

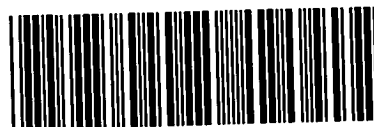
Veritas Investment Management (UK) Limited

Company number: 03132257

Report and Financial Statements

For the year ended 30 September 2023

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COMPANIES HOUSE

Veritas Investment Management (UK) Limited

Directors

M G Rayward
R Ciesla
C Stokell
A L Dick
C M E Hoare

Secretary

Vistra Company Secretaries 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

King & Spalding International LLP
125 Old Broad Street
London EC2N 1AR

Registered Office

Riverside House
2a Southwark Bridge Road
London SE1 9HA

Veritas Investment Management (UK) Limited

Registered No. 03132257

Strategic report

The directors present their report and the financial statements of Veritas Investment Management (UK) Limited ("the company") for the year ended 30 September 2023.

Review of the business

The directors consider the key performance indicators to be turnover and profit for the year after taxation. The turnover for the year amounted to £6,032,381 (2022 - £9,748,522) and the profit for the year after taxation amounted to £5,962,058 (2022 - £9,677,649).

The decrease in profit relative to the prior year is as a result £6,000,000 (2022 - £7,800,000) dividends being paid from Veritas Investment Partners (UK) Ltd ("VIP UK") and a final dividend of £32,381 (2022 - £1,948,522) from Veritas Investment Management AG (VAG) to the company during the year.

On 21 December 2022 VAG paid a final dividend of £32,381 and on 5 January 2023 a final capital distribution of £221,526 prior to it being liquidated. VAG was liquidated on 15 February 2023.

On 3 February 2023 a dividend of £2,500,000 (2022 - £7,800,000) was declared. On 14 April 2023, an additional dividend of £6,000,000 was declared. These represented the interim dividends recommended by the directors for the year ended 30 September 2023.

Future developments

Going forward the company will continue to act as the holding company for the investment management business of Veritas Investment Management group ("the group"). There was one operating entity within the group, Veritas Investment Partners (UK) Ltd.

Principal risks and uncertainties

As an investment holding entity, the risks of the company are linked with the risks of its subsidiaries that perform investment management activities on behalf of the group.

The principal risk affecting the company is the investment performance of the funds under management of Veritas Investment Partners (UK) Ltd, its' subsidiary undertaking 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 company is highly aware of its key risks and continues to review all arrangements for their management in all areas.

Veritas Investment Management (UK) Limited

Strategic report (continued)

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 asset is Veritas Investment Partners (UK) Limited a company 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.

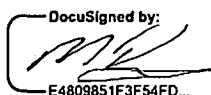
The board is committed to making a positive contribution to the communities within which the company operates, including through payment of taxes, reducing its environmental impact and creating employment opportunities.

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 2023.

On behalf of the Board

DocuSigned by:

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Mark Rayward

Director

Date 18 January 2024

Veritas Investment Management (UK) Limited

Directors' report

The directors present their report and the financial statements of Veritas Investment Management (UK) Limited ("the company") for the year ended 30 September 2023.

Principal activities

The principal activity of the company in the year under review was that of a holding company. The company owns 100% of the share capital of Veritas Investment Partners (UK) Ltd (VIP UK). VIP UK performs investment management activities.

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 L Dick
C M E Hoare

Political and charitable contributions

During the year the company made no donations (2022 - £nil).

Going concern

The company's business activity, together with the factors likely to affect its future development and performance are set out in the Strategic Report. The financial position of the company and its liquidity position are reflected on the statement of financial position.

As an investment holding entity, the company is dependent on its subsidiary for revenue.

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 its subsidiary 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 subsidiary company to realise a loss.

The directors believe that the company is well placed to manage its business risk successfully. The directors are of a 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 financial statements.

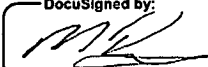
Disclosure of information to the auditors

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 company'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

DocuSigned by:

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Mark Rayward

Director

Date 18 January 2024

Veritas Investment Management (UK) Limited

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 year.

