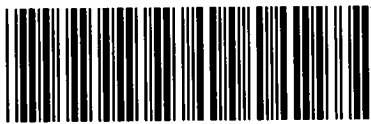


**COFACE UK SERVICES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**For The Year Ended 31 December 2018**

WEDNESDAY  
SA



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COMPANIES HOUSE

# COFACE UK SERVICES LIMITED

## FINANCIAL STATEMENTS

For The Year Ended 31 December 2018

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**COFACE UK SERVICES LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>Directors</b>	Frederic Bourgeois Andrew Share Jean-Baptiste Leverrier (appointed 9 October 2018) Edward Huxley (resigned 9 October 2018) Grant Williams (resigned 10 October 2018)
<b>Auditor</b>	Deloitte LLP, Statutory Auditor 1 New Street Square London EC4A 3HQ United Kingdom
<b>Bankers</b>	Barclays Bank Plc 54 Lombard Street London EC3P 3AH
<b>Registered office</b>	Egale 1 80 St Albans Road Watford Herts WD17 1RP
<b>Registered number</b>	03946800

# COFACE UK SERVICES LIMITED

## STRATEGIC REPORT

For The Year Ended 31 December 2018

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

### REVIEW OF THE BUSINESS

The principal activities of the company are the servicing of insurance contracts and the provision of credit information, receivables management and rating information. Insurance policies issued by the UK Branch of Coface SA ('Coface UK') have associated service contracts which are under the name of Coface UK Services Limited.

Gross profits of £3,806,028 have increased compared with £3,095,856 in 2017. The company accordingly reported a £550,644 profit on ordinary activities before taxation for the year (2017: £590,680 loss) being the first year of profit since that recorded in 2013.

Cost of sales increased by 16% and administrative expenses decreased by 12% contributing to a return to profitability for the year. The profit was increased by the effect of a currency exchange gain of £29k (2017 loss £113k). In tandem with the Coface UK operations of the smallest parent entity (Note 16) service charges and information income is forming a greater portion of turnover. There has also been a greater usage of UK collections by Coface partners worldwide.

The ultimate parent company, Natixis, offers financing and investment solutions for its clients.

### FINANCIAL KEY PERFORMANCE INDICATORS

Given the principal activities of the company, the directors believe that key financial and other performance indicators beyond those disclosed in Note 2 are not necessary for an understanding of the development, performance or position of the company's business.

### PRINCIPAL RISKS AND UNCERTAINTIES

Financial risk management objectives and policies:

The company is exposed to financial risk through its monetary assets and liabilities. The most important components of this financial risk are credit risk and liquidity risk.

#### Credit risk

Credit risk arises where counterparties are unable to pay amounts in full when due. The collection and ageing of credit information, receivables management and rating information debts is monitored on an ongoing basis and more formally in monthly credit control meetings. The company performs collection services on behalf of clients and is thus able to draw on specialised resources when collecting its own debts.

#### Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. Most of the company's overheads are paid by other group companies with a recharge made to the company. Other costs are generally not significant and are predictable in nature.

# COFACE UK SERVICES LIMITED

## STRATEGIC REPORT

For The Year Ended 31 December 2018

### FUTURE DEVELOPMENTS

Uncertainty continues surrounding the terms of Brexit.

Notwithstanding this, the directors expect the general level of activity to remain consistent with the current year in the forthcoming year.

The company has produced a budget to the end of 2019 which supports this view.

Registered office:  
Egale 1  
80 St Albans Road  
Watford  
Herts  
WD17 1RP

Signed by order of the directors



Jean-Baptiste Leverrier  
Director

Approved by the directors on 17 July 2019

# COFACE UK SERVICES LIMITED

## THE DIRECTORS' REPORT

For The Year Ended 31 December 2018

The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 31 December 2018.

### GOING CONCERN

Uncertainty continues surrounding the terms of Brexit.

