

Registered number  
02362041

Zedra Fiduciary Services (UK) Limited  
Annual Report and Financial Statements  
for the year ended 31 December 2019



**Zedra Fiduciary Services (UK) Limited**  
**Report and financial statements**  
**Contents**

	<b>Page</b>
Company information	1
Directors' report	2
Strategic report	4
Independent auditor's report	5
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11

**Zedra Fiduciary Services (UK) Limited**  
**Company Information**

**Directors**

Mr Alan Victor Tidy  
Mr Stuart McLuckie  
Mr Sam Leigh  
Mr Duncan Barnfather

**Auditor**

Deloitte LLP  
Statutory Auditor  
66 - 72 Esplanade  
Jersey  
JE4 8WA

**Secretary**

Zedra Secretaries (UK) Ltd  
Booths Hall  
Booths Park 3  
Chelford Road, Knutsford,  
Cheshire, United Kingdom  
WA16 8GS

**Registered office**

Booths Hall  
Booths Park 3  
Chelford Road, Knutsford,  
Cheshire, United Kingdom  
WA16 8GS

**Registered number**

02362041

## **Zedra Fiduciary Services (UK) Limited Directors' Report**

The directors present their report and audited financial statements for the year ended 31 December 2019.

### **Principal activities**

The Company's principal activity during the year continued to be the provision of probate and trustee services.

### **Future developments**

The future outlook is included within the Strategic report on page 4.

### **Financial instrument risk**

The Company's activities are exposed to a variety of financial risks. The Company is required to follow the requirements of the Group risk management policies, which include specific guidelines on the management of foreign exchange, interest rate and credit risks, and advice on the use of financial instruments to manage them. The main financial risks that the Company is exposed to, are outlined in note 14.

### **Dividends**

The directors are not proposing the payment of a final dividend (2018: Nil).

### **Directors**

The following persons served as directors during the year and up to the date of signing:

	<b>Appointed</b>	<b>Resigned</b>
Mr Niels Nielsen	31st March 2017	23rd December 2019
Mr Ali Reza Sarikhani	31st March 2017	23rd December 2019
Mr Alan Victor Tidy	31st March 2017	
Mr Gary St.John Collins	6th March 2009	25th April 2019
Mr Stuart McLuckie	23rd December 2019	
Mr Sam Leigh	23rd December 2019	
Mr Duncan Barnfather	23rd December 2019	

### **Directors' indemnities**

ZEDRA holdings SA has made qualifying third party indemnity provisions for the benefit of its directors in ZEDRA group companies which were made during the year and remain in force at the date of this report.

### **Directors' emoluments**

The directors did not receive any remuneration from the Company during 2019 (2018: Nil).

## **Zedra Fiduciary Services (UK) Limited Directors' Report**

### **Directors' responsibilities statement**

The directors are responsible for preparing the annual 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that the directors:

- properly select and apply accounting policies;
- 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 IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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.

### **Going concern**

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of the accounts. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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

Each person who was a director at the time this report was approved 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 the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

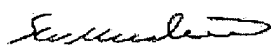
### **Substantial shareholdings**

The Company is 100% owned by Zedra Holdings UK Limited.

### **Independent auditor**

The auditor, Deloitte LLP, has been appointed by Zedra Fiduciary Services (UK) Limited. A resolution concerning their re-appointment shall be determined by members by Ordinary Resolution.

This report was approved by the board on 22 June 2020 and signed on its behalf.



Mr Stuart McLuckie  
Director

## **Zedra Fiduciary Services (UK) Limited Strategic Report**

### **Business review and principal activities**

The principal activity of Zedra Fiduciary Services (UK) Limited (the 'Company') is the provision of trustee services to two private clients: The National Fund & Abbotstone Agricultural Property Unit Trust. The revenue of the business is primarily influenced by the value of investments held in Trust.

The Company's objective continues to be that of meeting the needs of all stakeholders including owners and regulators.

At 31st December 2019 the Company employed no staff. The management of the business is performed by employees of another Group company and there is a recharge for these services.

### **Business performance**

The results of the Company for the year show a profit before taxation of £322k (2018: £324k). The performance has been consistent with the prior year which is reflective of the client composition and assets under management.

The Company has net assets of £1,084k (2018: £762k). Net cash outflow from operating activities was £Nil (2018: £Nil).

### **Future outlook**

The Company is heavily dependent upon one client - The National Fund - for its revenue and profits, therefore any change in circumstances of the trust could have a significant impact upon long term profitability.

