

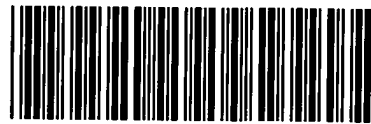
Veritas Investment Partners (UK) Limited

Company number 12516583

Report and Financial Statements

For the year ended 30 September 2022

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COMPANIES HOUSE

Directors

M G Rayward
R Ciesla
C Stokell
A Mohan

Secretary

Vistra Cosec Limited

Auditors

BDO LLP
55 Baker Street
London W1U 7EU

Bankers

Bank of Scotland plc
London Chief Office Branch
PO Box 1000
Edinburgh BX2 1LB

Solicitors

Dickson Minto W S
Royal London House
22-25 Finsbury Square
London EC2A 1DX

Registered Office

Riverside House
2a Southwark Bridge Road
London SE1 9HA

Registered No. 12516583

Directors' report

The directors present their report and the financial statements of Veritas Investment Partners (UK) Limited ("the company" or "VIP UK") for the year ended 30 September 2022.

Principal activity

The principal activity of the company in the year under review was that of the provision of investment services for UK and international private investors, trusts and charities. The results for the year and financial position of the company are as shown in the annexed financial statements.

Employees

Information regarding staff numbers and costs is disclosed in note 5.

Political and charitable contributions

The company's charitable donations for the year amounted to £134,382 (2021 - £41,223).

Directors

The directors who served the company during the year and up to the date of this report were as follows:

M G Rayward

R Ciesla

C Stokell

A Mohan (Appointed 21 October 2021)

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint BDO LLP as auditors, if required, will be put to the members at the Annual General Meeting.

On behalf of the Board



Mark Rayward

Director

19 January 2023

Strategic report

Results and business review

The directors consider the key performance indicators to be turnover and profit for the year after taxation. The company's turnover for the year amounted to £39,722,035 (2021 - £31,911,698) and the company's profit after taxation amounted to £8,270,204 (2021 - £6,555,951).

On 1 January 2022 Veritas Investment Management AG (VAG) ceased to trade, and its business was transferred to Veritas Investment Partners (UK) Limited.

On 29 March 2022 a dividend of £7,800,000 (2021 - £nil) was declared, representing the interim dividends recommended by the directors for the year ended 30 September 2022.

The directors are pleased with the performance of the company for the year, which has been driven by an increase in assets under management due to strong asset flows and performance and a corresponding increase in management fee revenue.

The company has been building its investment team and infrastructure over the past year in order to support the increased assets under management and to continue to provide its clients with the required level of service. This has resulted in a corresponding increase in administrative costs.

The results for the year are shown in the income statement on page 10. The company's statement of financial position as detailed on page 11 shows a satisfactory position.

Future developments

Going forward the company will continue to provide investment management services. The company intends to continue to focus on developing investment expertise and support teams in order to create the best possible environment to sustain strong investment performance and client service in the future. In addition, the company intends to explore the addressable markets for the investment services it offers.

Principal risks and uncertainties

The principal risk affecting the company is the performance of the funds under management and source of future revenue. Other risks affecting the company remain market performance, client service, regulation, cyber security and oversight of outsourced service providers. The most important risk to the company is the decline in revenues that would arise from a loss of assets under management, as well as the potential increases in cost associated with any remediation of regulatory problems or other operational errors.

The group of which the company is a member has stress tested its operating subsidiaries' business plans to determine what level of business fall needs to occur before the company starts to operate at a loss. The stress test concluded that a very substantial fall in assets under management, from current levels would need to occur for the company to realise a loss.

The company is highly aware of its key risks and continues to review all arrangements on their management in all areas.

Going concern

The group's business activity, to which the company is a member, together with the factors likely to affect its future development and performance, are set out above. The financial position of the company and its liquidity position are reflected on the statement of financial position.

The company has a business continuity plan which is regularly tested and sets out procedures to follow in the event of a major business interruption or event. The company has stress tested its business plan to determine what level of business fall needs to occur before it starts to operate at a loss. The stress test concluded that a very substantial fall in assets under management would need to occur for the company to realise a loss.