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.

Veritas Investment Management (UK) Limited

Independent auditor's report

to the members of Veritas Investment Management (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 2023 and of its profit for the year then ended;
- the Company financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements 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 year ended 30 September 2023 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 UK adopted international accounting standards, and as regards the Company financial statements, as applied in accordance with the provision of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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.

Veritas Investment Management (UK) Limited

Independent auditor's report

to the members of Veritas Investment Management (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 year 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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company 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.

Veritas Investment Management (UK) Limited

Independent auditor's report

to the members of Veritas Investment Management (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:

Non-compliance with laws and regulations

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).

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Veritas Investment Management (UK) Limited

Independent auditor's report

to the members of Veritas Investment Management (UK) Limited

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

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;

- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these; and

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override.

Our procedures in respect of the above included:

- 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 who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

Veritas Investment Management (UK) Limited

Independent auditor's report

to the members of Veritas Investment Partners (UK) Limited

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 Peter Fowles

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Simon Fowles (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK

18 January 2024

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

Veritas Investment Management (UK) Limited

Statement of comprehensive income

For the year ended 30 September 2023

| | Notes | 2023 £ | 2022 £ |
|--|-------|------------------|------------------|
| Turnover | 2 | 6,032,381 | 9,748,522 |
| Administrative expenses | | <u>(73,604)</u> | <u>(70,775)</u> |
| Operating profit | 3 | 5,958,777 | 9,677,747 |
| Interest receivable and similar income | 4 | 3,321 | - |
| Interest payable and similar charges | 5 | <u>(40)</u> | <u>(98)</u> |
| Profit on ordinary activities before taxation | | 5,962,058 | 9,677,649 |
| Tax | 6 | <u>-</u> | <u>-</u> |
| Profit for the financial period | | 5,962,058 | 9,677,649 |
| Total comprehensive income for the period | | <u>5,962,058</u> | <u>9,677,649</u> |

All amounts relate to continuing activities.

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

Veritas Investment Management (UK) Limited

Statement of Changes in Equity

For the year ended 30 September 2023

| | <i>Called-up share capital</i> | <i>Capital Contribution Reserve</i> | <i>Profit and loss account</i> | <i>Total</i> |
|----------------------|------------------------------------|---|------------------------------------|--------------|
| | £ | £ | £ | £ |
| At 30 September 2021 | 2,100,000 | - | 2,767,455 | 4,867,455 |
| Profit for the year | - | - | 9,677,649 | 9,677,649 |
| Dividends | - | - | (7,800,000) | (7,800,000) |
| At 30 September 2022 | 2,100,000 | - | 4,645,104 | 6,745,104 |
| Profit for the year | - | - | 5,962,058 | 5,962,058 |
| Share-based payment | - | 53,213 | - | 53,213 |
| Dividends | - | - | (8,500,000) | (8,500,000) |
| At 30 September 2023 | 2,100,000 | 53,213 | 2,107,162 | 4,260,375 |

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

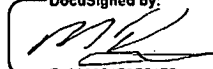
Veritas Investment Management (UK) Limited

Statement of financial position

As at 30 September 2023

| | Notes | 2023 £ | 2022 £ |
|---|-------|------------------|------------------|
| Fixed assets | | | |
| Investments | 8 | 3,065,583 | 3,274,588 |
| | | <u>3,065,583</u> | <u>3,274,588</u> |
| Current assets | | | |
| Debtors | 9 | 46,493 | 43,753 |
| Cash at bank and in hand | | 1,201,281 | 3,502,609 |
| | | <u>1,247,774</u> | <u>3,546,362</u> |
| Creditors: amounts falling due within one year | 10 | (52,982) | (75,846) |
| Net current assets | | <u>1,194,792</u> | <u>3,470,516</u> |
| Total assets less current liabilities | | 4,260,375 | 6,745,104 |
| Net assets | | <u>4,260,375</u> | <u>6,745,104</u> |
| Capital and reserves | | | |
| Called up share capital | 12 | 2,100,000 | 2,100,000 |
| Capital contribution reserve | 13 | 53,213 | - |
| Profit and loss account | | <u>2,107,162</u> | <u>4,645,104</u> |
| Total capital and reserves | | <u>4,260,375</u> | <u>6,745,104</u> |