The Company has been in ongoing dialogue with the Charity Commission and Office of the Attorney General regarding the future of the National Fund. The Company was represented at an initial Masters hearing on 22 January 2019. At this hearing it was ordered by the Court that a full trial should take place in November 2019. There has, however, been an unexpected development which occurred just before that trial. An individual has come forward claiming to be the original benefactor's great-great-nephew, arguing that the original charitable gift has failed and that the funds be distributed to the original donor's estate. This raised a number of issues which would require determination at a fresh trial with a date fixed for October 2020 and the cancellation of the earlier November 2019 hearing.

Ultimately it will be up to the Courts to decide on the final outcome. If the claims by the donor's descendant is upheld then it is expected that the Court will direct the next actions of the Trustee. If the claims made by the donor's descendants are rejected then the claim by the Attorney General that the trust funds be applied to the UK National Debt will be heard. At that point, the Company will be asking the Court to consider alternate uses of the Fund, such as an order to allow it to become a grant-making charity.

At the time of approving the Company's financial statements there is no indication of the expected outcome of the court case and no guarantee that a decision will be reached to explore these alternative uses.

## **Zedra Fiduciary Services (UK) Limited Strategic Report**

### **Principal risks and uncertainties**

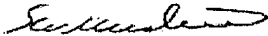
The Directors believe that the below areas may affect the Company and the industry over the coming years:

- 1) The economic outlook and opportunity
- 2) The demand for fiduciary services and its impact on the Company and customers
- 3) UK and global incidents. Of which two specific areas will impact the business in the short term:

a) In the UK, the onset of Brexit has yet to be fully reflected in the long-term outlook for the economy and interest rates. Since the vote, the Company has not seen a significant impact on our assets under management or underlying revenues.

b) The Coronavirus ("Covid-19") pandemic which came about at the beginning of 2020 has had and continues to have a significant impact on the global economy. While many businesses have been adversely impacted, the results for the year to date for the Company have been resilient and the Directors are taking a proactive approach to ensure the business remains financially robust. The market shift which was felt at the end of Q1 has impacted the Company's revenues through 2020 however it will not create any significant profitability concerns as the underlying Company remains in a strong position.

This report was approved by the board on 22 June 2020 and signed on its behalf.



Mr Stuart McLuckie  
Director

**Zedra Fiduciary Services (UK) Limited**  
**Independent auditor's report**  
**to the members of Zedra Fiduciary Services (UK) Limited**

**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements of Zedra Fiduciary Services (UK) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as issued by the IASB.

**Basis of 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 (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**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

**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.

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 respect of these matters.



**Zedra Fiduciary Services (UK) Limited**  
**Independent auditor's report**  
**to the members of Zedra Fiduciary Services (UK) Limited**

**Report on the audit of the financial statements**

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Report on other legal and regulatory requirements**

**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 and strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and strategic 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 any material misstatements in the directors' report or strategic report.

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

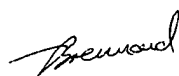
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

**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.



Mr Theo Brennand, BA, FCA (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
St Helier, Jersey  
22 June 2020

**Zedra Fiduciary Services (UK) Limited**  
**Statement of Comprehensive Income**  
**for the year ended 31 December 2019**

	<b>Notes</b>	<b>2019 £'000</b>	<b>2018 £'000</b>
<b>Net Income</b>	5	362	364
Operating expenses	6	(40)	(40)
<b>Operating profit</b>		<u>322</u>	<u>324</u>
<b>Profit before taxation</b>		<u>322</u>	<u>324</u>
Tax on profit on ordinary activities	7	-	53
<b>Profit for the financial year</b>		<u>322</u>	<u>377</u>

All results are derived from continuing operations. There were no items of other comprehensive income in the current or prior year.

The notes on pages 11 to 28 form an integral part of these financial statements.

**Zedra Fiduciary Services (UK) Limited**  
**Statement of Financial Position**  
**as at 31 December 2019**

	Notes	2019	2018
<b>ASSETS</b>		<b>£'000</b>	<b>£'000</b>
<b>Current assets</b>			
Trade and Other Receivables	8	1,094	772
<b>Total assets</b>		<b>1,094</b>	<b>772</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Current tax liabilities	9	10	10
<b>Total liabilities</b>		<b>10</b>	<b>10</b>
<b>Net assets</b>		<b>1,084</b>	<b>762</b>
<b>Shareholders' equity</b>			
Called up share capital	11	100	100
Profit and loss account	12	984	662
<b>Total shareholder equity</b>		<b>1,084</b>	<b>762</b>

The notes on pages 11 to 28 form an integral part of these financial statements.