Notwithstanding this, after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The expectation is based on the following reasons:

a) The company is part of the Coface Group which the directors believe to be a going concern;

b) While the company has current liabilities of £4,464,875 (2017: £5,211,637), £2,239,686 (2017: £2,408,905) is attributable to intercompany creditors. If the company were required to settle this creditor balance, the Group would arrange for either a payment from the underlying trading companies to fund the repayment or provide alternative funding.

### DIVIDENDS

The directors have not recommended a dividend (2017: £nil).

### PRINCIPAL RISKS AND UNCERTAINTIES

Details of financial risks can be found in the Strategic Report on page 4.

### FUTURE DEVELOPMENTS AND EVENTS AFTER THE BALANCE SHEET DATE

Details of future developments can be found in the Strategic Report on page 4.

Since the end of the financial year, the directors are not aware of any other matter or circumstance not otherwise dealt with in this report or the financial statements, that has significantly or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in subsequent years.

### DIRECTORS

The current directors of the company, those who held office throughout the year, and at 31 December 2018, are listed on page 1.

### DISCLOSURE OF INFORMATION TO THE AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware;
- the director has taken all steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

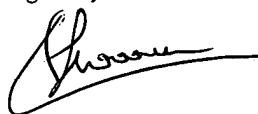
This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

### AUDITOR

A resolution to re-appoint Deloitte LLP will be proposed at the annual general meeting.

Registered office:  
Egale 1  
80 St Albans Road  
Watford  
Herts WD17 1RP

Signed by order of the directors



Jean-Baptiste Leverrier  
Director

Approved by the directors on 17 July 2019

# COFACE UK SERVICES LIMITED

## DIRECTORS' RESPONSIBILITY STATEMENT

For The Year Ended 31 December 2018

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 the law, the directors have elected to prepare the financial statements in accordance with Accounting Standards issued by the Financial Reporting Council, 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.

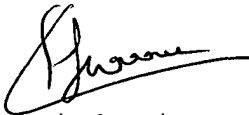
In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the board of directors:



Jean-Baptiste Leverrier  
Director  
17 July 2019

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
COFACE UK SERVICES LIMITED**

**For The Year Ended 31 December 2018**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**OPINION**

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

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; 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 balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (*United Kingdom Generally Accepted Accounting Practice*).

**BASIS FOR OPINION**

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

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

We have nothing to report in respect of these matters.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
COFACE UK SERVICES LIMITED**

**For The Year Ended 31 December 2018**

**OTHER INFORMATION**

The directors are responsible for the other information. The other information comprises the information included in the financial statements, 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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.*

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
COFACE UK SERVICES LIMITED**

**For The Year Ended 31 December 2018**

**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**

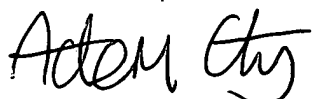
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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.



Adam Ely (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

17 July 2019

# COFACE UK SERVICES LIMITED

## PROFIT AND LOSS ACCOUNT

For The Year Ended 31 December 2018

	Notes	2018 £	2017 £
<b>TURNOVER</b>	2	5,768,226	4,778,355
Cost of Sales		<u>(1,962,198)</u>	<u>(1,682,499)</u>
<b>GROSS PROFIT</b>		3,806,028	3,095,856
Administrative expenses		<u>(3,255,384)</u>	<u>(3,686,536)</u>
<b>OPERATING PROFIT/(LOSS)</b>	3	550,644	(590,680)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		550,644	(590,680)
Tax credit on profit/(loss) on ordinary activities	8	3,852	104,118
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	13	<u>554,496</u>	<u>(486,562)</u>

There were no recognised gains or losses other than those included in the profit and loss account and accordingly no statement of comprehensive income has been prepared.

All results are from continuing operations. The accompanying notes on pages 11 to 17 form an integral part of the financial statements.



