

Registration number: 04048963

TenetSelect Limited
Annual Report and Financial Statements
for the Year Ended 30 September 2019



TenetSelect Limited

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TenetSelect Limited

Company Information

Directors

H M Ball
C J Bradley
S M Jones
K Craig
S Broadley
M W Scanlon

Company secretary

R J Fletcher

Registered office

5 Lister Hill
Horsforth
Leeds
LS18 5AZ

Solicitors

Eversheds LLP
Bridgewater Place
Water Lane
Leeds
LS11 5DR

Bankers

Lloyds Bank PLC
1 Lovell Park Road
Leeds
LS1 1NS

Auditors

Deloitte LLP
1 City Square
Leeds
LS1 2AL

TenetSelect Limited

Strategic Report for the Year Ended 30 September 2019

The directors present their strategic report for the year ended 30 September 2019.

Fair review of the business

TenetSelect Limited (“the Company”) is a wholly-owned subsidiary of Tenet Limited.

The Company’s principal activities are that of the provision of compliance consultancy, commission processing services and other services which facilitate the arrangement of insurance products to firms of financial advisers.

The directors are not aware, at the date of this report, of any likely major changes in the Company’s activities in the next year.

Revenue has reduced, as shown in the Company’s income statement to £1,279,976 (2018: £1,763,680). Profit before tax has decreased by £72,595 to £37,081 (2018: £109,676) due to decrease in revenue as the Company refocuses and determines its future strategy.

The statement of financial position shows that the net asset position at the year end has increased by £17,174 to £436,539 (2018: £419,365).

Note 2 includes details of key assumptions used in the preparation of the Company’s financial statements. There have been no significant events since the balance sheet date.

The Company’s directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business.

The directors are satisfied with the results for the year and expect the general level of activity in the forthcoming year to reflect market conditions.

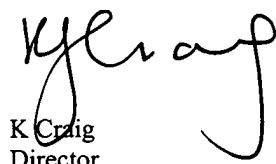
Principal risks and uncertainties

The business is active in the provision of compliance consultancy and commission processing services to firms of financial advisers which facilitate the sale of financial products. As a consequence, the Company’s activities are regulated and this gives rise to a number of risks. The Company operates a strict compliance regime to mitigate such risks.

Competitive pressure is a continuing risk for the Company, which could result in it losing sales to its key competitors. The Company manages this risk by providing added value services to its clients, having fast response times not only in supplying compliance consultancy and its other services, but also in handling all client queries and by maintaining strong relationships with its clients.

Group risks are discussed in the ultimate parent undertaking’s annual report which does not form part of this report.

Approved by the Board on 6 February 2020 and signed on its behalf by:



K Craig
Director

TenetSelect Limited

Directors' Report for the Year Ended 30 September 2019

The directors present their report and the financial statements for the year ended 30 September 2019.

Directors' of the company

The directors, who held office during the year, and up to date of signing this report, were as follows:

H M Ball
C J Bradley
M J Greenwood (resigned 15 April 2019)
S M Jones
K Craig
S Broadley
M W Scanlon (appointed 15 April 2019)

Dividends

The directors do not recommend payment of a dividend (2018: £nil).

Going concern

As highlighted in the Tenet Group's Annual Report, the current economic conditions create uncertainty in respect of the level of demand for financial services products. However, the Company's forecasts and projections, including sensitivity analysis taking into account reasonably possible adverse changes in trading performance, show that the company should be able to operate successfully. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully in the present challenging economic environment.

The Company has an adequate level of financial resources, including net assets of £436,539 (2018: £419,365) with no bank debt or other financial liabilities with any restrictive or financial covenants. It has long established relationships with a large number of financial advisory firms, product providers and suppliers across a diverse geographical area within the U.K, with no significant credit risk exposure to any single counterparty.

Taking these factors into account, and after making enquiries, the directors have a reasonable expectation that the Company has adequate resources to trade successfully and fully comply with its regulatory requirements for 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.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, appropriate arrangements are being made for Deloitte LLP to be deemed re-appointed as auditor of the Company in the absence of an Annual General Meeting.

