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Tasca Consulting Limited

Annual Report and Accounts 31 December 2019



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Strategic report

The Director presents their strategic report for Tasca Consulting Limited ("the Company") for the financial year ended 31 December 2019.

Principal activity and review of business

The Company was set up to provide consultancy services within the insurance industry and will continue its principal activity in 2020 and beyond.

Summary of 2019 financial results

As reported in the Company's profit and loss account, Company revenue has shown a small decrease from £145,275 to £140,000 in the current period. This was primarily due to a decrease in revenue as a result of a lower amount of work engaged on with clients. Profit before tax has increased from £86,666 to £106,306 due to lower costs.

The key performance indicators used to monitor the performance of the Company are revenue generated and expenses incurred.

These performance measures are set out below:

	2019	2018
	£	£
Revenue	140,000	145,275
Administrative Expenses	(33,694)	(58,609)
Profit on ordinary activities before taxation and dividend	106,306	86,666

Financial position at the reporting date

The balance sheet shows that the Company's net assets at the year end have decreased from £1,090,398 to £106,307 largely due to the payment of a dividend of £1,090,397 to its immediate parent company, Pro Insurance Solutions Limited. Cash at bank at the year end has decreased from £6,614 to £661.

Principal risks and uncertainties

In the ordinary course of business, the Company is exposed to, and manages, a variety of risks including credit and liquidity risk. The Company has processes for identifying, evaluating and managing the significant risks faced. These processes have been in place for the whole of the period and have continued up to the date of the approval of the financial statements. The Company's principal financial assets are bank balances and trade receivables. The risk associated with bank balances is limited because cash is placed with a bank with a high credit rating. The risk associated with trade receivables is mitigated by the processes in place to ensure debtors make prompt payment or are chased for the outstanding balance. The Company has no liquidity issues as, for all expenses due during the year, Pro Insurance Solutions Limited has made the payments on behalf of the Company via an intercompany account.

Covid-19

Since the start of 2020, there has been an outbreak of a new Coronavirus, named Covid-19, which affects lungs and airways. As at 22 May 2020, approximately 5.1 million cases had been reported across 188 countries around the world, with around 333,000 deaths associated with the disease. Many countries have reacted to contain the spread of the virus by implementing a 'lock down' policy to prevent individuals leaving their homes, with around a quarter of the world's 7.8 bn population under lock down at this date. There has been significant economic impact with global stock indices around 30% down by March, central banks in more than 50 countries cutting interest rates, GBP down around 10% against USD and many small businesses being ordered to close by governments.

There is a strong risk that a global recession will follow the virus outbreak, with potential impacts to the Company's clients on insured values, insured businesses entering bankruptcy and depressed asset values driving down capital availability. There may also be claims for losses related to the outbreak, both where the coverage for pandemics was included in the policy and where it was excluded, but insureds are challenging the basis of the exclusion.

Pro Group took the decision to move to remote working ahead of local government instruction and since 17th March 2020, has been fully implementing a full working from home protocol. By being pro-active we were able to manage the transition in a controlled manner, ensuring that our employees were not only safe, but could take required equipment with them to work efficiently. The implementation has been successful with IT systems, banking systems and infrastructure proving resilient and allowing all staff to work effectively.

This has allowed the business to continue through this period effectively and although we do expect that we will see some softening of revenue across 2020, we have to date not seen a material impact to our business. We have established contingency arrangements with our bank to provide a level of comfort, which allows for some drop off in cash through the later part of 2020. This is an evolving situation which the Directors continue to monitor on a continued basis.

The impact of uncertainties due to the United Kingdom exiting the European Union

The Pro group of companies ("Pro") first recognised and recorded Brexit as a material risk factor in February 2016. Since that time, the risk has been monitored and reported to Pro's Executive on a monthly basis and to Pro's Board quarterly. A series of more focused risk assessments have been conducted, including specific analyses of Pro's client base and their post-Brexit expectations, data protection, freedom of movement of staff and post-Brexit passporting. Whilst the economic, political and legal ramifications remain unclear, Pro's management group has taken recognition of the risk and risk assessments when forming its strategy which will ensure Pro's ability to continue to operate and provide continuity of service to both UK and EU clients irrespective of the final outcome.