The financial statements were approved by the board of directors on 18 January 2024 and signed on its behalf by:

DocuSigned by:

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Mark Rayward
 Director

Registered number: 03132257

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

Veritas Investment Management (UK) Limited

Notes to the financial statements

at 30 September 2023

1. Accounting policies***Statement of compliance***

Veritas Investment Management (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 2023.

Investments

Investments in subsidiaries are held as fixed assets and stated at cost less provision for any impairment in value. The company has taken advantage of the exemption of Companies Act 2006 section 400, from preparing consolidated financial statements as it is part of larger group that prepares consolidated financial statements, which are publicly available.

Turnover

Turnover represents dividends from subsidiary undertakings and is recognised on an accruals basis when formally declared.

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.

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.

Veritas Investment Management (UK) Limited

Notes to the financial statements

at 30 September 2023

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.

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.

Administrative expenses

All expenses are recognised at the transaction price in the income statement in the period to which they relate.

Share-based payments

Veritas Investment Partners Limited (VIPL), the company's parent company, operates an Enterprise Management Incentives (EMI) scheme (equity settled share-based payment plan) for the group's employees. The only vesting condition that needs to be satisfied is that the individual remains an employee of the group for four years from the date of grant. The fair value of employees' services is determined indirectly by reference to the fair value of the equity instrument granted. The Black-Scholes option pricing model was used to value the equity-settled share-based payment awards as it was considered that this approach would result in materially accurate estimate of the fair value of options granted.

The company has no employees. In the company accounts the share-based payment charge in relation to awards made to employees of other group companies has been recognised as a capital contribution resulting in an increase in the investment in subsidiaries.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported 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 material estimates and assumptions that have been applied in preparing the financial statements are noted below.

Share-based payments. In determining the fair value of the options, the company has made various estimates used in the Black-Scholes option pricing model. The company estimates at each balance sheet date the number of shares that will vest. This is multiplied by the fair value of the options at the date of grant to estimate the cost recognised as a capital contribution. The credit entry is recorded in a share-based payments reserve within equity.

Veritas Investment Management (UK) Limited

Notes to the financial statements

at 30 September 2023

1. Accounting policies (continued)***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.

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

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

| | 2023 £ | 2022 £ |
|-----------|------------------|------------------|
| Dividends | 6,032,381 | 9,748,522 |
| | <u>6,032,381</u> | <u>9,748,522</u> |

An analysis of turnover by geographical market is given below:

| | 2023 £ | 2022 £ |
|-------------|------------------|------------------|
| UK | 6,000,000 | 7,800,000 |
| Switzerland | 32,381 | 1,948,522 |
| | <u>6,032,381</u> | <u>9,748,522</u> |

Veritas Investment Management (UK) Limited

Notes to the financial statements

at 30 September 2023

3. Operating profit

The directors of the company did not receive any remuneration for the services provided to the company during the year. Certain directors each receive remuneration from an affiliated entity. It is not considered possible to allocate a portion of the overall remuneration received by individuals to services provided to the company.

The company has no employees, all administrative support services are provided by an affiliate of the company and the costs associated to these services are not recharged.

The audit fee for the company for the year was £6,300 (2022 - £4,400). The auditors received £4,557 in respect of taxation services (non-audit services) during the year (2022 - £4,030).

