial statements for the previous accounting period, including the notes, are therefore not comparable with those of the accounting period of 18 months covered by these financial statements.

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Going concern

The Board of Verex Group Limited continue to receive the full support of its shareholders and investors and are excited to see the business has undertaken a full transformation programme, redesigning the business model to lead significantly more through the use of technology and data, delivering new connected services to its customers. Combined with the significant investments made by the Verex Group and its strategic partners in the development of the new strategy, the Group has demonstrated strength and resilience through the Covid period, renewing existing contracts and winning new logo business with vehicle manufacturers. These collective factors give the Board confidence that it will be able to meet its commitments and provide a return for shareholders going forward. On this basis, together with the projections prepared to April 2023 and beyond, which shows a continued improvement in trading performance throughout 2022 and significant increases in growth beyond, the directors consider that it is appropriate to prepare the group and company financial statements on a going concern basis.

Verex Premium Finance Limited

Notes to the Financial Statements *(continued)*

Period from 1 November 2019 to 30 April 2021

3. Accounting policies *(continued)*

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Verex Group Limited which can be obtained from the latter's registered office at 730 Waterside Drive, Aztec West, Bristol, Gloucestershire, England, BS32 4UE. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of financial instruments have not been presented.
- (b) No disclosure has been made for related party transactions with the parent company and its fellow subsidiaries.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognised over the course of the insured customer's term of cover.

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

4. Auditor's remuneration

	Period from 1 Nov 19 to 30 Apr 21	Period from 1 Jul 18 to 31 Oct 19
	£	£
Fees payable for the audit of the financial statements	<u>7,500</u>	<u>7,500</u>

Verex Premium Finance Limited

Notes to the Financial Statements *(continued)*

Period from 1 November 2019 to 30 April 2021

5. Debtors

	30 Apr 21 £	31 Oct 19 £
Trade debtors	4,416,645	5,155,562
Amounts owed by group undertakings	1,145,887	—
Other debtors	680	—
	<u>5,563,212</u>	<u>5,155,562</u>

6. Creditors: amounts falling due within one year

	30 Apr 21 £	31 Oct 19 £
Amounts owed to group undertakings	1,269,377	829,543
Other creditors	4,317,842	4,802,246
	<u>5,587,219</u>	<u>5,631,789</u>

Secured loans - within other creditors

A loan of £4,309,377 (2019: £4,397,135) is secured by a debenture over all assets of the company. Verex Insurance Services Limited, its parent company, acts as a guarantor for this loan.

Verex Premium Finance Limited

Notes to the Financial Statements *(continued)*

Period from 1 November 2019 to 30 April 2021

7. Controlling party

The parent undertaking of the group which includes the company and for which group accounts are prepared is Verex Group Limited. The parent company's registered office is 730 Waterside Drive, Aztec West, Bristol, Gloucestershire, England, BS32 4UE.