# COFACE UK SERVICES LIMITED

## BALANCE SHEET

As at 31 December 2018

	Notes	2018 £	2017 £
<b>CURRENT ASSETS</b>			
Debtors	9	1,100,181	845,203
Cash at Bank		<u>866,590</u>	<u>1,313,834</u>
		1,966,771	2,159,037
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>(4,464,875)</u>	<u>(5,211,637)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(2,498,104)</u>	<u>(3,052,600)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(2,498,104)</u>	<u>(3,052,600)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	1	1
Profit and loss account	13	<u>(2,498,105)</u>	<u>(3,052,601)</u>
<b>SHAREHOLDER'S DEFICIT</b>	13	<u>(2,498,104)</u>	<u>(3,052,600)</u>

## STATEMENT OF CHANGES IN EQUITY

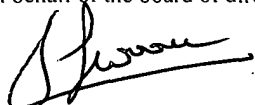
For The Year Ended 31 December 2018

	Share capital £	Profit and (loss) account £	Total share- holder's deficit £
<b>At 1 January 2017</b>	1	(2,566,039)	(2,566,038)
Total comprehensive income:			
Loss for the financial year 2017	-	<u>(486,562)</u>	<u>(486,562)</u>
<b>At 31 December 2017</b>	1	(3,052,601)	(3,052,600)
Total comprehensive income:			
Profit for the financial year 2018	-	<u>554,496</u>	<u>554,496</u>
<b>At 31 December 2018</b>	<u>1</u>	<u>(2,498,105)</u>	<u>(2,498,104)</u>

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These financial statements of Coface UK Services Limited, Registered Company Number 03946800, were approved and authorised for issue by the directors on 17 July 2019

Signed on behalf of the board of directors:



Jean-Baptiste Leverrier  
Director

The notes on pages 11 to 17 form an integral part of these financial statements.

# COFACE UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2018

### 1 ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) and applicable law of England and Wales. The particular accounting policies adopted are described below. They have all been applied consistently throughout the year and the preceding year.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements (refer Note 15). The Company is consolidated in the financial statements of its parent, Coface SA (refer Note 17). Exemptions have been taken in these separate Company financial statements in relation to the presentation of a cash flow statement and remuneration of key management personnel.

#### Going Concern

Uncertainty continues surrounding the terms of Brexit.

Notwithstanding this, after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The expectation is based on the following reasons:

- a) The company is part of the Coface Group which the directors believe to be a going concern;
- b) While the company has current liabilities of £4,464,875 (2017: £5,211,637), £2,239,686 (2017: £2,408,905) is attributable to intercompany creditors. If the company were required to settle this creditor balance, the Group would arrange for either a payment from the underlying trading companies to fund the repayment or provide alternative funding.

#### Turnover and deferred income

Turnover represents the total invoice value, excluding value added tax, of sales made during the year. Turnover is adjusted to defer revenue where there are future service obligations.

Creditors include deferred income of £1,782,173 a 12% increase on the 2017 balance of £1,581,085.

#### Cost of sales

Cost of sales are recognised on an accruals basis and include external costs for information research, collection agency fees, legal fees incurred in collecting debts, and brokerage.

#### Administrative expenses

Administrative expenses are recognised on an accruals basis and include overheads and payroll costs which are mainly recharged from Coface UK.

#### Pension costs

The Coface group in the UK operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

# COFACE UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2018

### 1 ACCOUNTING POLICIES (continued)

#### Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards FRS 102. There were no material departures from those standards.

#### Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet

#### Foreign currencies

The reporting currency of the Company is the pound. Functional currencies are the pound, the euro and the US dollar.

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

#### Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies 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 estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# COFACE UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2018

### 2 TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

Service Charges are earned upon the servicing (collections and administration) of the insurance policies with Coface UK. Collections Income is the income from collections of customers' debtors. Information Income arises from the providing of credit reports and credit ratings.