TenetSelect Limited

Directors' Report for the Year Ended 30 September 2019 (continued)

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

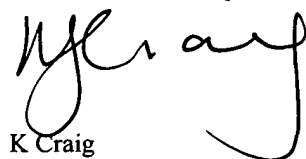
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 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.

Approved by the Board on 6 February 2020 and signed on its behalf by:



K Craig
Director

TenetSelect Limited

Independent Auditor's Report

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of TenetSelect Limited (the 'Company'):

- give a true and fair view of the state of the company's affairs as at 30th September 2019 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 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 income statement;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 13.

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.

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.

TenetSelect Limited

Independent Auditor's Report (continued)

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 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

TenetSelect Limited

Independent Auditor's Report (continued)

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
6 February 2020

TenetSelect Limited

Income Statement for the Year Ended 30 September 2019

| | Note | 2019 £ | 2018 £ |
|--------------------------------------|------|--------------------|--------------------|
| Turnover | 2 | 1,279,976 | 1,763,680 |
| Administrative expenses | | <u>(1,242,895)</u> | <u>(1,654,004)</u> |
| Operating profit | 4 | <u>37,081</u> | <u>109,676</u> |
| Profit before tax | | 37,081 | 109,676 |
| Tax on profit on ordinary activities | 7 | <u>(19,907)</u> | <u>(32,532)</u> |
| Profit for the year | | <u>17,174</u> | <u>77,144</u> |

The above results were derived from continuing operations.

The notes on pages 11 to 18 form an integral part of these financial statements.


TenetSelect Limited

(Registration number: 04048963)

Statement of Financial Position as at 30 September 2019

| | Note | 2019 £ | 2018 £ |
|---------------------------------|------|------------------|------------------|
| Fixed assets | | | |
| Intangible assets | 8 | 25,000 | 25,000 |
| Current assets | | | |
| Trade and other receivables | 9 | 495,527 | 404,921 |
| Cash at bank and in hand | | 17,738 | 211,617 |
| | | <u>513,265</u> | <u>616,538</u> |
| Trade and other payables | 10 | <u>(101,726)</u> | <u>(222,173)</u> |
| Net current assets | | <u>411,539</u> | <u>394,365</u> |
| Net assets | | <u>436,539</u> | <u>419,365</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 961,000 | 961,000 |
| Profit and loss account | | <u>(524,461)</u> | <u>(541,635)</u> |
| Shareholders' funds | | <u>436,539</u> | <u>419,365</u> |

The financial statements of TenetSelect Limited were approved by the Board on 6 February 2020 and signed on its behalf by:


K Craig
Director

The notes on pages 11 to 18 form an integral part of these financial statements.

TenetSelect Limited

Statement of Changes in Equity for the Year Ended 30 September 2019

| | Share capital £ | Retained earnings £ | Total £ |
|----------------------------|--------------------|---------------------------|------------|
| At 1 October 2018 | 961,000 | (541,635) | 419,365 |
| Profit for the year | - | 17,174 | 17,174 |
| Total comprehensive income | - | 17,174 | 17,174 |
| At 30 September 2019 | 961,000 | (524,461) | 436,539 |

| | Share capital £ | Retained earnings £ | Total £ |
|----------------------------|--------------------|---------------------------|------------|
| At 1 October 2017 | 961,000 | (618,779) | 342,221 |
| Profit for the year | - | 77,144 | 77,144 |
| Total comprehensive income | - | 77,144 | 77,144 |
| At 30 September 2018 | 961,000 | (541,635) | 419,365 |

The notes on pages 11 to 18 form an integral part of these financial statements.

TenetSelect Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

1 General information

The company is a private company limited by share capital incorporated and domiciled in England and Wales.

The address of its registered office is:

5 Lister Hill
Horsforth
Leeds
LS18 5AZ

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council and ("FRS 101") as issued by the Financial Reporting Council.

