

Company Registration No. 11954722 (England and Wales)

**ACCURATE BACKGROUND UK LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**PAGES FOR FILING WITH REGISTRAR**

# ACCURATE BACKGROUND UK LIMITED

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# ACCURATE BACKGROUND UK LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Current assets</b>					
Debtors	3	22,625		19,366	
Cash at bank and in hand		50,018		28,179	
		<u>72,643</u>		<u>47,545</u>	
<b>Creditors: amounts falling due within one year</b>	4	<u>(121,467)</u>		<u>(112,202)</u>	
<b>Net current liabilities</b>			<u>(48,824)</u>		<u>(64,657)</u>
<b>Capital and reserves</b>					
Called up share capital	5		10,000		10,000
Profit and loss reserves			<u>(58,824)</u>		<u>(74,657)</u>
<b>Total equity</b>			<u>(48,824)</u>		<u>(64,657)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 19 July 2021 and are signed on its behalf by:

Mr D C Dickerson  
**Director**

**Company Registration No. 11954722**

# ACCURATE BACKGROUND UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

Accurate Background UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is c/o Legallinx Limited, Tallis House, 2 Tallis Street, Temple, London, EC4Y 0AB.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis. The directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the company's operations. In response to the COVID-19 pandemic, the directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

The directors consider the going concern basis appropriate despite the negative retained earnings. The company meets its working capital requirement by way of support from its parent company. The parent company has confirmed that it will continue to support the company so that it will settle liabilities as they fall due for a period of 12 months from the date of signing the financial statements. The directors believe future forecasts, together with parent company support are satisfactory to ensure the going concern basis of accounting is appropriate.

Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

#### **1.3 Reporting period**

The financial statements have been prepared for a twelve month period. The results for this period will not be entirely comparable with the prior period which was presented for less than one year, from incorporation on 18 April 2019 to 31 December 2019, due to being the entity's first reporting period.

#### **1.4 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

#### **1.5 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# ACCURATE BACKGROUND UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies (Continued)

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

#### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# ACCURATE BACKGROUND UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2019 - 2).

### 3 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Other debtors	8,925	1,866
	<u>          </u>	<u>          </u>
<b>Amounts falling due after more than one year:</b>		
Deferred tax asset	13,700	17,500
	<u>          </u>	<u>          </u>
<b>Total debtors</b>	<u>22,625</u>	<u>19,366</u>

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

	2020 £	2019 £
Trade creditors	243	1,061
Amounts owed to group undertakings	97,962	101,828
Other creditors	23,262	9,313
	<u>121,467</u>	<u>112,202</u>

Amounts owed to group undertakings have no terms and are therefore repayable on demand. Whilst the classification as current liabilities reflects the contractual nature of the loans, the parent company does not seek repayment of these loans until the company is financially able to do so. This concession may be for more than 12 months from the reporting date and is provided as part of the parent company's ongoing financial support to its subsidiary.

### 5 Called up share capital

	2020 Number	2019 Number	2020 £	2019 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## **ACCURATE BACKGROUND UK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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#### **6 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Tony Summers BA FCA.

The auditor was Carpenter Box.

Carpenter Box is a trading name of Carpenter Box Limited

#### **7 Parent company**

The immediate parent undertaking is Accurate Background LLC, a company incorporated and registered in California.

The ultimate parent undertaking is Accurate Background Holdings LLC, a company incorporated and registered in California. The registered office is 7515 Irvine Center Drive, Irvine, CA, 92618.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.