2018	Service charges £	Collections income £	Information income £	Total £
Deferred B/f	1,581,085	-	-	1,581,085
Invoiced in year	3,673,421	1,770,152	525,741	5,969,314
Deferred C/f (note 11)	(1,782,173)	-	-	(1,782,173)
Turnover	<u>3,472,333</u>	<u>1,770,152</u>	<u>525,741</u>	<u>5,768,226</u>
2017	Service charges £	Collections income £	Information income £	Total £
Deferred B/f	1,084,999	-	-	1,084,999
Invoiced in year	3,704,739	1,141,642	428,060	5,274,441
Deferred C/f (note 11)	(1,581,085)	-	-	(1,581,085)
Turnover	<u>3,208,653</u>	<u>1,141,642</u>	<u>428,060</u>	<u>4,778,355</u>

# COFACE UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2018

### 3 OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	2018	2017
	£	£
Net (profit)/loss from currency conversion	<u>(29,110)</u>	<u>113,434</u>

### 4 AUDITOR'S REMUNERATION

Fees payable to Deloitte LLP for the audit of the Company's financial statements the years ended 31 December 2018 and 2017 were £7,333 and £7,333 respectively. No other fees were paid to the auditor in respect of the Company.

### 5 PARTICULARS OF EMPLOYEES

All employees are contracted to other group companies. The following employment costs are included within administrative expenses and are recharged by Coface UK to the company:

	2018	2017
	£	£
Wages and salaries	1,725,607	1,865,117
Social security costs	212,477	227,845
Pension costs (note 7)	138,172	142,613
	<u>2,076,256</u>	<u>2,235,575</u>

### 6 DIRECTORS' REMUNERATION

The directors of the company are remunerated by other companies in the Group (Compagnie Francais D'Assurance pour le Commerce Extérieur, branch in UK). The directors did not receive any remuneration for services to the company during 2018 (2017: nil).

The company has nil employees (2017: nil).

### 7 PENSION COSTS

The Coface group in the UK operates a stakeholder pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension costs included within administrative expenses represent contributions due from the company and amount to £138,172 (2017: £142,613).



# COFACE UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2018

### 8 TAXATION ON ORDINARY ACTIVITIES

	2018	2017
	£	£
Tax from ordinary activities:		
<b>Current Tax:</b>	<u>-</u>	<u>-</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(121,057)	(104,118)
Total deferred tax account movement arising during the year (note 10)	<u>(121,057)</u>	<u>(104,118)</u>
Deferred tax utilised during the year (note 10)	117,205	-
<b>Total tax credit on profit/(loss) on ordinary activities</b>	<u><u>(3,852)</u></u>	<u><u>(104,118)</u></u>

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit/loss before tax are as follows:

	2018	2017
	£	£
Profit/(loss) on ordinary activities before taxation	<u>550,644</u>	<u>(590,680)</u>
Weighted average rate of corporation tax in the UK	19.00%	19.25%
	£	£
Profit/(loss) on ordinary activities multiplied by the weighted average rate of UK corporation tax	104,622	(113,706)
Tax effects of:		
Expenses not deductible for tax purposes	12,583	9,582
Other timing	-	6
Carry forward tax losses recognised	(121,057)	-
<b>Total tax credit on profit/(loss) on ordinary activities</b>	<u><u>(3,852)</u></u>	<u><u>(104,118)</u></u>

For the deferred tax calculations, an average rate of 19.00% has been applied (2017: 19.25%). The UK Corporation Tax rate decreased from 20.00% to 19.00% on 1 April 2017. Current year losses will be provided as group relief in the current tax year.

### 9 DEBTORS

	2018	2017
	£	£
Trade debtors	167,612	314,394
Amounts owed by group undertakings	428,929	35,810
Deferred taxation (note 10)	3,852	104,118
Prepayments and Accrued income	499,788	390,881
	<u><u>1,100,181</u></u>	<u><u>845,203</u></u>

Related party balances are unsecured with no formal guarantees in place.

