

Registered number
05754821

Mobius Life Administration Services Limited

Report and Financial Statements

31 March 2019



Mobius Life Administration Services Limited

Report and accounts

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Mobius Life Administration Services Limited

Company Information

Directors

L I Catterick
S S Pereira
A P Swales
C B Trebilcock

Non-executive Directors

M Christophers (Chairman)
M Goodale (Non Executive)
A J Macfie (Non Executive)

Secretary

L Voss

Auditors

Mazars LLP
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Registered office

7th Floor
20 Gresham Street
London
EC2V 7JE

Registered number

05754821

Mobius Life Administration Services Limited

Strategic Report

The Directors present their strategic report on the Company's business for the year ended 31 March 2019.

Review of the Business

The Company provides investment administration services to trustees of pension schemes and continues to act as a service company for the Mobius Life group of companies, of which Mobius Life Limited is the principal operating entity. Mobius Life Limited is an institutional pension platform business, operating through a regulated life insurance company structure.

The Company's revenue is generated by the recharge of costs incurred by the Company on behalf of other group companies and fees earned for undertaking administration activities.

The Directors continue to develop the administration business.

Business performance

The Company earned revenue providing administration services which resulted in it making a profit in the current year. The Directors are satisfied with the performance of the Company and are encouraged by the opportunities open to it.

Results

The profit after tax for the financial year amounted to £108,987 (2018: £111,230).

Mobius Life Group Limited, the parent of the Company, intends to support the Company financially for the next 12 months, allowing the Company to be able to pay its debts as and when they fall due, and continue in operation without any intention or necessity to liquidate or otherwise wind up its operations.

Products and services

The Company provides investment administration services to trustees of pension schemes and insurance companies. Services include creation of white-labelled funds, trigger monitoring and reporting.

Strategy

The Company continues to promote its investment administration services to trustees of pension schemes and insurance companies and hopes to grow this business into the future.

Key Performance Indicators ("KPIs")

The Board monitors progress of the Company by reference to the following KPIs:

| | 2019 | 2018 |
|--------------------------|---------|---------|
| | £ | £ |
| Profit/(loss) before tax | 138,667 | 139,624 |

The Company made a profit in the current year in line with the previous. The Company is expected to make profits in future.

Principal risks and uncertainties

The primary economic risks to the business are considered by management to be the impact of a severe and prolonged market downturn, the failure to control expenses, reliance on a limited number of clients and operational risk.

Mobius Life Administration Services Limited

This report was approved by the Board on 1 August 2019 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'A. P. Swales'.

A P Swales

Director

1 August 2019

Mobius Life Administration Services Limited

Registered number: 05754821

Directors' Report

The Directors present their report and financial statements for the year ended 31 March 2019.

Directors

The following persons served as directors during the year:

Directors

L I Catterick
S S Pereira
A P Swales
C B Trebilcock

Non-Executive Directors

M Christophers (Chairman)
M Goodale (Non Executive)
A J Macfie (Non Executive)

Dividends

No dividends were approved or paid during the financial year (2018: Nil).

Going concern

After reviewing the Company's forecasts and projections, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Mobius Life Group Limited, the parent of the Company, intends to support the Company financially for the next 12 months, allowing the Company to be able to pay its debts as they fall due, and continue in operation without any intention or necessity to liquidate or otherwise wind up its operations.

The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Events after the balance sheet date

There were no events after the balance sheet date that require disclosure.

Statement of Directors' responsibilities

The Directors are responsible for preparing the report and 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 laws), including FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 the company will continue in business.

Mobius Life Administration Services Limited

Registered number: 05754821

Directors' Report

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.

Directors' qualifying third party and pension scheme indemnity provisions

The Company is party to a group wide indemnity policy which benefits its current directors and is a Qualifying Third Party Indemnity provision for the purpose of the Companies Act 2006.

The indemnity was in force during the year and at the date of signing.

Disclosure of information to auditor

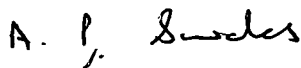
Each person who was a Director at the time this report was approved confirms that:

- 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.

Independent auditor

In accordance with the Companies Act 2006, the Company is no longer required to hold annual general meetings. Subject to the receipt of any objections as provided under statute or the Company's Articles of Association, the Company is relying on the provisions for the deemed reappointment of Mazars LLP as auditors as provided in section 487 of the Companies Act 2006 and Mazars LLP have indicated their willingness to continue as auditors of the Company.

