

IPF DIGITAL GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(Company Number 06032184)

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IPF DIGITAL GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Page
Strategic report	1-2
Directors' report	3
Directors' responsibilities statement	4
Independent auditor's report	5-6
Profit and loss account	7
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10-15

(Company Number 06032184)

IPF DIGITAL GROUP LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

1. Principal activities and going concern

The principal activity of the company is to act as a holding and investment company on behalf of International Personal Finance plc. As the vast majority of the company's transactions are determined in Euros, the functional and reporting currency of the company is the Euro.

The company is a subsidiary of International Personal Finance plc (the "Group") and has financing arrangements with the Group and therefore is dependent on the Group's ongoing support. A material uncertainty has been assessed over the going concern basis of the Group due to the Group's Eurobond maturing in April 2021 and seeking a covenant amendment from its lenders. The Group's forecast assumes that this bond is substantially refinanced ahead of this date with the balance being repaid at maturity and the covenant amendments will be secured. Given the complexities attached to the refinancing of the Group, there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

The company's directors note that the company has net assets of €34,795,298 and therefore the directors believe that the company is well placed and has sufficient financial resources to manage its business risks successfully despite the uncertain economic outlook. The company has financing arrangements with the Group and therefore is dependent on the Group's ongoing support. Therefore, the existence of the material uncertainty at Group level due to complexities attaching to the refinancing of the Group results in a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern. After making enquiries, the directors have a reasonable expectation that the Group will complete its refinancing plan and that the company has adequate resources to continue in operational existence for the foreseeable future (12 months from the date of this report). Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements. However, given the material uncertainty assessed over the going concern for the Group, this results in a material uncertainty for the company that may cast a significant doubt on the company's ability to continue as a going concern.

2. Change of name

On 20 August 2018 the company changed its name from MCB Finance Group Limited to IPF Digital Group Limited.

3. Results

The Profit and loss account for the year is set out on page 7. The loss after tax for the year of €81,923 (2018: €135) has been deducted from reserves.

4. Principal risks and uncertainties

The directors of International Personal Finance plc manage the Group's risks at a Group level, rather than at an individual business unit level. For this reason, the company's directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the company's business. The principal risks and uncertainties of International Personal Finance plc, which include those of the company, are reported within the 'Principal risks and uncertainties' section of the Group's annual report, which does not form part of this report, but is publicly available. However, the company has the following risk;

- The company has significant investments in other entities. There is a risk that the value of these investments may deteriorate as a result of the performance of these entities. Performance is reviewed on a regular basis and corrective action to protect the value of these investments is taken as appropriate.

5. Key performance indicators (KPIs)

Given the nature of the business, the company's directors are of the opinion that an analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

(Company Number 06032184)

IPF DIGITAL GROUP LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

6. Future developments

The company acts as a holding and investment company, the general level of activity is to remain consistent in the forthcoming year.

APPROVED BY ORDER OF THE BOARD



L. Dobson
Company Secretary

LEEDS

7 September 2020

IPF DIGITAL GROUP LIMITED

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

APPROVED BY ORDER OF THE BOARD



L Dobson
Company Secretary

LEEDS

7 September 2020

(Company Number 06032184)

IPF DIGITAL GROUP LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report together with the audited financial statements and the auditor's report of the company for the year ended 31 December 2019.

1. Dividend

The directors are unable to recommend the payment of a dividend (2018: £nil).

2. Directors

The directors of the company at 31 December 2019 and at the date of this report, all of whom were directors for the whole of the year then ended, were:

J A Lockwood
J A Ormrod
G J Ryan
R Ryhanen

4. Capital structure

The company's capital structure includes a combination of ordinary called-up share capital and retained earnings.

4. Disclosure of information to the auditor

As far as each director is aware, there is no relevant audit information of which the company's auditor is unaware. Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. This statement is given and should be interpreted in accordance with the provision of section 418(2) of the Companies Act 2006.

5. Risks

All principal risks and uncertainties have been assessed and disclosed in the company's strategic report.

6. Auditor

The auditors Deloitte LLP are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

APPROVED BY ORDER OF THE BOARD



L Dobson
Company Secretary
LEEDS
7 September 2020

Independent auditor's report to the members of IPF Digital Group Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of IPF Digital Group 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

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.

Material uncertainty related to going concern

We draw attention to note 1 (f) in the financial statements, regarding the company's ability to continue as a going concern. The company is a subsidiary of International Personal Finance PLC (the "Group") and is a joint-guarantor of its bond facilities. A material uncertainty has been noted over the going concern basis of the Group due to the Group's primary bond maturing in April 2021. The Group's forecast assumes that this is substantially refinanced ahead of this date with the balance being repaid at maturity. Given the complexities attached to the refinancing of the Group, there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. As stated in note 1(f) to the financial statements, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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.