The financial statements of Zedra Fiduciary Services (UK) Limited, registered number 02362041, have been approved by the Board of Directors and authorised for issue.

They were signed on its behalf by:



Mr Stuart McLuckie  
Director

Approved by the board on 22 June 2020 and signed on its behalf.

**Zedra Fiduciary Services (UK) Limited**  
**Statement of Changes in Equity**  
**for the year ended 31 December 2019**

	<b>Share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>At 1 January 2018</b>	<b>100</b>	<b>285</b>	<b>385</b>
Profit for the year	-	377	377
<b>At 31 December 2018</b>	<b>100</b>	<b>662</b>	<b>762</b>
<b>At 1 January 2019</b>	<b>100</b>	<b>662</b>	<b>762</b>
Profit for the year	-	322	322
<b>At 31 December 2019</b>	<b>100</b>	<b>984</b>	<b>1,084</b>

The notes on pages 11 to 28 form an integral part of these financial statements.

**Zedra Fiduciary Services (UK) Limited**  
**Statement of Cash Flows**  
**for the year ended 31 December 2019**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
<b>Operating activities</b>		
Profit for the financial year	322	377
Adjustments for:		
Tax on profit on continuing ordinary activities	-	(53)
Increase in debtors	(322)	(334)
Increase in creditors	-	10
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Cash generated by operating activities	-	-
	<hr/>	<hr/>
Cash and cash equivalents at 1 January	-	-
Cash and cash equivalents at 31 December	-	-
Cash and cash equivalents comprise:	<hr/>	<hr/>

The notes on pages 11 to 28 form an integral part of these financial statements.

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

**1 Reporting entity**

These financial statements are prepared for Zedra Fiduciary Services (UK) Limited which has a year end of 31 December. The Company is engaged in the provision of the services set out in the Directors' report on page 2.

The Company is a private Company limited by shares and incorporated in England and Wales with its registered office in the UK.

**2 Employees**

The Company did not have any employees in 2018 or 2019.

**3 Compliance with International Reporting Standards**

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

**4 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of the financial statements are set out below. These accounting policies have been consistently applied.

**4.1 Basis of preparation**

The financial statements have been prepared on a going concern basis and under the historical cost convention.

**4.2 Going concern**

The Company business activities are set out in the directors' report. Note 14 describes the Company financial risk management objectives and its exposure to reputational and conduct risk. The Company meets its working capital requirements in accordance with local regulations regarding minimum capital adequacy and support from its shareholders if necessary.

The Company's budget & financial projections take account of reasonable changes in trading performance and show that the Company should be able to operate within the level of its current capital adequacy.

The Company's main client - The National Fund will over the next 12 months be the subject of court proceedings to determine the future of the fund. A decision was due in 2019 however this has now been deferred until October 2020 due to a late and unexpected development. A descendant of the original benefactor has come forward with a case that the original gift has failed and that the funds should be distributed to the donor's descendant.

Ultimately it will be up to the Courts to decide on the final outcome but at the time of approving the Company's financial statements, there is no indication of any decision and no guarantee that it will be reached to explore these alternative uses. Any impact will also not be realised until 2021.

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

**4 Summary of significant accounting policies (continued)**

**4.2 Going concern (Continued)**

The directors therefore have a reasonable expectation that the Company will have adequate resources to continue in operational existence at least 12 months from the date of approval of the accounts. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The financial statements are presented in pounds sterling, (£), the currency of the country in which the Company is incorporated which is also considered to be the Company's functional currency.

A sensitivity analysis has been completed on the possible impact of COVID 19 and considerations on the impact of the COVID 19 pandemic are set out in note 19

**4.3 Critical accounting judgements**

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting judgements in the process of applying the Company's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, are as follows:

- Impairment of trade and other receivables (Note 8)
- Valuation of accrued income (Note 8)

**4.4 Key sources of estimation uncertainty**

Initial accounting judgements are different from key sources of estimation uncertainties. Judgements would normally not involve any estimation.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below and further in Note 13.

- ECL on trade and other receivables and accrued income (Note 8)
- Accrued income (Note 8)

When measuring recoverability the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

The Company recognises accrued income within revenue and as a trade receivable for amounts that remain unbilled at the year-end, recorded at the recoverable amount. The recoverable amount of accrued income and trade receivables are assessed on an individual basis using the judgement of management and takes into account an assessment of the client's financial position, the age profile of the accrued income and trade receivable and an assessment of historic recovery rates.