This report was approved by the board on 1 August 2019 and signed on its behalf by



A P Swales

Director

1 August 2019

Mobius Life Administration Services Limited

Independent auditor's report to the member of Mobius Life Administration Services Limited

Opinion

We have audited the financial statements of Mobius Life Administration Services Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Strategic Report and the Directors' 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 this regard.

Mobius Life Administration Services Limited

Independent auditor's report to the member of Mobius Life Administration Services Limited

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 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the statement of directors' responsibilities set out on page 6, 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.

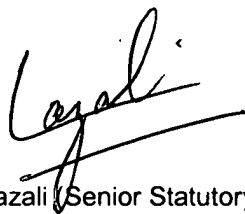
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Mobius Life Administration Services Limited

Independent auditor's report to the member of Mobius Life Administration Services Limited

Use of the audit 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.



Lionel Cazali (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

2 August 2019

Mobius Life Administration Services Limited

Statement of Comprehensive Income for the year ended 31 March 2019

| | Notes | 2019 £ | 2018 £ |
|---|-------|----------------|----------------|
| Turnover | 4 | 5,487,805 | 5,031,066 |
| Administrative expenses | | (5,349,137) | (4,891,442) |
| Operating profit/(loss) | 5 | <u>138,667</u> | <u>139,624</u> |
| Profit/(loss) on ordinary activities before taxation | | 138,667 | 139,624 |
| Tax on profit/(loss) on ordinary activities | 8 | (29,680) | (28,394) |
| Profit/(loss) for the financial year | | <u>108,987</u> | <u>111,230</u> |
| Other comprehensive income | | - | - |
| Total comprehensive income for the financial year | | <u>108,987</u> | <u>111,230</u> |

All of the above amounts are in respect of continuing operations.

The notes on pages 14 to 21 form an integral part of these financial statements.

Mobius Life Administration Services Limited

Statement of Financial Position as at 31 March 2019

Company number: 05754821

| | Notes | 2019 £ | 2018 £ |
|---|-------|--------------------|--------------------|
| Fixed assets | | | |
| Intangible assets | 9 | 424,178 | 404,164 |
| Tangible assets | 10 | <u>22,051</u> | <u>33,911</u> |
| | | 446,229 | 438,075 |
| Current assets | | | |
| Debtors | 11 | 3,262,117 | 1,796,246 |
| Cash at bank and in hand | | <u>86,688</u> | <u>-</u> |
| | | 3,348,805 | 1,796,246 |
| Creditors: amounts falling due within one year | 12 | <u>(3,753,169)</u> | <u>(2,301,443)</u> |
| Net current liabilities | | (404,364) | (505,197) |
| Total assets less current liabilities | | <u>41,865</u> | <u>(67,122)</u> |
| Net liabilities | | <u>41,865</u> | <u>(67,122)</u> |
| Capital and reserves | | | |
| Called up share capital | 14 | 1,000,001 | 1,000,001 |
| Profit and loss account | 15 | <u>(958,136)</u> | <u>(1,067,123)</u> |
| Total equity | | <u>41,865</u> | <u>(67,122)</u> |

A. P. Swales

A P Swales

Director

Approved by the Board on 1 August 2019 and signed on 1 August 2019

The notes on pages 14 to 21 form an integral part of these financial statements.

Mobius Life Administration Services Limited

Statement of Changes in Equity for the year ended 31 March 2019

| | Note | Called-up share capital £ | Profit and loss account £ | Total £ |
|---|------|------------------------------------|------------------------------------|-----------------|
| At 1 April 2017 | | 1,000,001 | (1,178,353) | (178,352) |
| Total comprehensive income for the financial year | | - | 111,230 | 111,230 |
| At 31 March 2018 | | <u>1,000,001</u> | <u>(1,067,123)</u> | <u>(67,122)</u> |
| At 1 April 2018 | | 1,000,001 | (1,067,123) | (67,122) |
| Total comprehensive income for the financial year | | | 108,987 | 108,987 |
| At 31 March 2019 | | <u>1,000,001</u> | <u>(958,136)</u> | <u>41,865</u> |

The notes on pages 14 to 21 form an integral part of these financial statements.