By Order of the Board



M R Dalzell

Secretary

22 July 2020

Tasca Consulting Limited
Company Number 6423047

Report of the Directors

The Director presents their report together with the audited financial statements for the year ended 31 December 2019.

Results and dividends

The statements of profit or loss for the year is set out on page 8. The company's profit for the financial year after taxation was £106,306 (2018: £86,666).

The Directors approved and the Company declared during 2019 and settled an in-specie dividend of £1,090,397 per share (2018: £nil).

Share capital

A summary of the Company's share capital is set out in note 11 to the financial statements.

Business review

A review of the Company's activities is set out in the strategic report on page 3.

Future developments

Future developments of the Company are addressed within the strategic report.

Director

The Directors of the Company who served throughout the year is as follows:

M R Dalzell
A J Donnelly (Appointed 18 December 2019)

Secretary

M R Dalzell

Auditor

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

Registered Office

One America Square
17 Crosswall
London EC3N 2LB

Director's indemnities

The Company maintains insurance cover for its Director and officers against liabilities which may be incurred by them while acting as Director and officers. As at the date of this report, indemnities are in force under which the Company has agreed to indemnify its Director and officers, to the extent permitted by law and the Company's Articles of Association, against all costs, charges, losses, liabilities and expenses that they may incur in the execution of their duties, powers and offices as Director and officers of the Company. Copies of these indemnities are kept at the Company's registered office and are open for inspection by any member of the Company without charge.

Report of the Director *(continued)*

Statement of Director's responsibilities

The Director is responsible for preparing the Strategic report, the report of the Director and the financial statements in accordance with applicable UK law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with Financial Reporting Standard ("FRS") 102 issued by the Financial Reporting Council. 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 Director is required to;

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

The Director is responsible for keeping proper accounting records that 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 Director is responsible for the maintenance and integrity of the corporate and financial information included on the ultimate parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Risk management

The main risk factors to the company's financial performance and the steps taken to mitigate them are detailed in the principal risks and uncertainties note in the Strategic report.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. In addition, the section on principal risks and uncertainties in the Strategic Report includes an analysis of the risks the Company faces including the potential impact of Covid-19 and its policies for mitigating those risks

Post Balance Sheet Events

Since the start of 2020, there has been an outbreak of a new Coronavirus, named Covid-19, which affects lungs and airways. As at 22 May 2020, approximately 5.1 million cases had been reported across 188 countries around the world, with around 333,000 deaths associated with the disease. Many countries have reacted to contain the spread of the virus by implementing a 'lock down' policy to prevent individuals leaving their homes, with around a quarter of the world's 7.8 bn population under lock down at this date. There has been significant economic impact with global stock indices around 30% down by March, central banks in more than 50 countries cutting interest rates, GBP down around 10% against USD and many small businesses being ordered to close by governments.

There is a strong risk that a global recession will follow the virus outbreak, with potential impacts to the Company's clients on insured values, insured businesses entering bankruptcy and depressed asset values driving down capital availability. There may also be claims for losses related to the outbreak, both where the coverage for pandemics was included in the policy and where it was excluded, but insureds are challenging the basis of the exclusion.

Pro Group took the decision to move to remote working ahead of local government instruction and since 17th March 2020, has been fully implementing a full working from home protocol. By being pro-active we were able to manage the transition in a controlled manner, ensuring that our employees were not only safe, but could take required equipment with them to work efficiently. The implementation has been successful with IT systems, banking systems and infrastructure proving resilient and allowing all staff to work effectively.