The directors believe that the company is well placed to manage its business risk successfully. The directors are of the view that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Strategic report

Section 172 (1) of the Companies Act 2006

The directors are aware of and in compliance with their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with clients, suppliers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct and;
- the need to act fairly as between members of the company.

The company's core purpose is focused on providing real returns over an investment cycle for its clients and has a strategy to remain a dedicated investment management specialist. Over the short to long term, clients look to the company to have a clear focus on their individual needs; to offer continuity; to provide a consistent investment approach and to have values appropriate to the company's fiduciary obligation.

The directors recognise that the company employees are fundamental and core to its business in order to deliver a high standard of service to its clients. The board continues to work to ensure that the company remains a responsible employer, from pay and benefits to health, safety and work environment.

The company has established long-term partnerships with suppliers that support its in-house expertise and has built a network of specialised partners within the industry. The board fosters strong supplier relationships, ensuring they are treated fairly and ethically.

The board is committed to making a positive contribution to the communities within which the company operates, including through payment of taxes, reducing its environmental impact and creating employment opportunities.

The company treats its stakeholders fairly and equally, so they benefit from the delivery of the company's plan and the directors and employees look also for continuity and the opportunity to participate at the top end of the asset management profession.

The board of directors meets regularly during the year to discuss various issues relating to corporate strategy and risk management.

On the basis of the above, the members of the board consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year ended 30 September 2022.

On behalf of the Board



Mark Rayward

Director

Date 19 January 2023

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 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 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 then apply them consistently;
- make judgements and accounting 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Independent auditor's report

to the members of Veritas Investment Partners (UK) Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2022 and of its result for the period 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.

We have audited the financial statements of Veritas Investment Management (UK) Limited ("the Company") for the period ended 30 September 2022 which comprise the Statement of Comprehensive Income, Statement of changes in equity, statement of financial position and notes to the financial statements, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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.

Independence

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 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.

Independent auditor's report

to the members of Veritas Investment Partners (UK) Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than 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. 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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 Strategic report or 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.

Independent auditor's report

to the members of Veritas Investment Partners (UK) Limited

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities 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.

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.

Extent to which the audit was 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates, and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and applicable law).

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management regarding instances of non – compliance of applicable laws and regulations and contingent liabilities
- review of minutes of board meetings throughout the period

Independent auditor's report

to the members of Veritas Investment Partners (UK) Limited

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the Company financial statements to material misstatement including fraud and identified the risk of fraud as a result of improper revenue recognition. We designed audit procedures to respond to the risks which included, but were not limited to:

- Obtained external confirmation from relevant custodians and administrators of the revenue earned by the Company for the period;
- Compared, on a sample basis, expected income using assets under management figures and applicable percentage rates contained in relevant investment management agreements, to amounts recorded in the books and records of the Company; and
- Journal entry testing which met certain criteria for any indication of management override.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

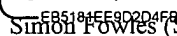
<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

DocuSigned by:



 Simon Fowles (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

London

United Kingdom

19 January 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of comprehensive income

For the year ended 30 September 2022

	Notes	2022 £	2021 £
Turnover	2	39,722,035	31,911,698
Administrative expenses		(29,721,279)	(23,952,714)
Operating profit	3	10,000,756	7,958,984
Interest receivable and similar income	6	3,741	-
Interest payable and similar charges	7	(714)	(1,651)
Profit on ordinary activities before taxation		10,003,783	7,957,333
Tax	8	(1,733,579)	(1,401,382)
Profit for the financial period		8,270,204	6,555,951
Total comprehensive income for the period		<u>8,270,204</u>	<u>6,555,951</u>

All amounts relate to continuing activities.

The accompanying notes 1 to 17 form an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 30 September 2022

	Called-up share capital £	Profit and loss account £	Total £
At 30 September 2020	1,000,000	-	1,000,000
Shares issued	2,012,370	-	2,012,370
Profit for the year	-	6,555,951	6,555,951
At 30 September 2021	<u>3,012,370</u>	<u>6,555,951</u>	<u>9,568,321</u>
Profit for the year	-	8,270,204	8,270,204
Dividends	-	(7,800,000)	(7,800,000)
At 30 September 2022	<u>3,012,370</u>	<u>7,026,155</u>	<u>10,038,525</u>

The accompanying notes 1 to 17 form an integral part of these financial statements.