Mobius Life Administration Services Limited

Notes to the Accounts

for the year ended 31 March 2019

1. General information

Mobius Life Administration Services Limited is a private limited company incorporated in England and Wales.

The address of the company's principal place of business and registered office is 7th Floor, 20 Gresham Street, London, EC2V 7JE.

2. Basis of preparation

The financial statements have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Sterling (£).

Going concern

The financial statements have been prepared on the going concern basis which the directors consider appropriate due to the continued financial support of a parent company, Mobius Life Group Limited. The Directors have received confirmation that Mobius Life Group Limited intends to support the company for at least one year after these financial statements are signed.

Reduced disclosures

The Company is a qualifying entity for the purposes of FRS102 because it is a member of the Mobius Life Holdings Limited group of companies. Mobius Life Holdings Limited prepares publicly available consolidated financial statements which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss. Mobius Life Administration Services Limited is a wholly owned subsidiary and is included in this consolidation.

The Company has taken advantage of the disclosure exemption under FRS102 section 1.12 from publishing its own statement of cash flows and also from disclosing related party transactions (see Note 17).

Key sources of estimation uncertainty

The Company does not consider that there is a significant risk of material adjustment to the carrying amounts of its own assets and liabilities within the next financial year. No significant judgements have been required to arrive at the values reported in the financial statements as these are from external or objective sources.

There are no sources of estimation uncertainty which require disclosure of the key assumptions concerning the future.

3. Principal accounting policies

Turnover

Turnover is measured as the fair value of the consideration received or receivable, net of discounts and value added taxes.

Turnover represents revenue earned from the rendering of services to other entities in the Mobius Life group of companies and from administration services provided to clients.

Mobius Life Administration Services Limited

Notes to the Accounts

for the year ended 31 March 2019

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- the technical feasibility of completing the software so that it will be available for use or sale;
- the intention to complete the software and use or sell it;
- the ability to use the software or to sell it;
- how the software will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the software; and
- the ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight line method. The intangible assets are amortised over the following useful economic life:

- | | |
|------------------------------|-----------|
| - software development costs | 1-3 years |
|------------------------------|-----------|

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

Tangible assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

| | |
|--------------------------|--|
| Computer hardware | 3 - 5 years |
| Communications equipment | 4 years or, if shorter, life of property lease |
| Furniture | 7 years |

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Loans and other financial assets are initially recognised at transaction price including any transaction costs and are subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and are subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Mobius Life Administration Services Limited

Notes to the Accounts

for the year ended 31 March 2019

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise noted, between the recognition of total comprehensive income in the financial statements and its inclusion in tax assessments. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Current and deferred tax assets and liabilities are not discounted.

Deferred tax liabilities are presented within the provisions for liabilities and deferred tax assets within debtors.

Provisions

Provisions (i.e. liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

4. Analysis of turnover

| | 2019 £ | 2018 £ |
|--|-------------------------|-------------------------|
| Services rendered to group companies | 5,072,319 | 4,635,481 |
| Administration of pension scheme investment instructions | 415,486 | 395,585 |
| | <u>5,487,805</u> | <u>5,031,066</u> |
| By geographic market | 2019 £ | 2018 £ |
| UK | 5,072,319 | 4,635,481 |
| Europe | 415,486 | 395,585 |
| | <u>5,487,805</u> | <u>5,031,066</u> |

The main business of the company is the administration of investment instructions for pension schemes and the provision of services to companies in the Mobius Life Group.

Mobius Life Administration Services Limited

Notes to the Accounts

for the year ended 31 March 2019

5. Operating profit

| | 2019 £ | 2018 £ |
|---|-----------|-----------|
| This is stated after charging: | | |
| Depreciation of owned fixed assets | 17,420 | 13,246 |
| Amortisation of intangibles | 232,408 | 135,995 |
| Auditors' remuneration for audit services | - | - |

Audit costs for the Company are borne by Mobius Life Limited, a fellow subsidiary. In previous years a portion of the audit fee was specifically apportioned to the Company.

6. Directors' emoluments

| | 2019 £ | 2018 £ |
|---|---------------|---------------|
| Emoluments | 32,432 | 37,527 |
| Contributions to money purchase pension schemes | 586 | 2,348 |
| | <u>33,018</u> | <u>38,770</u> |

The executive directors are employed and paid by the Company with the costs being recharged to fellow group companies based on an allocation of time spent on matters affecting each. The emoluments above are residual amounts attributable to the Company.