4. Interest receivable and similar income

| | 2023 | 2022 |
|--------------------------|--------------|----------|
| | £ | £ |
| Bank interest receivable | <u>3,321</u> | <u>-</u> |

5. Interest payable and similar charges

| | 2023 | 2022 |
|-----------------------|-----------|-----------|
| | £ | £ |
| Bank interest payable | <u>40</u> | <u>98</u> |

Veritas Investment Management (UK) Limited

Notes to the financial statements

at 30 September 2023

6. Tax**(a) Tax on profit on ordinary activities**

The tax charge is made up as follows:

| | 2023 | 2022 |
|--|------|------|
| | £ | £ |
| <i>Current tax:</i> | | |
| UK corporation tax on the profit for the year | - | - |
| Total tax on profit on ordinary activities (note 6(b)) | - | - |

(b) Factors affecting tax charge for the year

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 22.01% (2022 – 19%). The differences are explained below:

| | 2023 | 2022 |
|--|-------------|-------------|
| | £ | £ |
| Profit on ordinary activities before tax | 5,962,058 | 9,677,649 |
| Profit on ordinary activities multiplied by effective rate of corporation tax in the UK of 22.01% (September 2022 – 19%) | 1,312,143 | 1,838,753 |
| <i>Effects of:</i> | | |
| Non-taxable expenses not deductible for tax purposes | 8,955 | 13,466 |
| Non-taxable foreign income | (7,126) | (370,219) |
| Non-taxable UK income | (1,320,493) | (1,482,000) |
| Group loss relief | 6,521 | - |
| Total tax for the period (note 6(a)) | - | - |

7. Dividends

| | 2023 | 2022 |
|--|-----------|-----------|
| | £ | £ |
| Interim and final [£4.05 (2022 - £3.71) per share] | 8,500,000 | 7,800,000 |
| | 8,500,000 | 7,800,000 |

Veritas Investment Management (UK) Limited

Notes to the financial statements

at 30 September 2023

8. Investments

| | Investment in subsidiaries 2023 | Investment in subsidiaries 2022 |
|--------------------------------------|---------------------------------------|---------------------------------------|
| | £ | £ |
| Veritas Investment Management AG | - | 262,217 |
| Veritas Investment Management LLP | - | 1 |
| Veritas Investment Partners (UK) Ltd | 3,065,583 | 3,012,370 |
| Investment held at cost | <u>3,065,583</u> | <u>3,274,588</u> |

At the beginning of the year Veritas Investment Management AG (VAG) was in the process of being liquidated. On 21 December 2022 VAG paid a final dividend of £32,381 and on 5 January 2023 a final capital distribution of £221,526 prior to it being liquidated. As a result of VAG's final dividend payment, the carrying value of VAG was £221,526, thus resulting in an impairment charge of £40,691. VAG was liquidated on 15 February 2023.

At the beginning of the year, Veritas Investment Management LLP (VIM LLP) was in the process of being liquidated. VIM LLP made its final capital distribution of £1 on 16 May 2023. VIM LLP was liquidated on 1 September 2023.

On 12 May 2023, Veritas Investment Partners Limited (VIPL), the company's parent company offered certain of the company's subsidiary employees the opportunity to participate in an Enterprise Management Incentives (EMI) scheme (equity settled share-based payment plan). Since the company has no employees, the share-based payment charge in relation to awards made to the company's subsidiary employees has been recognised as a capital contribution resulting in an increase in the investment in subsidiaries.

As at 30 September 2023 the company held the following investments:

| | Country of incorporation | Nature of business: | Class of shares: | % holding | Net assets at 30 September 2023 | Profit before dividends at 30 September 2023 |
|---|-----------------------------|------------------------|---------------------|-----------|--|---|
| Veritas Investment Partners (UK) Ltd | UK | Asset management | Ordinary | 100 | 13,049,741 | 8,958,003 |

The registered address of Veritas Investment Partners (UK) Ltd is Riverside House, 2a Southwark Bridge Road, London SE1 9HA.

Veritas Investment Management (UK) Limited

Notes to the financial statements

at 30 September 2023

9. Debtors

| | 2023 | 2022 |
|------------------------------------|---------------|---------------|
| | £ | £ |
| Amounts owed by group undertakings | 46,493 | 43,753 |
| | <u>46,493</u> | <u>43,753</u> |

Amounts owed to group undertakings are repayable on demand.