The financial statements have been prepared on the historic cost basis. . The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to standards issued but not yet effective, financial instruments, presentation of a cash-flow statement and related party transactions. Where required, equivalent disclosures are given in the Group financial statements of Tenet Group Limited. The Group financial statements of Tenet Group Limited are available to the public.

As stated in the Directors' Report, after making enquiries the directors have a reasonable expectation that the company has adequate resources to continue trading successfully and fully comply with its regulatory requirements for 12 months from the date of the directors report. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New accounting standards

The following new accounting standards, which have been issued and adopted by the EU, have been adopted as of 1 Oct 2018 by the Company:

IFRS 9 Financial instruments

IFRS 15 Revenue from Contracts with Customers

TenetSelect Limited

Notes to the Financial Statements for the Year Ended 30 September 2019 (continued)

2 Accounting policies (continued)

New accounting standards (continued)

a) IFRS 9 Financial Instruments

The Company has adopted IFRS 9 Financial instruments, which replaces IAS 39. There has been no material impact arising from the adoption of IFRS 9, therefore, this has not resulted in any additional amounts recognised in the financial statements for the Company.

IFRS 9 introduces new requirements for the following areas;

- The classification and measurement of financial assets and financial liabilities;
- Impairment of financial assets; and
- General hedge accounting.

Classification and measurement of financial assets and financial liabilities

All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value based on how the Company manage the financial assets and their contractual cash flow characteristics.

Management have reviewed and assessed the Company's existing financial assets and liabilities based on the facts and circumstances on transition and concluded that the initial application of IFRS 9 has had no impact on classification and measurement.

Impairment of financial assets

The only impact on the consolidated financial statements is in relation to the impairment of trade receivables within financial assets.

IFRS 9 requires an expected credit loss (ECL) model as opposed to an incurred credit loss model under the previous accounting standard. The ECL model requires the Company to account for a lifetime ECL and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. On this basis, it is no longer necessary for a default event to have occurred before credit losses are recognised. As a consequence of this change, credit losses are recognised earlier than under IAS 39.

IFRS 9 requires the Company to assess the risk profile of its trade receivables. The Company analysed the risk profile of trade receivables based on past experience and an analysis of the receivables current financial position, adjusted for specific factors, general economic conditions of the industry in which the receivables operate and assessment of both the current and forecast direction of conditions at the reporting date. The Company has performed the calculation of ECL under IFRS 9 and concluded there have been no change to the amounts disclosed in the accounts.

General hedge accounting

The Company does not apply hedge accounting, therefore, this is not applicable.

b) IFRS 15 Revenue from contracts with customers

The Company has adopted IFRS 15 Revenue from contracts with customers, which replaces IAS 18. IFRS 15 proposes a 5-step approach, which requires revenue to be matched with the performance of the related contractual obligations. The key concept in IFRS 15, is when control has passed or performance obligation has been completed, which replaces the notion of risks and rewards in IAS 18. We have elected to apply the practical expedients available in the transitional requirements of IFRS 15, C2 to C8, to apply this retrospectively only to contracts which are not completed at the date of initial application. Applying IFRS 15, has not resulted in any adjustment. Income is recognised when the services are performed.

TenetSelect Limited
Notes to the Financial Statements for the Year Ended 30 September 2019(continued)

2 Accounting policies (continued)

New standards, amendments and improvements to IFRS, applicable to the next accounting period.

The following new accounting standards have been issued and adopted by the EU, which are applicable to the next accounting period;

IFRS 16 Leases

IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right of use asset' for virtually all lease contracts. As a practical expedient there are optional exemptions for certain short term leases and leases of low value assets.

The Company has assessed the impact of IFRS 16 and there is not expected to be a material impact to the accounts.

Revenue recognition

All revenue relates to the principal activities described in the Strategic Report and arises in the United Kingdom.

Revenue is measured at the fair value of the consideration received or receivable and represents the sales of services provided in the normal course of business, net of discounts, VAT and other sales related taxes. All revenue arises in the United Kingdom.