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

**4 Summary of significant accounting policies (continued)**

**4.5 Recoverability of trade and other receivables**

When measuring expected credit loss (ECL) the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The recoverable amount of trade receivables are assessed on an individual basis using the judgement of management and takes into account an assessment of the client's financial position, the age profile of the trade receivable and based on an assessment of estimated recoverability percentage.

See notes 8 & 14

**4.6 Future accounting developments**

**New and amended standards adopted by the Company**

**Amendments to IFRSs that are mandatorily effective for the current year**

In the current year, Zedra Group ("the Group") has applied a number of amendments to IFRSs issued by the International Accounting Standard Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2019. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

<b>Annual Improvements to IFRSs 2015-2017 Cycle</b>	<b>Annual Improvements to IFRSs</b>
IFRS 16	Leases
Amendments to IFRS 9	Prepayment Features with Negative Compensation
Amendments to IFRS 10 and IAS 28	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to IAS 12	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IAS 7	Disclosure initiative

**IFRS 16: Leases**

The Company has applied IFRS 16 Leases from 1 January 2019.

The Company applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in the profit and loss account at 1 January 2019. Accordingly, the comparative information presented for 2018 is not restated – i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in IFRS 16 have not generally been applied to comparative information.

On adoption of the new standard, there has been no material change in the accounts due to no operating leases being present within the Company.



**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

**4 Summary of significant accounting policies (continued)**

**4.7 Revenue from contracts with customers**

The Company derives its revenue from contracts with customers for the transfer of services over time and at a point in time in the following areas:

Annual management fees are recognised on an accruals basis as the service is provided. Fees billed in advance are deferred and then released over the AMF term. Fees billed in arrears are accrued up to the anniversary and then invoiced.

Below are the Company's service offerings:

**Analysis of type of services**

		2019	2018
	Type of fee	£'000	£'000
Trustee services	Service	362	364
<b>Total</b>		<b>362</b>	<b>364</b>

There are no (partially) unsatisfied performance obligations as at 31 December 2019, with all revenue billed in arrears and accrued up to the statement of financial position date.

Contract balances and the related disclosures have been included in the following places in the notes to the Company's financial statements:

- Receivables (Note 8)

**4.8 Trade and other receivables**

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as available for sale. Given the nature of trade and other receivables, however and the short length of time between the origination and settlement, their amortised cost is the same as the fair value on date of origination.

**4.9 Accrued income**

Accrued income represents the amount of revenue earned and recognised but not yet billed. Decisions on billing accrued income is mainly based on the invoice billing dates and frequency. Invoices are usually billed either annually, quarterly or monthly.

There are certain revenues that are due on billing date but not billed as a result of it being deemed as irrecoverable. Such accrued income is derecognised and not included in the statement of financial position.

There are also revenues due on billing dates but not yet billed. The reasons for not billing are administrative and not based on a change in the credit quality of the customer. The amount of such billable revenues included in the balance of accrued income is £89k.

**4.10 Financial liabilities**

Financial liabilities are measured at amortised cost, except for trading liabilities and liabilities designated at fair value, which are held at fair value through profit or loss. Financial liabilities are derecognised when contractual obligations were discharged, cancelled or expired. The Company's financial liabilities currently comprise trade and other payables. Given the nature of the financial liabilities and the short length of time between the origination and settlement, their amortised cost is the same as the fair value on date of origination.

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

**4 Summary of significant accounting policies (continued)**

**4.11 Impairment of financial assets**

The Company recognises a loss allowance, for expected credit losses on its financial assets. The impairment model under IFRS 9 is applicable to the Company's financial assets including trade receivables, contract assets (accrued income) and other financial assets. The relevant balances are trade receivables and contract assets (accrued income). The Company has taken the simplification available under IFRS 9 5.5.15 which allows the loss amount in relation to short term financial assets be measured at initial recognition and throughout its life at an amount equal to lifetime expected credit losses ("ECL"). Adoption of this approach means that the concept of Significant Increase in Credit Risk is not applicable to the Group's ECL calculations.

Lifetime expected credit losses represent the expected losses that may result from possible default events, and the probability of such an event occurring, over the life time of the financial asset. The expected lifetime credit losses of the trade receivables, are estimated using a provision matrix. The matrix is based on the Company's historical credit loss experience, the most significant factor being the days past due. It is then adjusted for forward-looking factors, that are specific to debtors. The Company has assessed the expected lifetime of receivables and accrued income to be no more than 30 days past due, based on historical payment practices.