10. Creditors: amounts falling due within one year

| | 2023 | 2022 |
|-----------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 42,125 | 63,966 |
| Accruals | 10,857 | 11,880 |
| | <u>52,982</u> | <u>75,846</u> |

11. Financial assets and liabilities

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

Financial assets

| | 2023 | 2022 |
|--|------------------|------------------|
| | £ | £ |
| Financial assets measured that are debt instruments measured at amortised cost | | |
| Amounts owed by group undertakings | 46,493 | 43,753 |
| Cash | 1,201,281 | 3,502,609 |
| | <u>1,247,774</u> | <u>3,546,362</u> |

Financial liabilities

| | 2023 | 2022 |
|--|---------------|---------------|
| | £ | £ |
| Financial liabilities measured at amortised cost | | |
| Trade creditors | 42,125 | 63,966 |
| Accruals | 10,857 | 11,880 |
| | <u>52,982</u> | <u>75,846</u> |

Veritas Investment Management (UK) Limited

Notes to the financial statements

at 30 September 2023

12. Issued share capital

| <i>Allotted, called up and fully paid</i> | <i>No.</i> | <i>2023</i> | | <i>2022</i> | |
|---|------------|------------------|------------|------------------|--|
| | | <i>£</i> | <i>No.</i> | <i>£</i> | |
| A ordinary share capital £1 each | 262,500 | 262,500 | 262,500 | 262,500 | |
| B ordinary share capital £1 each | 1,837,500 | 1,837,500 | 1,837,500 | 1,837,500 | |
| | | <u>2,100,000</u> | | <u>2,100,000</u> | |

Both share classes carry the same voting 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.

13. Capital contribution reserve

On 12 May 2023, Veritas Investment Partners Limited (VIPL), the company's parent company offered certain of the company's subsidiary employees the opportunity to participate in an Enterprise Management Incentives (EMI) scheme (equity settled share-based payment plan). To participate in the scheme, the employees are required to remain an employee of the group for four years from the grant date. Under the terms of the scheme, at the end of four years and up to the tenth anniversary of the grant date, the employees are entitled to purchase shares in VIPL at the fair value price determined at the grant date.

In the company accounts the share-based payment charge in relation to awards made to employees of its subsidiary has been recognised as a capital contribution resulting in an increase in the investment in subsidiaries.

14. Financial commitments

At 30 September 2023 the company had no financial commitments or other contingent liabilities.

15. Related party transactions

The company was the only member of Veritas Investment Management LLP (LLP). During the year to 30 September 2023, the company did not trade with LLP. VIM LLP was liquidated on 1 September 2023.

Certain directors of the company are also directors of Veritas Investment Partners (UK) Limited (VIP UK), which is a subsidiary of the company. On 14 April 2023 a dividend of £6,000,000 (2022 - £7,800,000) was paid by VIP UK to the company, representing the interim dividends recommended by the directors of VIP UK for the year ended 30 September 2023. The company has a group VAT arrangement in which VIP UK settles any VAT due for the group. At the year end, £7,594 (2022 - £6,364) was owed by VIP UK, which is repayable on demand. During the year, the company receives third party expenses which it recharges onto VIP UK. At the year end, there was a balance due from VIP UK of £38,899 (2022 - £37,390), which is repayable on demand.

Certain directors of the company were also directors of Veritas Investment Management AG (VAG), which was a subsidiary of the company. On 21 December 2022 VAG paid a final dividend of £32,381 (2022 - £1,948,522) and on 5 January 2023 a final capital distribution of £221,526 prior to it being liquidated. VAG was liquidated on 15 February 2023.

Certain directors of the company are also directors of Veritas Investment Partners Limited (VIPL), the company's parent company. On 3 February 2023, the company paid dividends of £2,500,000 and on 14 April 2023 additional dividends of £6,000,000 (2022 - £7,800,000) to VIPL, representing the interim dividends recommended by the directors of the company for the year ended 30 September 2023.

Veritas Investment Management (UK) Limited

Notes to the financial statements

at 30 September 2023

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

There were no post balance sheet events.