This has allowed the business to continue through this period effectively and although we do expect that we will see some softening of revenue across 2020, we have to date not seen a material impact to our business. We have established contingency arrangements with our bank to provide a level of comfort, which allows for some drop off in cash through the later part of 2020. This is an evolving situation which the Directors continue to monitor on a continued basis. The financial statements have been prepared on a going concern basis. In assessing whether the going concern basis is appropriate the Director has considered the information contained in the financial statements of the Company. The Director is satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future.

Auditor

The auditor has expressed willingness to continue in office as auditor and a resolution to reappoint the auditor will be proposed at the forthcoming Annual General Meeting. The Director confirms that so far as they are aware there is no relevant audit information of which the Company's auditor is unaware. The Director also confirms that they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish whether the auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Corporate governance

The Company has continued its commitment to maintaining effective corporate governance during 2019.

The Board has authority, and is accountable to shareholders, for ensuring that the Company is appropriately managed and achieves the corporate objectives it sets. In order to fulfil its responsibilities, the Board meets on a regular basis and has a formal schedule of matters specifically reserved for its consideration and decision. The schedule of matters reserved to the Board provides that the Board's role encompasses the overall management of the Company including approval of long term strategy and objectives, oversight of operations, ensuring maintenance of a sound system of internal controls and risk management, decisions relating to any changes in the Company's capital structure or of management and approval of any significant expenditure. When the Director is unable to attend a meeting, they are advised of matters to be discussed and have the opportunity to make their views known to the Chairman prior to the meeting.

By order of the Board



M R Dalzell
Company Secretary
22 July 2020

Tasca Consulting Limited
Company Number 6423047

Independent auditor's report

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the company financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 as disclosed on page 3, and the consideration in the going concern basis of preparation on page 11 and non-adjusting post balance sheet events on page 14.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the company's trade, customers, suppliers and the wider economy.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

The director is responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Independent auditor's report (continued)

Responsibilities of Director

As explained more fully in the directors' responsibilities statement set out on page 5, the director is 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 director is 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.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



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

22 July 2020

Statement of comprehensive income

For the year ended 31 December 2019

	Notes	2019 £	2018 £
Turnover		140,000	145,275
Administrative Expenses		(33,694)	(58,609)
Profit on ordinary activities before taxation	4	106,306	86,666
Tax on profit on ordinary activities	5	-	-
Retained Profit for the financial year		106,306	86,666
Other comprehensive income		-	-
Total comprehensive income for the year		106,306	86,666

The notes on pages 11 to 14 form part of these financial statements.

Pro.

Statement of financial position

As at 31 December 2019

	Notes	2019 £	2018 £
Current assets			
Cash at bank and in hand		661	6,614
Debtors - amounts falling due within one year	9	<u>109,646</u>	<u>1,093,578</u>
		110,307	1,100,192
Current liabilities			
Creditors - amounts falling due within one year	10	(4,000)	(9,794)
Net assets		<u>106,307</u>	<u>1,090,398</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account		<u>106,306</u>	<u>1,090,397</u>
Equity shareholder's funds		<u>106,307</u>	<u>1,090,398</u>

The notes on pages 11 to 14 form part of these financial statements.

The financial statements of Tasca Consulting Limited (Company number 6423047) were approved by the Board of Directors and authorised for issue on 22 July 2020 and were signed on its behalf on 22 July 2020 by:



A J Donnelly
Director

Statement of changes in equity

As at 31 December 2019

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 January 2018	1	1,003,731	1,003,732
Total Comprehensive Income	-	86,666	86,666
Balance at 31 December 2018	1	1,090,397	1,090,398
Balance at 1 January 2019	1	1,090,397	1,090,398
Total comprehensive income	-	106,306	106,306
Dividend paid (See note 8)	-	(1,090,397)	(1,090,397)
Balance at 31 December 2019	1	106,306	106,307

The notes on pages 11 to 14 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2019

1. Basis of preparation

These accounts are prepared under historical cost convention, and in accordance with Financial Reporting Standard ("FRS") 102 issued by the Financial Reporting Council.