# COFACE UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2018

### 10 DEFERRED TAXATION

The deferred tax asset included in the balance sheet is as follows:

	2018	2017
	£	£
Included in debtors (note 9)	<u>3,852</u>	<u>104,118</u>

The movement in the deferred taxation account during the year was:

	2018	2017
	£	£
Balance brought forward	104,118	153,739
Group relief to Coface UK Branch re 2016	-	(153,739)
Group relief to Coface UK Branch re 2017	(104,118)	-
Deferred tax arising during the year (note 8)	-	104,118
Recognition of 2010 to 2013 net losses as deferred tax (note 8)	121,057	-
Deferred tax utilised during the year (note 8)	(117,205)	-
Balance carried forward	<u>3,852</u>	<u>104,118</u>

For the deferred tax calculations, an average rate of 19.00% has been applied (2017: 19.25%). The UK Corporation Tax rate decreased from 20.00% to 19.00% on 1 April 2017. Current year losses will be provided as group relief in the current tax year.

### 11 CREDITORS: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	216,645	1,064,268
Amounts owed to group undertakings	2,239,686	2,408,905
Other taxes and social security costs	226,371	157,379
Accruals & deferred income (note 2)	1,782,173	1,581,085
	<u>4,464,875</u>	<u>5,211,637</u>

Related party balances are unsecured with no formal guarantees in place.

### 12 SHARE CAPITAL

		2018	2018	2017
Authorised share capital:	Nominal Value	Number	£	£
Ordinary shares	£1 each	100	<u>100</u>	<u>100</u>
Allotted, called up and fully paid:			2018	2017
Ordinary shares	£1 each	1	<u>1</u>	<u>1</u>

Coface UK Services Limited is a private company registered in England Wales number 03946800 limited by shares.

# COFACE UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2018

### 13 RECONCILIATION OF SHAREHOLDER'S DEFICIT AND MOVEMENTS OF RESERVES

	Share capital £	Profit and loss account £	Total share- holder's deficit £
At 1 January 2017	1	(2,566,039)	(2,566,038)
Loss for the financial year 2017	-	(486,562)	(486,562)
<hr/>			
At 31 December 2017	1	(3,052,601)	(3,052,600)
Profit for the financial year 2018	-	554,496	554,496
<hr/>			
At 31 December 2018	<u>1</u>	<u>(2,498,105)</u>	<u>(2,498,104)</u>

### 14 FUTURE DEVELOPMENTS AND EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events affecting the Company since the financial year end.

### 15 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the disclosure exemption available in FRS 102 Section 33. All related party transactions are with entities that are wholly owned by the ultimate parent.

### 16 ULTIMATE PARENT COMPANY

At the balance sheet date the company's immediate parent undertaking was Coface UK Holdings Limited, a company registered in England and Wales. The smallest parent entity preparing Group Accounts was Compagnie Francaise d'Assurance pour le Commerce Exterieur S.A., a company incorporated in France. It has included the company in its group financial statements, copies of which are available from, 1 place Costes et Bellonte, CS 20003, 92276 Bois-Colombes, Paris. The company's ultimate parent undertaking is Natixis, which was incorporated in France and is the largest parent entity preparing Group Accounts. The company is included in the consolidated financial statements of the Natixis group. Natixis' consolidated financial statements are available from 30, Avenue Pierre Mendès-France - 75013 Paris.

### 17 OPERATING LEASE COMMITMENTS

As at 31 December 2018 the company had annual commitments under non-cancellable operating leases, for land and buildings, as set out below. Although the company has a legal obligation under the lease agreements, the lease expenses are borne by another trading entity in the group with lease expense being recharged across group entities.

	2018 £	2017 £
Operating lease expense commitments which are due:		
Within one year	336,039	176,073
In two to five years	1,185,252	1,496,301
In over five years	-	24,990
	<u>1,521,291</u>	<u>1,697,364</u>