The carrying amount of the financial asset is reduced by the expected credit loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, such as a customer failing to engage in a repayment plan with the Company, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

**4.12 Trade and other payables**

Trade payables are obligations to pay for services that have been acquired in the ordinary course of business from suppliers. Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

**4.13 Taxation**

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

**4.14 Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

The Company uses KPMG, an independent advisor, to prepare the tax calculation and file with HMRC.

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

**4 Summary of significant accounting policies (continued)**

**4.15 Deferred tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the statement of financial position date. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**4.16 Current tax and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

<b>5</b>	<b>Net Income</b>	<b>2019 £'000</b>	<b>2018 £'000</b>
	The provision of trustee services	<u>362</u>	<u>364</u>
	By geographical market:		
	UK	<u>362</u>	<u>364</u>

<b>6</b>	<b>Operating expenses</b>	<b>2019 £'000</b>	<b>2018 £'000</b>
	Management fees	<u>40</u>	<u>40</u>
		<u>40</u>	<u>40</u>

The cost of the Zedra Fiduciary Services (UK) Limited audit was included in the management fees charged by Zedra Trust Company (UK) Limited.

Auditor's remuneration paid by Zedra Trust Company (UK) Limited in 2019: Auditing the financial statements £63k (2018: £60k) and performing a CASS audit £13k (2018: £7k).

<b>7</b>	<b>Taxation</b>	<b>2019 £'000</b>	<b>2018 £'000</b>
	<b>Analysis of charge in period</b>		
	Current tax:		
	UK corporation tax on profits of the period	-	-
	Adjustments in respect of previous periods	-	(53)
	Tax on profit on ordinary activities	<u>-</u>	<u>(53)</u>

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	<b>2019 £'000</b>	<b>2018 £'000</b>
Profit on ordinary activities before tax	322	324
Profit on discontinued activities before tax	<u>322</u>	<u>-</u>
	322	324
Standard rate of corporation tax in the UK	19%	19%

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

**7 Taxation (Continued)**

Profit on ordinary activities multiplied by the standard rate of corporation tax	61	62
Transfer pricing adjustment		
Deferred tax		
Effects of:		
Group Relief Claimed	(61)	(62)
Adjustments to tax charge in respect of previous periods	-	(53)
Current tax charge for period	<u>-</u>	<u>(53)</u>
<b>Effective rate %</b>	<b>-</b>	<b>(16%)</b>

Corporation tax rates remained flat at 19% in 2019.

<b>8 Trade and other receivables</b>	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Trade receivables	4	3
Amounts owed by Company undertakings and undertakings in which the Company has a participating interest	1,001	691
Accrued income	89	78
	<u>1,094</u>	<u>772</u>

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The carrying amount of financial assets recorded in the historical financial information, which is net of credit losses, represents the Company's maximum exposure to credit risk as no collateral or other credit enhancements are held.

The Company assesses all counterparties, including its customers, for credit risk before contracting with them. No collateral is held against any of these receivable balances.

The expected credit losses were measured by grouping the trade receivables in a manner that reflects shared credit risk characteristics and days past due. The expected loss rates are based on the payment profiles of the respective trade receivable groups. All credit losses related to receivables arising from contracts with customers

There are no aged items within trade and other receivables with no impairment recognised across any asset type. The application of IFRS 9 has been reviewed and the Directors have confirmed that it has no impact upon the financial statements with no requirement for an ECL to be recognised.

**Ageing of past due but not impaired trade receivables**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
31 - 60 days	-	-
61 - 90 days	-	-
91 - 180 days	-	-
181 - 365 days	-	-
	<u>-</u>	<u>-</u>

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

**8 Trade and other receivables (Continued)**

In determining the recoverability of a trade receivable the Company considers any change in the credit quality of the trade receivable from the date of the invoice up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. There are no individually impaired trade receivables.

**Ageing of impaired trade receivables**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
31 - 60 days	-	-
61 - 90 days	-	-
91 - 180 days	-	-
181 - 365 days	-	-
Greater than 365 days	-	-
	<u>-</u>	<u>-</u>

The directors consider that the carrying amount of trade receivables equates to its fair value.

**9 Current tax liabilities**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Corporation tax	-	-
Other taxes and social security costs	10	10
Accruals	-	-
	<u>10</u>	<u>10</u>

**10 Related party transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operation decisions, or one other party controls both.

The definition of related parties includes Parent Company, Ultimate Parent Company, subsidiary, associated and joint venture companies, as well as the Company's key management which includes its Directors. Transactions generating the receivable were done at arm's length.

