

Company Registration No. 06794890 (England and Wales)

**VERITAU LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**  
**PAGES FOR FILING WITH REGISTRAR**

**VERITAU LIMITED**

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**VERITAU LIMITED**

**BALANCE SHEET**

**AS AT 31 MARCH 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		62,568		40,379
Investments	5		50,080		50,080
			<u>112,648</u>		<u>90,459</u>
<b>Current assets</b>					
Debtors	7	395,283		258,236	
Cash at bank and in hand		369,300		369,002	
		<u>764,583</u>		<u>627,238</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(319,485)</u>		<u>(244,272)</u>	
<b>Net current assets</b>			<u>445,098</u>		<u>382,966</u>
<b>Total assets less current liabilities</b>			<u>557,746</u>		<u>473,425</u>
<b>Net assets excluding pension liability</b>			557,746		473,425
<b>Defined benefit pension liability</b>	10		<u>(869,000)</u>		<u>(395,000)</u>
<b>Net (liabilities)/assets</b>			<u><u>(311,254)</u></u>		<u><u>78,425</u></u>
<b>Capital and reserves</b>					
Called up share capital	11		2		2
Profit and loss reserves			<u>(311,256)</u>		<u>78,423</u>
<b>Total equity</b>			<u><u>(311,254)</u></u>		<u><u>78,425</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 19 October 2021 and are signed on its behalf by:

Mr G Fielding  
Director

Company Registration No. 06794890

## VERITAU LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

##### Company information

Veritau Limited is a private company limited by shares incorporated in England and Wales. The registered office is West Offices, Station Rise, York, North Yorkshire, YO1 6GA.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

##### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company has ongoing contracts with local councils and authorities and can tailor its expenditure accordingly in line with income levels.

The results each year are subject to the movements of the North Yorkshire Pension Fund, which is a defined benefit scheme. The company continues to meet its contributions due to the scheme on a normal contribution basis. There is a subsumption agreement in place between the company, City of York Council and North Yorkshire County Council to take on the assets or liabilities of the pension scheme should this be required.

After a detailed review of the company's resources and future prospects, the directors are confident that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

Thus, the directors to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts with local authorities for the provision of professional services is recognised in line with the reporting period for these services ending on 30 April, and the right to income is met at this point. To ensure income is recognised in the correct period, an adjustment is therefore made to reflect the value of work done in the period up to 30 April.

## VERITAU LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

(Continued)

##### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

The company applies a de-minimis level of £2k in relation to tangible fixed assets.

##### 1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

##### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

## VERITAU LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

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.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## VERITAU LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

(Continued)

##### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### 1.10 Taxation

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

###### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense 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 is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### *Deferred tax*

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

##### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.12 Retirement benefits

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

**VERITAU LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	62	58

**3 Directors' remuneration**

	2021 £	2020 £
Remuneration paid to directors	142,633	121,887

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 2 (2020 - 2).

**4 Tangible fixed assets**

	Plant and machinery etc £
<b>Cost</b>	
At 1 April 2020	83,742
Additions	54,457
At 31 March 2021	138,199
<b>Depreciation and impairment</b>	
At 1 April 2020	43,363
Depreciation charged in the year	32,268
At 31 March 2021	75,631
<b>Carrying amount</b>	
At 31 March 2021	62,568
At 31 March 2020	40,379



**VERITAU LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

<b>5</b>	<b>Fixed asset investments</b>	<b>2021</b>	<b>2020</b>
		£	£
	Shares in group undertakings and participating interests	50,080	50,080
		<u>50,080</u>	<u>50,080</u>
	<b>Movements in fixed asset investments</b>		
			<b>Shares in group undertakings</b>
			£
	<b>Cost or valuation</b>		
	At 1 April 2020 & 31 March 2021		50,080
			<u>50,080</u>
	<b>Carrying amount</b>		
	At 31 March 2021		50,080
			<u>50,080</u>
	At 31 March 2020		50,080
			<u>50,080</u>

**VERITAU LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**6 Significant undertakings**

The company also has significant holdings in undertakings which are not consolidated:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Veritau North Yorkshire Limited	United Kingdom	The provision of internal audits, counter fraud and information governance services.	Ordinary	50.00	-
Veritau Tees Valley Ltd	United Kingdom	The provision of internal audits, counter fraud and information governance services.	Ordinary	50.00	-

The aggregate capital and reserves and the result for the year of significant undertakings noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Veritau North Yorkshire Limited	(25,007)	(390,015)
Veritau Tees Valley Ltd	(244,475)	(228,475)

**7 Debtors**

	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	31,361	22,750
Other debtors	201,162	164,466
	<u>232,523</u>	<u>187,216</u>
Deferred tax asset	162,760	71,020
	<u>395,283</u>	<u>258,236</u>

**8 Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	9,306	4,032
Taxation and social security	98,758	87,837
Other creditors	211,421	152,403
	<u>319,485</u>	<u>244,272</u>