Statement of financial position

As at 30 September 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	9	<u>718,224</u>	<u>987,544</u>
		<u>718,224</u>	<u>987,544</u>
Current assets			
Debtors	10	11,468,808	9,566,896
Cash at bank and in hand		<u>15,676,843</u>	<u>12,741,207</u>
		27,145,651	22,308,103
Creditors: amounts falling due within one year	11	<u>(17,825,350)</u>	<u>(13,727,326)</u>
Net current assets		<u>9,320,301</u>	<u>8,580,777</u>
Total assets less current liabilities		<u>10,038,525</u>	<u>9,568,321</u>
Net assets		<u>10,038,525</u>	<u>9,568,321</u>
Capital and reserves			
Called up share capital	13	3,012,370	3,012,370
Profit and loss account		<u>7,026,155</u>	<u>6,555,951</u>
Total capital and reserves		<u>10,038,525</u>	<u>9,568,321</u>

The financial statements were approved by the board of directors on 19 January 2023 and signed on its behalf by:



Mark Rayward
Director

Registered number: 12516583

The accompanying notes 1 to 17 form an integral part of the financial statements.

Notes to the financial statements

at 30 September 2022

1. Accounting policies

Statement of compliance

Veritas Investment Partners (UK) Ltd is a private company limited by shares incorporated in England and Wales. The registered office and principal place of business of the company is Riverside House, 2a Southwark Bridge Road, London, SE1 9HA.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention in accordance with the requirements of the Companies Act 2006 and FRS 102 as it applies to these financial statements of the company for the year ended 30 September 2022.

The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest £.

Financial Reporting Standard 102 – Reduced Disclosure Exemptions

The company has taken advantage of the following disclosure exemptions in preparing the financial statements as permitted by FRS 102:

- The requirements of section 7 Statement of Cash Flows.
- The requirements of section 33 Related Party Disclosures paragraph 33.7.

The information is included in the publicly available consolidated financial statements of the parent company Veritas Investment Partners Limited.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	–	25% on cost
Fixtures and fittings	–	25% on cost
Office and computer equipment	–	33% on cost

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Turnover

Turnover represents fees receivable for investment management fees and is recognised when the company obtains the right for consideration in exchange for its performance of services. Turnover is recognised on an accruals basis and is measured at the fair value of consideration excluding VAT.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Debtors

Short term debtors are measured at fair value on initial recognition. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Creditors

Short term creditors are measured at the transaction price, and are subsequently measured at amortised cost, using the effective interest rate method.

Notes to the financial statements

at 30 September 2022

1. Accounting policies (continued)

Taxation and deferred tax

United Kingdom corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the statement of financial position date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

Foreign currencies

The individual financial statements of the company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the financial statements, the results and financial position of the company are expressed in Sterling, which is the functional currency of the company and the presentation currency for the financial statements.

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken to the income statement.

Operating leases

Rentals payable under operating leases are charged to the income statement on a straight line basis over the life of the lease. The value of any rent free periods are amortised on a straight line basis over the life of the lease.

Pensions

The company operates a defined contribution pension scheme for employees. Contributions payable for the year are charged in the income statement.

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 for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The directors have considered and have reviewed all areas of the company's financial position that are subject to judgment and estimation uncertainty.

The directors have not been required to apply any significant judgements in preparing the financial statements and are not aware of any significant sources of estimation uncertainty in the preparation of the financial statements.

Financial assets and liabilities

General

Financial instruments are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are measured as set out below.

Notes to the financial statements

at 30 September 2022

1. Accounting policies (continued)

Financial assets and liabilities (continued)

Classification

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102. All of the company's financial instruments are classified as basic.

Subsequent measurement

At the end of each reporting period, debt instruments classified as basic are measured at amortised cost using the effective interest rate method.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

2. Turnover

The turnover of the company is attributable to the provision of investment management and related services in the UK, Channel Islands, Switzerland and Luxembourg.