Tax

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are only recognised when it is probable that the Company will be able to realise these benefits. Deferred tax liabilities are recognised when incurred. These are recognised at the substantially enacted tax rates.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the subsidiary at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

Intangible Assets

Intangible assets are stated at cost net of amortisation. Amortisation is provided at rates calculated to write off the cost of each asset on a straight line basis over its estimated useful economic life of 10 years.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

TenetSelect Limited

Notes to the Financial Statements for the Year Ended 30 September 2019 (continued)

2 Accounting policies (continued)

Trade receivables

Trade and other receivables are classified as financial assets measured at amortised cost. Under the IFRS 9 ECL model, a credit event (or impairment trigger) no longer needs to occur before credit losses are recognised. The Company analysed the risk profile of trade receivables based on past experience and an analysis of the receivables current financial position, potential for a default event to occur, adjusted for specific factors, general economic conditions of the industry in which the receivables operate and assessment of both the current and forecast direction of conditions at the reporting date. A default event is considered to occur when information is obtained that indicates a receivable is unlikely to settle their liability with the Company.

Credit risk is regularly reviewed by management to ensure the expected credit loss model (ECL) is being appropriately applied.

Trade payables

Trade payables are other financial liabilities initially measured at fair value and subsequently measured at amortised cost.

Pensions

The Company contributes to a defined contribution pension scheme administered by another Group company. The amount charged to the income statement relates to the contributions payable in the year. Differences arising between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Financial assets and liabilities

Classification and measurement of financial assets and liabilities

Classification of financial assets and liabilities are generally based on the business model in which the financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at amortised cost if it is held with the objective of collecting the contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. There are currently no other financial assets which are measured at fair value through other comprehensive income or profit or loss.

3 Critical accounting judgements and key sources of estimation uncertainty

Critical judgements in applying the company's accounting policies

The following are critical estimates that the Company has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Goodwill

To determine whether goodwill is impaired the Group and company make an estimate of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash generating units and to discount these at a suitable discount rate factor in order to calculate the net present value. During the year the Group performed discounted cash flow calculations based on long term assumptions to confirm that there were no impairments.

TenetSelect Limited

Notes to the Financial Statements for the Year Ended 30 September 2019 (continued)

4 Operating profit

Operating profit is arrived at after charging:

| | 2019 | 2018 |
|------------------------|---------|---------|
| | £ | £ |
| Auditor's remuneration | 8,914 | 11,952 |
| Staff costs | 607,464 | 939,199 |

Audit fees for the Company are borne by Tenet Group Limited on behalf of all the Group companies, an allocation has been made, for disclosure purposes.

5 Staff costs

All staff utilised by the Company in the delivery of its services are employed by Tenet Group Limited. Tenet Business Solutions Limited is responsible for the payment of the remuneration of all Tenet Group Limited employees, including the directors of the Company, and it receives recompense from the Company in respect of this service through management recharges which are allocated on a time incurred basis.

The amounts disclosed below relate to amounts which are incurred by the Company and have been recharged to the Company by Tenet Business Solutions Limited.

The aggregate payroll costs (including directors' remuneration) were as follows:

| | 2019 | 2018 |
|--------------------------------------------|---------|---------|
| | £ | £ |
| Wages and salaries | 529,242 | 816,080 |
| Social security costs | 52,058 | 82,133 |
| Pension costs, defined contribution scheme | 26,164 | 40,986 |
| | 607,464 | 939,199 |

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

| | 2019 | 2018 |
|----------------------------|------|------|
| | No. | No. |
| Administration and support | 12 | 14 |
| Directors | 6 | 6 |
| | 18 | 20 |

TenetSelect Limited

Notes to the Financial Statements for the Year Ended 30 September 2019 (continued)

6 Directors' remuneration

The fees or emoluments of all directors were paid by Tenet Business Solutions Ltd.

Four (2018: four) of the directors are executives of the ultimate parent undertaking, Tenet Group Limited, and their remuneration is disclosed within Tenet Group Limited consolidated accounts. The remaining two (2018: two) directors are also directors of other group companies. During the year these directors received total remuneration of £241,641 (2018: £232,347) and £65,000 (2018: £36,000) defined contribution pension benefit. No allocation between the services provided to different group companies is made.