During the year 2 directors (2018: 3) participated in money purchase pension schemes.

The remuneration in respect of the highest paid director was:

| | 2019 £ | 2018 £ |
|---|---------------|---------------|
| Emoluments | 12,679 | 18,585 |
| Contributions to money purchase pension schemes | - | 130 |
| | <u>12,679</u> | <u>18,715</u> |

7. Staff costs

| | 2019 £ | 2018 £ |
|-----------------------------------|------------------|------------------|
| Staff costs during the year were: | | |
| Wages and salaries | 3,060,155 | 2,886,259 |
| Social security costs | 415,761 | 340,430 |
| Other pension costs | 196,969 | 160,244 |
| | <u>3,672,885</u> | <u>3,386,933</u> |

The company operates a defined contribution group pension scheme for employees and directors. The assets of the scheme are invested on the instructions of each employee into collective investment schemes operated by independent asset managers.

Mobius Life Administration Services Limited

Notes to the Accounts

for the year ended 31 March 2019

| Average number of employees during the year | 2019 Number | 2018 Number |
|---|----------------|----------------|
| Administration | 34 | 29 |
| Marketing | - | 1 |
| Sales | 3 | 3 |
| | <u>37</u> | <u>33</u> |

8. Taxation

| | 2019 £ | 2018 £ |
|--|-----------------|----------------|
| Analysis of charge in period | | |
| Current tax: | | |
| UK corporation tax on results for the period | 10,369 | 25,400 |
| Adjustments in respect of previous periods | <u>(25,400)</u> | <u>(98)</u> |
| | <u>(15,030)</u> | <u>25,302</u> |
| Deferred tax: | | |
| Origination and reversal of timing differences | 23,215 | 7,792 |
| Adjustments in respect of prior periods | 21,495 | <u>(4,700)</u> |
| | <u>29,680</u> | <u>28,394</u> |
| Tax on profit/(loss) on ordinary activities | 29,680 | 28,394 |

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:

| | 2019 £ | 2018 £ |
|---|----------------|----------------|
| Profit/(loss) on activities before taxation | <u>138,667</u> | <u>139,624</u> |
| Standard rate of corporation tax in the UK | 19% | 19% |
| | | £ |
| Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax | 26,347 | 26,529 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 10,292 | 6,663 |
| Effect of change in tax rates | - | <u>(4,798)</u> |
| Adjustments to tax charge in respect of previous period | <u>(6,959)</u> | <u>-</u> |
| Total tax charge for period | <u>29,680</u> | <u>28,394</u> |

Future tax charges will be affected by changes to tax rates which were announced in the Summer Budget 2015. The UK corporation tax rate reduced to 19% (effective from 1 April 2017). At Budget 2016, the government announced a further reduction to the Corporation Tax main rate to 17% (effective 1 April 2020).

Mobius Life Administration Services Limited

Notes to the Accounts

for the year ended 31 March 2019

9. Intangible fixed assets

| | Computer software £ |
|------------------------|---------------------------|
| Cost | |
| At 1 April 2018 | 887,837 |
| Additions | <u>252,422</u> |
| At 31 March 2019 | <u>1,140,259</u> |
| Amortisation | |
| At 1 April 2018 | (483,673) |
| Charge for the year | <u>(232,408)</u> |
| At 31 March 2019 | <u>(716,081)</u> |
| Carrying amount | |
| At 31 March 2019 | <u>424,178</u> |
| At 31 March 2018 | <u>404,164</u> |

Computer software is being written off over its estimated useful life of 3 years.

10. Tangible fixed assets

| | Furniture | Comms Equipment | Computer hardware | Total |
|------------------------|-----------------|--------------------|----------------------|------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2018 | 22,189 | 24,761 | 135,008 | 181,958 |
| Additions | <u>530</u> | <u>1,464</u> | <u>3,566</u> | <u>5,560</u> |
| At 31 March 2019 | <u>22,720</u> | <u>26,225</u> | <u>138,574</u> | <u>187,518</u> |
| Depreciation | | | | |
| At 1 April 2018 | (17,206) | (21,882) | (108,959) | (148,047) |
| Charge for the year | <u>(2,351)</u> | <u>(1,550)</u> | <u>(13,519)</u> | <u>(17,420)</u> |
| At 31 March 2019 | <u>(19,557)</u> | <u>(23,432)</u> | <u>(122,478)</u> | <u>(165,467)</u> |
| Carrying amount | | | | |
| At 31 March 2019 | <u>3,163</u> | <u>2,792</u> | <u>16,096</u> | <u>22,051</u> |
| At 31 March 2018 | <u>4,983</u> | <u>2,879</u> | <u>26,049</u> | <u>33,911</u> |