Particulars of transactions with companies, and the balances outstanding at the year end, are disclosed in the table below:

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed by Group Companies:		
Zedra Trust Company (UK) Limited	1,001	691
Total amount receivable	<u>1,001</u>	<u>691</u>

Zedra Fiduciary Services (UK) Limited does not have a bank account. The £1,001k that is owed by Zedra Trust Company (UK) Limited (2018: £691k) represents the net of all cash payments and receipts made to Zedra Fiduciary Services (UK) Limited.

Transactions with Zedra Trust Company (UK) Limited totalling £40k covering Senior management services were expensed in 2019.

All related party balances are payable on demand, with no interest or impairment applied.

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

<b>11</b>	<b>Share capital</b>		<b>2019</b>	<b>2018</b>
		<b>Nominal value</b>	<b>Number shares</b>	
			<b>£'000</b>	<b>£'000</b>
	Allotted, called up and fully paid:			
	Ordinary shares	£1 each	100,002	100
			<u>100</u>	<u>100</u>
	Authorised number of shares: 250,000			

<b>12</b>	<b>Profit and loss account</b>		<b>2019</b>	<b>2018</b>
			<b>£'000</b>	<b>£'000</b>
	At 1 January		662	285
	Profit from continuing operations		<u>322</u>	<u>377</u>
	At 31 December		<u>984</u>	<u>662</u>

**13 Trust activities**

The Company commonly acts as trustee and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Company.

**14 Financial risks**

The Company's activities expose it to a variety of financial risks. These are credit risk, liquidity risk and market risk (which includes foreign currency risk, interest rate risk and price risk).

The Board of Directors has ultimate responsibility for ensuring effective risk management and control and regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practise.

**Credit Risk**

Credit risk is the risk of suffering financial loss, should any of the Company's customers or market counterparties fail to fulfil their contractual obligations to the Company.

The Company assesses all counterparties, including its customers, for credit risk before contracting with them and there were no significant concentrations of credit risk at either year end.

Maximum exposure to credit risk

The following table shows the company's assessment of its maximum exposure to credit risk at 31 December 2019:

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Trade receivables (i)	4	3
Due from related parties (ii)	1,001	691
Accrued income (iii)	89	78
Cash and cash equivalents (iv)	-	-
	<u>1,094</u>	<u>772</u>

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

**14 Financial risks (Continued)**

**(i) Trade receivables**

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The carrying amount of financial assets recorded in the historical financial information, which is net of credit losses, represents the Company's maximum exposure to credit risk as no collateral or other credit enhancements are held.

The Company assesses all counterparties, including its customers, for credit risk before contracting with them. No collateral is held against any of these receivable balances.

The expected credit losses were measured by grouping the trade receivables in a manner that reflects shared credit risk characteristics and days past due. There was no expected loss rate identified due to the payment profiles of the respective trade receivable groups. No credit losses related to receivables arose from contracts with customers.

**(ii) Due from related parties**

Amounts due from other companies are considered to be fully recoverable. The amounts are not past their due date and no provisions have been considered necessary.

**(iii) Accrued income**

Accrued income is considered to be fully recoverable. The amounts are not past their due date and no provisions have been considered necessary.

**(iv) Cash and cash equivalents**

The Company does not have a bank account. All receipts and payments are dealt with by another group Company.

The following table shows the Company's assessment of its maximum exposure to credit risk. None of the trade and other receivables were aged or impaired as at the statement of financial position date. No additional loss allowance table showing debt past due less credit allowance has therefore been provided.

All of these balances relate to the United Kingdom geographical region.

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Trade Receivables	4	3
Allowance for credit losses	-	-
<b>Net trade receivables</b>	<b>4</b>	<b>3</b>
Accrued Income	89	78
<b>Total Trade Receivable</b>	<b>93</b>	<b>81</b>
Other receivables	1,001	691
<b>Total trade and other receivables</b>	<b>1,094</b>	<b>772</b>



**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2019**

**14 Financial risks (Continued)**

Credit risk management

The provision of services on a credit basis is one of the Company's significant sources of income and is therefore one of its most significant risks, and the Company dedicates considerable resources to managing it effectively.

The Company achieves its risk management goals by keeping risk management at the centre of the executive agenda and by building a culture that meshes risk management within everyday business decision making.

Credit risk mitigation

The Company uses a wide variety of techniques to reduce credit risk on its financial assets. The most fundamental of these is the regular review of trade and other receivables and accrued income by management.

Credit risk concentration

The Company has one major client. Receivables are reviewed regularly to ensure payments are received.

**Market risk**

Market risk is the risk that the company's earnings or capital, or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates, foreign currency risk and equity prices.