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. 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 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.

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 strategic report or the directors' 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.



Peter Birch FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Leeds, United Kingdom
7 September 2020

IPF DIGITAL GROUP LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2019

	<u>Notes</u>	<u>2019</u> €	<u>2018</u> €
Administration income / (expenses)		<u>12,411</u>	<u>(135)</u>
PROFIT / (LOSS) BEFORE TAXATION	3	12,411	(135)
Tax charge on profit / (loss)	5	<u>(94,334)</u>	<u>-</u>
LOSS FOR THE YEAR ATTRIBUTABLE TO THE EQUITY SHAREHOLDER OF THE COMPANY		<u>(81,923)</u>	<u>(135)</u>

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	<u>Notes</u>	<u>2019</u> €	<u>2018</u> €
LOSS FOR THE YEAR		(81,923)	(135)
Total comprehensive expense for the year		<u>(81,923)</u>	<u>(135)</u>

The results shown in the Profit and loss account derive wholly from continuing activities.

The notes on pages 10 to 15 form part of these financial statements.

(Company Number 06032184)

IPF DIGITAL GROUP LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2019

	<u>Notes</u>	<u>2019</u> €	<u>2018</u> €
NON CURRENT ASSETS			
Investments	6	34,794,747	34,794,747
		<u>34,794,747</u>	<u>34,794,747</u>
CURRENT ASSETS			
Debtors	7	-	94,334
Cash at bank and in hand		551	686
		<u>551</u>	<u>95,020</u>
CREDITORS: amounts falling due within one year	8	-	(12,546)
NET CURRENT ASSETS		<u>551</u>	<u>82,474</u>
NET ASSETS		<u>34,795,298</u>	<u>34,877,221</u>
CAPITAL AND RESERVES			
Called-up share capital	9	3,705,069	3,705,069
Share premium	10	32,805,637	32,805,637
Capital redemption	11	102,317	102,317
Profit and loss account		(1,817,725)	(1,735,802)
		<u>34,795,298</u>	<u>34,877,221</u>

These financial statements on pages 7 to 15 were approved and authorised for issue by the board of directors 7 September 2020 and were signed on its behalf by:

J A Lockwood

(Directors)

G J Ryan

(Company Number 06032184)

IPF DIGITAL GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2019

	<u>Called-up share capital (Note 9) €</u>	<u>Share premium account (Note 10) €</u>	<u>Capital redemption (Note 11) €</u>	<u>Profit and loss account €</u>	<u>Total €</u>
Balance at 1 January 2018	3,705,069	32,805,637	102,317	(1,735,667)	34,877,356
Loss for the year	-	-	-	(135)	(135)
Total comprehensive expense for the year	-	-	-	(135)	(135)
Balance at 31 December 2018	3,705,069	32,805,637	102,317	(1,735,802)	34,877,221
Loss for the year	-	-	-	(81,923)	(81,923)
Total comprehensive expense for the year	-	-	-	(81,923)	(81,923)
Balance at 31 December 2019	3,705,069	32,805,637	102,317	(1,817,725)	34,795,298

IPF DIGITAL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Principal accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year, unless otherwise stated.

a) Basis of accounting

IPF Digital Group Limited “the company” is a private company limited by shares incorporated and registered in England and Wales in the United Kingdom under the Companies Act. The address of the registered office is given in note 14. The nature of the company’s operations and its principal activities are set out in the strategic report on page 1.

These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) ‘Reduced Disclosure Framework’ as issued by the Financial Reporting Council.

The financial statements have been prepared on the historical cost basis, in accordance with Financial Reporting Standard 101 (FRS 101) issued by the Financial Reporting Council.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the Group financial statements of International Personal Finance plc. Details of the parent in whose consolidated financial statements the company is included are shown in note 14 to the financial statements.

As permitted by FRS 101, exemptions from applying the following requirements have been adopted: IFRS 7 “Financial Instruments: Disclosures”; IAS 7 “Statement of Cash Flows”; IAS 24; “Related Party Disclosures” paragraph 7; IAS 8 “Changes in Accounting Estimates and Errors” paragraphs 30-31; and IAS 36 “Impairment of Assets” paragraphs 134(d)-(f) and 135 (c) – (e).