An analysis of turnover by class of business is given below:

	2022	2021
	£	£
Management fees	39,261,781	30,190,735
Advisory fees	460,254	1,720,963
	<u>39,722,035</u>	<u>31,911,698</u>

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
UK	18,453,596	16,637,776
Channel Islands	13,167,510	10,666,041
Switzerland	4,042,782	1,832,301
Luxembourg	4,058,147	2,775,580
	<u>39,722,035</u>	<u>31,911,698</u>

Notes to the financial statements

at 30 September 2022

3. Operating profit

This is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration statutory audit	31,900	27,250
Non audit services: taxation compliance	6,340	5,119
Non audit services: other	52,099	45,760
Depreciation of owned fixed assets	317,300	202,680
Operating lease rentals - land and buildings	453,832	462,560
Foreign exchange differences	<u>(41,787)</u>	<u>16,271</u>

4. Directors' remuneration

	2022	2021
	£	£
Remuneration	4,685,725	3,249,858
Company contributions to defined contribution pension scheme	4,000	3,000
	<u>4,689,725</u>	<u>3,252,858</u>

During the year there was 1 director accruing retirement benefits. (2021 - 1).

Information regarding the highest paid director is as follows:

Emoluments	<u>1,335,420</u>	<u>1,093,286</u>
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Notes to the financial statements

at 30 September 2022

5. Staff costs

	2022	2021
	£	£
Wages and salaries	17,243,473	13,225,548
Social security costs	2,412,472	1,776,794
Other pension costs	405,363	300,981
	<u>20,061,308</u>	<u>15,303,323</u>

Staff costs are inclusive of directors' remuneration.

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

	2022	2021
Administration	28	20
Compliance	5	4
Investment Management	<u>22</u>	<u>17</u>
	<u>55</u>	<u>41</u>

6. Interest receivable and similar income

	2022	2021
	£	£
Bank interest receivable	3,741	-
	<u>3,741</u>	<u>-</u>

7. Interest payable and similar charges

	2022	2021
	£	£
Bank interest payable	714	1,651
	<u>714</u>	<u>1,651</u>

Notes to the financial statements

at 30 September 2022

8. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2022 £	2021 £
Current tax:		
UK corporation tax on the profit for the year	1,846,050	1,401,382
(Over)/under provision in prior years	(112,471)	-
	<hr/>	<hr/>
Total tax on profit on ordinary activities (note 8(b))	<u>1,733,579</u>	<u>1,401,382</u>

(b) Factors affecting the current tax charge for the year

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 19% (2021 – 19%).

The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>10,003,783</u>	<u>7,957,333</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 – 19%)	1,900,719	1,511,893
Effects of:		
Depreciation in excess of Capital allowance	31,392	-
Capital allowance in excess of Depreciation	-	(48,886)
Expenses not deductible for tax purposes	2,457	9,695
Fixed assets net chargeable gains	(3,204)	-
Group loss relief	(85,314)	(71,320)
Overprovision in prior year	(112,471)	-
	<hr/>	<hr/>
Total tax charge for the period (note 8(a))	<u>1,733,579</u>	<u>1,401,382</u>

Notes to the financial statements

at 30 September 2022

9. Fixed assets

	<i>Leasehold improve- ments</i>	<i>Fixtures and fittings</i>	<i>Computer equipment</i>	<i>Total</i>
	£	£	£	£
Cost:				
At 1 October 2021	710,055	215,261	282,319	1,207,635
Additions	80,566	12,589	27,894	121,049
Disposals	(83,114)	(6,817)	-	(89,931)
At 30 September 2022	<u>707,507</u>	<u>221,033</u>	<u>310,213</u>	<u>1,238,753</u>
Depreciation:				
At 1 October 2021	100,560	31,317	88,214	220,091
Charge for period	166,563	54,364	96,373	317,300
Disposals	(15,584)	(1,278)	-	(16,862)
At 30 September 2022	<u>251,539</u>	<u>84,403</u>	<u>184,587</u>	<u>520,529</u>
Net book value:				
At 30 September 2022	<u>455,968</u>	<u>136,630</u>	<u>125,626</u>	<u>718,224</u>
At 30 September 2021	<u>609,495</u>	<u>183,944</u>	<u>194,105</u>	<u>987,544</u>

10. Debtors

	2022	2021
	£	£
Trade debtors	9,583,670	7,529,646
Amounts owed by group undertakings	-	411,606
Other debtors	51,083	83,299
Prepayments and accrued income	1,834,055	1,542,345
	<u>11,468,808</u>	<u>9,566,896</u>