**VERITAU LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**9 Deferred taxation**

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	<b>Assets 2021</b>	<b>Assets 2020</b>
	£	£
<b>Balances:</b>		
ACAs	(2,340)	(4,080)
Retirement benefit obligations	165,100	75,100
	<u>162,760</u>	<u>71,020</u>
		<b>2021</b>
		£
<b>Movements in the year:</b>		
Asset at 1 April 2020		(71,020)
Credit to profit or loss		(62,840)
Credit to other comprehensive income		(28,900)
Asset at 31 March 2021		<u>(162,760)</u>

**10 Retirement benefit schemes**

**Defined benefit schemes**

The company participates in a local government pension scheme, administered by North Yorkshire County Council. The local government pension scheme is a defined benefit scheme based on final pensionable salary.

	<b>2021</b>	<b>2020</b>
	%	%
<i>Key assumptions</i>		
Discount rate	2.1	2.3
Expected rate of increase of pensions in payment	2.6	1.8
Expected rate of salary increases	3.85	3.05
	<u>          </u>	<u>          </u>
<i>Mortality assumptions</i>	<b>2021</b>	<b>2020</b>
Assumed life expectations on retirement at age 65:	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	21.9	21.8
- Females	24	23.9
	<u>          </u>	<u>          </u>
Retiring in 20 years		
- Males	23.6	23.5
- Females	25.8	25.7
	<u>          </u>	<u>          </u>

**VERITAU LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

<b>10 Retirement benefit schemes</b>	<b>(Continued)</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<i>Amounts recognised in the profit and loss account</i>		
Current service cost	528,000	487,000
Net interest on net defined benefit liability/(asset)	7,000	(5,000)
	<hr/>	<hr/>
Total costs	535,000	482,000
	<hr/> <hr/>	<hr/> <hr/>
<i>Amounts taken to other comprehensive income</i>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Actual return on scheme assets	(2,344,000)	379,000
Less: calculated interest element	160,000	179,000
	<hr/>	<hr/>
Return on scheme assets excluding interest income	(2,184,000)	558,000
Actuarial changes related to obligations	2,336,000	(348,000)
	<hr/>	<hr/>
Total costs	152,000	210,000
	<hr/> <hr/>	<hr/> <hr/>
The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Present value of defined benefit obligations	10,306,000	7,231,000
Fair value of plan assets	(9,437,000)	(6,836,000)
	<hr/>	<hr/>
Deficit in scheme	869,000	395,000
	<hr/> <hr/>	<hr/> <hr/>
<i>Movements in the present value of defined benefit obligations</i>		
		<b>2021</b>
		<b>£</b>
Liabilities at 1 April 2020		7,231,000
Current service cost		528,000
Benefits paid		(64,000)
Contributions from scheme members		108,000
Actuarial gains and losses		2,336,000
Interest cost		167,000
		<hr/>
At 31 March 2021		10,306,000
		<hr/> <hr/>

**VERITAU LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**10 Retirement benefit schemes (Continued)**

*The defined benefit obligations arise from plans funded as follows:*

Wholly unfunded obligations	-
Wholly or partly funded obligations	10,306,000
	<u>10,306,000</u>

*Movements in the fair value of plan assets*

Fair value of assets at 1 April 2020	6,836,000
Interest income	160,000
Return on plan assets (excluding amounts included in net interest)	2,184,000
Benefits paid	(64,000)
Contributions by the employer	213,000
Contributions by scheme members	108,000
	<u>9,437,000</u>
At 31 March 2021	<u>9,437,000</u>

The actual return on plan assets was £2,344,000 (2020 - £379,000).

	2021 £	2020 £
<i>Fair value of plan assets at the reporting period end</i>		
Equity instruments	5,454,586	3,999,060
Debt instruments	1,726,971	1,305,676
Property	575,657	499,028
Other	1,679,786	1,032,236
	<u>9,437,000</u>	<u>6,836,000</u>

**VERITAU LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**11 Called up share capital**

	2021	2020	2021	2020
Ordinary share capital Issued and fully paid	Number	Number	£	£
2 Ordinary shares of £1 each	2	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

**12 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Daniel Sowden.

The auditor was BHP LLP.

**13 Related party transactions**

North Yorkshire County Council and City of York Council each owned 50% of the shares in the company throughout the current period.

The company owns 50% of the share capital of Veritau North Yorkshire Limited and is entitled to appoint 2 directors. The other 4 shareholders are each able to appoint 1 director each. During the year the company acquired 50% of the share capital of Veritau Tees Valley Limited.

The company is under the control of the directors.

The nature of the work performed by the company is to provide internal audit services to its shareholders and their respective connected entities. The work is all performed on an arms length basis and under normal market conditions. Any costs incurred are also on an arms length basis and under normal market conditions.