**Interest rate risk**

Interest rate risk is the possibility that changes in interest rates will result in reduced income from the Company's interest bearing financial assets and liabilities.

Subsequent to the transfer of the Company's banking business, the Company no longer makes fixed rate investments and does not borrow on fixed rate terms. The Company's exposure to interest rate risk is now limited to the finance income earned on its cash and cash equivalents which are relatively immaterial in the context of the Company's operations.

Exposure to interest rate movements arises when there is a mismatch between interest rate sensitive assets and liabilities. The company's policy was to maintain the interest rate risk at a minimum level except that management may invest surplus shareholders' funds in fixed or floating rate instruments in response to market conditions.

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements (continued)**  
**for the year ended 31 December 2019**

**14 Financial Risks (continued)**

**Interest rate risk (continued)**

The table below summarises the repricing profile of the Company's financial instruments as at 31st December 2019. Items have been allocated to time period by reference to the earlier of the next contractual interest rate repricing date and the maturity date.

<b>2019</b>	<b>Not more than three months</b>	<b>More than three months but not more than six months</b>	<b>More than six months but not more than one year</b>	<b>More than one year but not more than five years</b>	<b>More than five years</b>	<b>Non interest bearing</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Assets:</b>							
Cash and cash equivalents	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	1,094	1,094
<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,094</b>	<b>1,094</b>
<b>Liabilities:</b>							
Other liabilities	-	-	-	-	-	(10)	(10)
Shareholder's funds	-	-	-	-	-	(1,084)	(1,084)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,094)</b>	<b>(1,094)</b>
<b>Interest rate repricing gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cumulative gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>2018</b>	<b>Not more than three months</b>	<b>More than three months but not more than six months</b>	<b>More than six months but not more than one year</b>	<b>More than one year but not more than five years</b>	<b>More than five years</b>	<b>Non interest bearing</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Assets:</b>							
Cash and cash equivalents	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	772	772
<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>772</b>	<b>772</b>
<b>Liabilities:</b>							
Other liabilities	-	-	-	-	-	(10)	(10)
Shareholder's funds	-	-	-	-	-	(762)	(762)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(772)</b>	<b>(772)</b>
<b>Interest rate repricing gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cumulative gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements (continued)**  
**for the year ended 31 December 2019**

**14 Financial risks (Continued)**

**Sensitivity analysis**

The Company operates on a matched funding basis meaning that the risk profile of assets is matched by the risk profile of liabilities and it is therefore operating with minimal net sensitivity.

Foreign Currency Risk

The Company trades predominantly in Sterling, holds cash and reserves predominantly in Sterling and pays expenses in Sterling. The Company has very limited exposure to the movements in exchange rates.

Structural currency disclosures

The Company does not maintain a trading currency position and does not have any investments held overseas. The Company's foreign currency exposures relate to transactional positions.

Non-structural currency disclosures

The Company's exposure to foreign exchange risk primarily relates to the risk that foreign exchange rates move in a manner that would result in losses to the Company from its exposure to foreign currencies. All of the Company's monetary assets and liabilities are in Sterling.

No currency swaps, forward contracts or other derivatives have been entered into to manage these currency exposures. As the Company has no non Sterling monetary assets or liabilities outstanding there is no impact on net assets due to changes in foreign currency movements against Sterling.

Price Risk

The Company is not considered to be exposed to significant price risk as the Company has no investment in securities.

Liquidity Risk

This is the risk that the Company's cash and committed facilities may be insufficient to meet its debts as they fall due. It maintains banking facilities with Barclays Bank PLC. These facilities are designed to ensure the Company has sufficient available funds for operation.

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements (continued)**  
**for the year ended 31 December 2019**