Notes to the financial statements

at 30 September 2022

11. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	439,629	507,612
Other creditors	9,850	4,043
Amounts owed to group undertakings	373,436	-
Corporation tax	726,593	559,382
VAT payable	538,330	502,763
Other taxes and social security costs	250,132	210,783
Accruals	15,487,380	11,942,743
	<u>17,825,350</u>	<u>13,727,326</u>

12. Financial assets and liabilities

The carrying value of the company's financial assets and liabilities are summarised by category below:

Financial assets

	2022	2021
	£	£
Financial assets measured that are debt instruments measured at amortised cost		
Cash	15,676,843	12,741,207
Trade debtors	9,583,670	7,529,646
Amounts owed by group undertakings	-	411,606
Other debtors	51,083	83,299
Accrued income	1,095,169	1,121,946
	<u>26,406,765</u>	<u>21,887,704</u>

Financial liabilities

	2022	2021
	£	£
Financial liabilities measured at amortised cost		
Trade creditors	439,629	507,612
Other creditors	9,850	4,043
Amounts owed to group undertakings	373,436	-
Accruals	15,487,380	11,942,743
	<u>16,310,295</u>	<u>12,454,398</u>

Notes to the financial statements

at 30 September 2022

13. Issued share capital

<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>2022</i> <i>£</i>	<i>No.</i>	<i>2021</i> <i>£</i>
A ordinary share capital £1 each	3,012,370	3,012,370	3,012,370	3,012,370
		<u>3,012,370</u>		<u>3,012,370</u>

The share class has no restrictions on capital and income rights. In addition to the right to vote, each share carries a right to a share of corporate assets, of profits and of liquidation surplus, proportional to the number and nominal value of the shares.

14. Related parties

Certain directors of the company are also directors of Veritas Investment Management (UK) Limited (VIM UK), the company's parent company. On 29 March 2022 a dividend of £7,800,000 (2021 - £nil) was paid by the company to VIM UK, representing the interim dividends recommended by the directors of the company for the year ended 30 September 2022. The company has a group VAT arrangement in which the company settles any VAT due for the group. At the year end, £6,364 (2021 - £8,753) was owed to VIM UK, which is repayable on demand. During the year, VIM UK receives third party expenses which it recharges onto the company. At the year end, there was a balance due to VIM UK of £37,390 (2021 - £36,627) which is repayable on demand.

Certain directors of the company were also directors of Veritas Investment Management AG (VAG), a subsidiary of VIM UK, the company's parent company. The company charged VAG advisory fees of £460,254 (2021 - £1,720,963) during the year. At the year end, £nil (2021 - £457,706) was owed by VAG.

Certain directors of the company are also directors of Veritas Investment Partners Limited (VIPL), the company's ultimate parent company. The company has a group VAT arrangement in which the company settles any VAT due for the group. At the year end, £28,337 (2021 - £37,347) was owed to VIPL, which is repayable on demand. During the year, VIPL receives third party expenses which it recharges onto the company. At the year end, there was a balance due to VIPL of £301,344 (2021 - £112,494) which is repayable on demand.

15. Other financial commitments

At 30 September 2022, the company had minimum lease payments under non – cancellable operating leases as set out below:

	<i>2022</i> <i>£</i>	<i>2021</i> <i>£</i>
Operating leases commitments:		
Within one year	681,527	681,527
Between one and five years	2,253,609	2,243,109
Greater than five years	<u>1,774,643</u>	<u>2,328,137</u>
	<u>4,709,779</u>	<u>5,252,773</u>

Notes to the financial statements

at 30 September 2022

16. Ultimate parent undertaking and controlling party

Veritas Investment Partners Limited, a company incorporated in the United Kingdom, is the ultimate parent undertaking of the company. Copies of its consolidated financial statements can be obtained from Riverside House, 2a Southwark Bridge Road, London. SE1 9HA.

17. Post balance sheet events

Veritas Investment Management AG (VAG) ceased to trade from 1 January 2022, and its business was transferred to Veritas Investment Partners (UK) Limited on 1 January 2022. VAG is in the process of being liquidated, with the final distribution anticipated within four months.

The above event is the only non-adjusting event after the end of the reporting period.