Mobius Life Administration Services Limited

Notes to the Accounts

for the year ended 31 March 2019

11. Debtors

| | 2019 £ | 2018 £ |
|------------------------------------|------------------|------------------|
| Trade debtors | 34,458 | 6,905 |
| Amounts owed by group undertakings | 2,979,398 | 1,593,954 |
| Deferred tax asset (see note 13) | 4 | 44,714 |
| Other debtors | 37,076 | 16,252 |
| Prepayments and accrued income | 211,181 | 134,421 |
| | <u>3,262,117</u> | <u>1,796,246</u> |

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

12. Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|---------------------------------------|------------------|------------------|
| Bank loans and overdrafts | - | 5,398 |
| Trade creditors | 78,726 | 44,012 |
| Amounts owed to group undertakings | 3,108,590 | 1,432,363 |
| Corporation tax | 10,369 | 25,400 |
| Other taxes and social security costs | 114,230 | 102,287 |
| Other creditors | 71,404 | 131,438 |
| Accruals and deferred income | 369,850 | 560,545 |
| | <u>3,753,169</u> | <u>2,301,443</u> |

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

13. Deferred taxation asset

| | 2019 £ | 2018 £ |
|--|-------------------|-------------------|
| Timing differences on capital allowances | <u>4</u> | <u>44,714</u> |
| | 2019 £ | 2018 £ |
| At 1 April | 44,714 | 47,806 |
| Credited to the profit and loss account | <u>(44,710)</u> | <u>(3,092)</u> |
| 31 March | <u>4</u> | <u>44,714</u> |

The deferred tax asset arises due to timing differences between amortisation of intangible assets, depreciation of tangible fixed assets and the availability of the related capital allowances. These differences will reverse as the capital allowances are credited each year to the income statement.

Mobius Life Administration Services Limited

Notes to the Accounts

for the year ended 31 March 2019

14. Share capital

| | Nominal value | 2019 Number | 2019 £ | 2018 £ |
|-------------------------------------|------------------|----------------|------------------|------------------|
| Allotted, called up and fully paid: | | | | |
| Ordinary shares | £1 each | 1,000,001 | <u>1,000,001</u> | <u>1,000,001</u> |

The Company has one class of ordinary shares; each carries one voting right per share but no right to fixed income.

15. Profit and loss account

| | 2019 £ | 2018 £ |
|--------------------------------------|------------------|--------------------|
| At 1 April | (1,067,123) | (1,178,353) |
| Profit/(loss) for the financial year | 108,987 | 111,230 |
| At 31 March | <u>(958,136)</u> | <u>(1,067,123)</u> |

16. Events after the reporting date

During the year, the Mobius Life Holdings Board entered into discussions with Phoenix Equity Partners, who expressed interest in acquiring the existing shares of Mobius Life Holdings. A share purchase agreement was signed on 2 April 2019 and, subject to regulatory approval, this will result in a change of control for the Mobius Group..

17. Related party transactions

The Company has taken advantage of the exemption permitted by Section 33 Related Party Disclosure, not to disclose transactions with wholly owned members of the Mobius Life Group.

As set out in notes 6 and 7 above, directors' emoluments and staff costs are paid by the Company and recharged to fellow group companies.

Certain overheads such as property rent and rates are paid by the Company and recharged to fellow group companies.

Amounts receivable from and owed to other group companies are disclosed in notes 11 and 12.

18. Ultimate parent company and controlling party

The Company's immediate parent company is Mobius Life Group Limited, which is registered in England and Wales. The Company's ultimate controlling party is the Trustees of the Souter 2011 Family Trust.

The smallest and largest group for which consolidated financial statements are prepared, and of which the Company is a member, is Mobius Life Holdings Limited, which is registered in England and Wales.

The address from which copies of the group financial statements may be obtained is 7th Floor, 20 Gresham Street, London EC2V 7JE.