The Group financial statements of International Personal Finance plc are available to the public and can be obtained as set out in note 14.

b) Administrative expenses

Administrative expenses comprise sundry costs associated with the operation of the business recognised on an accruals basis.

c) Taxation

Deferred taxation is provided in respect of all timing differences that have originated but not reversed at the balance sheet date and is determined using the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent that it is regarded as more likely than not that they will be recovered. Deferred taxation is not recognised on revalued assets unless there is a binding agreement at the balance sheet date to sell the revalued asset and the related gain has been recognised in the Financial statements. Deferred taxation balances are not discounted.

Current tax is calculated based on taxable profit or loss for the year using tax rates that have been enacted or substantively enacted by the balance sheet date. Where withholding tax has been suffered on overseas income received, it has been accounted for as overseas tax. Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

IPF DIGITAL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 **(CONTINUED)**

1. Principal accounting policies (continued)

d) Foreign exchange

The functional currency of the company is considered to be the Euro. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are expressed, in Euros, at the rates of exchange ruling at the end of the financial period or the contracted rate to the extent hedged. Resultant gains or losses are taken to the profit and loss account.

e) Subsidiary undertakings

The company undertakes an annual impairment review of investments in subsidiaries, which is performed by way of a comparison of the carrying value of the investment with the net assets of the subsidiary, or the future value in use. Where the carrying value is greater than the net assets or future value in use, a provision for impairment is made.

f) Going concern

The company's business activities are set out in the Strategic Report on page 1.

The company participates in the group's centralised treasury arrangements and banking arrangements with its parent and fellow subsidiaries.

The Company is a subsidiary of International Personal Finance plc (the "Group") and has financing arrangements with the Group and therefore is dependent on the Group's ongoing support. A material uncertainty has been assessed over the going concern basis of the Group due to the Group's Eurobond maturing in April 2021 and seeking a covenant amendment from its lenders. The Group's forecast assumes that this bond is substantially refinanced ahead of this date with the balance being repaid at maturity and the covenant amendments will be secured. Given the complexities attached to the refinancing of the Group, there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

The Company's Directors note that the Company has net assets of €34,795,298 and therefore the Directors believe that the Company is well placed and has sufficient financial resources to manage its business risks successfully despite the uncertain economic outlook. The Company has financing arrangements with the Group and therefore is dependent on the Group's ongoing support. Therefore, the existence of the material uncertainty at Group level due to complexities attaching to the refinancing of the Group results in a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. After making enquiries, the Directors have a reasonable expectation that the Group will complete its refinancing plan and that the Company has adequate resources to continue in operational existence for the foreseeable future (12 months from the date of this report). Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements. However, given the material uncertainty assessed over the going concern for the Group, this results in a material uncertainty for the Company that may cast a significant doubt on the Company's ability to continue as a going concern.

g) Exceptional

The company classifies as exceptional those significant items that are one-off in nature and do not reflect the underlying performance of the company.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

IPF DIGITAL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 **(CONTINUED)**

1. Principal accounting policies (continued)

i) Debtors and Creditors

Debtors and creditors do not carry interest and are stated at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. They are recognised when the Group's right to consideration is only conditional on the passage of time. Allowances incorporate an expectation of life-time credit losses from initial recognition and are determined using an expected credit loss approach.

j) Interest payable and receivable

Interest is charged at rates based on the cost of external finance and credited at rates linked to equivalent national LIBOR.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The directors deem that the only significant critical judgement is regarding the carrying value of investments in subsidiaries. The directors monitor the carrying values of all investments in subsidiaries by reference to annual budgets and impair the carrying values of investments in subsidiaries if the budgets do not support the current valuation of investments. There have been no sources of estimation uncertainty.

3. Result on before taxation

The result before taxation is stated after charging:

	<u>2019</u> €	<u>2018</u> €
Auditor's remuneration:		
Fees payable to the auditor for the audit of the company's financial statements	5,000	5,000

Fees payable to the auditor are shown for information only as the fee is reported and paid by the company's parent undertaking International Personal Finance plc.

4. Directors' emoluments and employee information

None of the directors received any emoluments in respect of their services to the company during the year (2018: nil). All the costs of the directors' emoluments were borne by another Group company.

During the year three of the directors (2018: three) exercised 87,826 (2018: 88,298) share options in shares of the company's parent undertaking International Personal Finance plc. The exercise price of these options was €zero (2018: €zero)

The average monthly number of persons employed by the company, excluding executive directors, during the year was nil (2018: nil).