7 Income tax

Tax charged in the income statement

| | 2019 £ | 2018 £ |
|-------------------|---------------|---------------|
| Current taxation | 21,810 | 32,532 |
| Deferred taxation | (1,903) | - |
| Tax charge | 19,907 | 32,532 |

The tax on profit before tax for the year is more than (2018: more than) the standard rate of corporation tax in the UK of 19.0% (2018: 19.0%).

The differences are reconciled below:

| | 2019 £ | 2018 £ |
|----------------------------------------------------------------|---------------|---------------|
| Profit before tax | 37,081 | 109,676 |
| Corporation tax at standard rate | 7,045 | 20,838 |
| Tax effects of: | | |
| -Depreciation and assets subject to capital allowances written | 12,864 | 11,694 |
| -Capital allowances | (418) | 2,828 |
| Prior year adjustment | (1,487) | - |
| Additional deferred taxation recognised | 1,903 | (2,828) |
| Total tax charge | 19,907 | 32,532 |

Deferred tax

There are £nil of unused tax losses (2018: £2,321) for which no deferred tax asset is recognised in the statement of financial position. A deferred tax asset of £1,903 has been recognised in the current year (2018: £nil).

TenetSelect Limited

Notes to the Financial Statements for the Year Ended 30 September 2019 (continued)

8 Intangible assets

| | Goodwill £ | Other intangible assets £ | Total £ |
|---------------------------------|---------------|---------------------------------|------------|
| Cost or valuation | | | |
| At 1 October 2018 | 703,221 | 25,000 | 728,221 |
| At 30 September 2019 | 703,221 | 25,000 | 728,221 |
| Amortisation/ impairment | | | |
| At 1 October 2018 | 678,221 | 25,000 | 703,221 |
| At 30 September 2019 | 678,221 | 25,000 | 703,221 |
| Carrying amount | | | |
| At 30 September 2019 | 25,000 | - | 25,000 |
| At 30 September 2018 | 25,000 | - | 25,000 |

9 Trade and other receivables

| | 2019 £ | 2018 £ |
|-----------------------------------------------|-----------|-----------|
| Trade receivables | 131,290 | 61,036 |
| Provision for impairment of trade receivables | (7,737) | (7,737) |
| Net trade receivables | 123,553 | 53,299 |
| Receivables from related parties | 346,449 | 328,000 |
| Prepayments | 23,622 | 23,622 |
| Deferred tax asset | 1,903 | - |
| Total current trade and other receivables | 495,527 | 404,921 |

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

TenetSelect Limited

Notes to the Financial Statements for the Year Ended 30 September 2019 (continued)

10 Trade and other payables

| | 2019 | 2018 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Trade payables | 6,126 | 19,692 |
| Amounts due to related parties | 22,000 | 115,891 |
| Social security and taxation | 73,600 | 86,591 |
| | <u>101,726</u> | <u>222,173</u> |

The directors consider that the carrying amount of trade and other payables approximates their fair value. Amounts due to related parties are payable on demand.

11 Share capital

Allotted, called up and fully paid shares

| | 2019 | 2018 |
|----------------------------|----------------|----------------|
| | No. | No. |
| | £ | £ |
| Ordinary shares of £1 each | <u>961,000</u> | <u>961,000</u> |

12 Related party transactions

Summary of transactions with parent entities

As a wholly owned subsidiary, the company has taken advantage of the exemption in FRS 101 "Related Party Transactions" from disclosing related party transactions with other entities included in the consolidated financial statements of Tenet Group Limited.

13 Parent and ultimate parent undertaking

The company is a wholly owned subsidiary of Tenet Limited, a company incorporated in England and Wales. The directors consider that Tenet Group Limited, also a company incorporated in England and Wales, is the company's ultimate parent undertaking and is the controlling party.

Tenet Group Limited is the smallest and largest group in which the results of the company are consolidated. Copies of the financial statements of Tenet Group Limited are available from 5 Lister Hill, Horsforth, Leeds, LS18 5AZ.