**14 Financial Risks (continued)**

**Liquidity risk (continued)**

<b>At 31 December 2019</b>	<b>On demand</b>	<b>Not more than three months</b>	<b>Over three months but not more than six months</b>	<b>Over six months but not more than one year</b>	<b>Over one year but not more than three years</b>	<b>Over three years but not more than five years</b>	<b>Over five years but not more than ten years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Assets</b>								
Cash and cash equivalents	-	-	-	-	-	-	-	-
Other assets	1,001	4	89	-	-	-	-	1,094
<b>Total assets</b>	<b>1,001</b>	<b>4</b>	<b>89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,094</b>
<b>Liabilities</b>								
Other liabilities	-	(10)	-	-	-	-	-	(10)
<b>Total liabilities</b>	<b>-</b>	<b>(10)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10)</b>
Liquidity gap	1,001	(6)	89	-	-	-	-	-
Cumulative liquidity gap	1,001	995	1,084	1,084	1,084	1,084	1,084	1,084
<b>At 31 December 2018</b>	<b>On demand</b>	<b>Not more than three months</b>	<b>Over three months but not more than six months</b>	<b>Over six months but not more than one year</b>	<b>Over one year but not more than three years</b>	<b>Over three years but not more than five years</b>	<b>Over five years but not more than ten years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Assets</b>								
Cash and cash equivalents	-	-	-	-	-	-	-	-
Other assets	694	-	78	-	-	-	-	772
<b>Total assets</b>	<b>694</b>	<b>-</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>772</b>
<b>Liabilities</b>								
Other liabilities	-	(10)	-	-	-	-	-	(10)
<b>Total liabilities</b>	<b>-</b>	<b>(10)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10)</b>
Liquidity gap	694	(10)	78	-	-	-	-	-
Cumulative liquidity gap	694	684	762	762	762	762	762	762

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements (continued)**  
**for the year ended 31 December 2019**

**15 Interests in structured entities**

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding which entity controls it. Structured entities are generally created to achieve a narrow and well defined objective and there are specific restrictions around their ongoing activities.

**Unconsolidated structured entities**

The Company may hold interests in structured entities it would not have to consolidate. The nature and extent of its interests in unconsolidated structured entities, and the risks associated with its interest in those entities are set out below.

**Unconsolidated structured entities in which the Company has an interest**

An interest in a structured entity is any form of investment or arrangement which creates variability in returns arising from the performance of the structured entity for the Company but which it is not able to influence or the interest is insufficient to lead to the consolidation of the structured entity. Such interests include, but are not limited to, loans and advances to customers and unpaid trustee fees as these are subject to non-payment / credit risk and relate to our on-going involvement with the trust assets.

The level of risk that the Company is exposed to is determined by the nature and purpose of it holding an interest in the entity.

Due to the large number of structured entities in which the Company holds interests, information about such entities has been provided summarised by the purpose of the entities, other than where the Company holds interests in a structured entity or is exposed to losses from a structured entity that are individually significant where more information is given. Significance is measured by reference to the greater of the carrying amount of the interest, or the maximum exposure to loss. The Company provides Trust and Administration services to these entities and the maximum exposure to loss from these entities is equal to loans and advances made to these structured entities as well as the accrued income and fees receivable at year end, unless otherwise indicated.

The total size of the entities are £548m (2018: £482m) which represents the Assets under Management in these structures.

**Zedra Fiduciary Services (UK) Limited**  
**Notes to the Financial Statements (continued)**  
**for the year ended 31 December 2019**

**16 Capital management**

The Company's objectives when managing capital are:

- To meet the minimum capital requirements required by local regulators plus a prudent buffer,
- To generate sufficient capital to support asset growth, and
- To safeguard the ability of the Company to continue as going concern.

Compliance with the Company's capital management objectives is managed by the Board. The Company has no debt obligations.

**17 Legal form of entity and country of incorporation**

Zedra Fiduciary Services (UK) Limited is a private Company limited by shares and incorporated in England and Wales.

**18 Post balance sheet event**

Following the year end, the Coronavirus ("Covid-19") pandemic has had and continues to have a significant impact on the global economy. While many businesses have been adversely impacted, the results for the year to date for the Zedra Group have been resilient and management are taking a proactive approach to ensure the business remains financially robust with a strong cash balance. A sensitivity analysis has been performed taking into account a slowing down of activity and the directors are confident the business will withstand the crisis. Covid-19 is considered to be a non-adjusting post balance sheet event and as a result no adjustments have been made to the consolidated financial statements.

**19 Principal place of business**

The address of the Company's principal place of business and registered office is:

Booths Hall  
Booths Park 3  
Chelford Road, Knutsford,  
Cheshire, United Kingdom  
WA16 8GS

**20 Parent undertaking and ultimate parent Company**

The immediate parent undertaking is Zedra Holdings UK Limited which is incorporated in the United Kingdom and has its registered office at: Booths Hall, Booths Park 3, Chelford Road, Knutsford, Cheshire, United Kingdom, WA16 8GS. The ultimate parent Company is Corsair Capital Partners Group Ltd which ultimately controls all of Corsair's fund structures.

The largest and smallest parent Company preparing group financial statements is Zedra Holdings SA. Publicly available consolidated statements are available from this entity the its registered office: 11 Avenue de la Porte-Neuve, 2227 Luxembourg.