IPF DIGITAL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019
(CONTINUED)

5. Tax charge on profit/(loss)

(a) Analysis of tax charge for the year:

	<u>2019</u> €	<u>2018</u> €
Tax charge on profit / (loss) (note 5(b))	<u>(94,334)</u>	<u>-</u>

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

The tax charge for the year can be reconciled to the profit and loss account as follows:

	<u>2019</u> €	<u>2018</u> €
Profit/(loss) before taxation	<u>12,411</u>	<u>(135)</u>
Expected tax (charge)/credit calculated at the standard rate of corporation tax in the UK of 19% (2018: 19%)	<u>(2,358)</u>	<u>26</u>
Group relief for nil payment	-	(26)
Utilisation of losses not recognised for tax purposes	2,358	-
Prior year adjustment	<u>(94,334)</u>	<u>-</u>
Total tax charge for the year (note 5(a))	<u>(94,334)</u>	<u>-</u>

(c) Factors that may affect future tax charges:

Future tax charges or credits are likely to be in line with the standard rate of corporation tax in the UK which is currently 19%.

6. Investments

Investments in subsidiary or fellow subsidiary undertakings comprise:

	<u>Shares at cost</u> €
At 1 January 2019 and 31 December 2019	<u>34,794,747</u>

<u>Name of subsidiary or fellow subsidiary</u>	<u>Country of incorporation</u>	<u>Class of shares issued</u>	<u>Percentage holding</u>
IPF Digital AS Address: Lootsa Str, No. 5, Tallinn, 11415, Estonia	Estonia	Ordinary	100%

In the opinion of the directors, the value of the company's investments in its subsidiary undertakings at the balance sheet date is not worth less than the amount at which it is stated in the balance sheet at the balance sheet date.

IPF DIGITAL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019
(CONTINUED)

7. Debtors

Amounts falling due within one year:

	<u>2019</u> €	<u>2018</u> €
Corporation tax group relief	-	94,334
	<u>-</u>	<u>94,334</u>

8. Creditors

Amounts falling due within one year:

	<u>2019</u> €	<u>2018</u> €
Accruals and deferred income	-	12,546
	<u>-</u>	<u>12,546</u>

9. Called-up share capital

	<u>2019</u> €	<u>2018</u> €
Authorised 30,000,000 ordinary shares of 10p each	<u>3,679,000</u>	<u>3,679,000</u>
Allotted, called-up and fully paid 1 January 2019 and 31 December 2019 27,763,913 ordinary shares of 10p each (2018: 27,763,913)	<u>3,705,069</u>	<u>3,705,069</u>

10. Share premium

	<u>2019</u> €	<u>2018</u> €
1 January 2019 and 31 December 2019	<u>32,805,637</u>	<u>32,805,637</u>

IPF DIGITAL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019
(CONTINUED)

11. Capital redemption

	<u>2019</u> €	<u>2018</u> €
1 January 2019 and 31 December 2019	<u>102,317</u>	<u>102,317</u>

12. Related party disclosure

As a wholly owned subsidiary, the company has taken advantage of the exemption in FRS 101 "Related Party Disclosures" from disclosing related party transactions with other entities included in the consolidated financial statements of International Personal Finance plc.

13. Contingent liabilities

The company has a contingent liability for (i) guarantees given in respect of borrowings made by the company's ultimate parent undertaking and (ii) guarantees given jointly and severally with the company's ultimate parent undertaking in respect of borrowings made by certain of its fellow subsidiaries to a maximum of €996,379,000 (2018: €964,593,000). At 31 December 2019 the borrowings amounted to €795,968,000 (2018: €773,461,000). Refer to the going concern statement in note 1(f) for further information.

14. Parent undertakings

The company, whose liability is limited to a maximum of the share capital issued, is registered and domiciled in the United Kingdom, the registered office of the company is located at Number Three Leeds City Office Park, Meadow Lane, Leeds LS11 5BD. The immediate and ultimate parent undertaking and controlling party is International Personal Finance plc, which is the parent undertaking of the smallest and largest Group to consolidate these financial statements. Copies of that company's consolidated financial statements can be obtained from the Company Secretary, International Personal Finance plc, Number Three Leeds City Office Park, Meadow Lane, Leeds LS11 5BD.

15. Post balance sheet event

In 2020 the Covid-19 virus has caused disruption in the markets that the Company's subsidiaries operate in. Whilst there is no direct impact expected on the operations of the company there is possibility that the value of the investments held, as per note 6, could be impacted. The impact of this is not yet known. The Group is deploying contingency plans to mitigate the risk to the operating subsidiaries and the value of investments will be kept under review by the directors. The ultimate parent company has confirmed its support should the company be unable to meet its liabilities as a result.