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 financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cashflow statement, related party transactions and remuneration of key management personnel. The shareholder of the Company does not object to the use of these exemptions.

The Company's financial statements are presented in sterling and all values are rounded to the nearest pound. The parent undertaking of the smallest group which includes the Company and for which group accounts are prepared is Pro Global Holdings Limited, a company incorporated in England and Wales. Copies of the financial statements of Pro Global Holdings Limited are obtainable from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

2. Judgements and key sources of estimation uncertainty

The Director has considered this and does not consider there to be any.

3. Significant accounting policies

Basis of preparation

A summary of the principal accounting policies, which have been applied consistently, unless otherwise stated, are set out as below.

Going concern

The Company's activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 3. In addition, the section on principal risks and uncertainties in the Strategic Report includes an analysis of the risks the Company faces including the potential impact of Covid-19 and its policies for mitigating those risks.

After making enquiries the Director has a reasonable expectation that the Company will continue in operational existence for the foreseeable future. Accordingly, he continues to adopt the going concern basis in preparing the annual report and accounts. As at this date, there are no post balance sheet events to suggest any going concern issues.

Cash flow statement

The Company is exempt from producing a cash flow statement as it is a subsidiary undertaking of Pro Global Holdings Limited which produces Group accounts and the company has claimed an exemption under FRS 102. The financial statements of Pro Global Holdings Limited are publicly available.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the Income Statement.

Revenue

Revenue represents amounts chargeable to clients for professional services provided during the year including recoverable expenses on client assignments but excluding Value Added Tax.

Work in progress

Services provided to clients, which at the reporting date have not been billed to clients, are recognised as revenue. Revenue recognised in this manner is determined by the number of hours worked on the project at the reporting date charged at the hourly charge-out rates for the consultants involved in the project. Revenue is only recognised where the Company has a contractual right to receive consideration for work undertaken and no revenue is recognised on contingent engagements until the contingent event crystallises.

Taxation

Income 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 profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and 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 end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in income statement, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Notes to the financial statements (continued)

For the year ended 31 December 2019

Financial instruments

The Company recognises a financial asset or a financial liability on its statement of financial position when it becomes a party to the contractual provisions of the instrument. On initial recognition, the Company determines the category of the financial instrument and values it accordingly. The classification depends on the purpose for which the financial instruments are acquired.

The Company only has basic financial instruments. The Company does not deal in any derivatives.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

The Company classifies its financial liabilities as other financial liabilities.

Other financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or they expire.

(iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a current legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously

Notes to the financial statements (continued)

For the year ended 31 December 2019

4. Profit on ordinary activities before taxation

Audit fees payable to the Company's auditor for the audit of the Company's annual accounts are £5,000 (2018: £5,000).

5. Taxation

	2019	2018
	£	£
Current tax		
UK Corporation tax on income for the period	-	-
Total current tax	-	-
	2019	2018
	£	£
Profit on ordinary activities before tax	106,306	86,666
Tax on result on ordinary activities at standard UK corporation tax of 19% (2018: 19%).	20,198	16,467
Effects of:		
Expenses not deductible for tax purposes	-	-
Utilisation of tax losses	(7,948)	(16,467)
Group relief	(12,250)	-
Total current tax	-	-

There is an unrecognised deferred tax asset of £nil (2018: £21,845) in respect of the accumulated losses that has not been recognised, as it is not certain that the Company will be able to realise this asset by generating sufficient, future taxable profits.

6. Remuneration of the Director

The Director of the Company is an executive of, and remunerated by, Pro Global Holdings Limited. It is not practicable to allocate this between their services as an executive of Pro Global Holdings Limited and their services as the Company's director of the subsidiaries. As a result, the remuneration of the Director for the year directly incurred by the Company is nil (2018: £nil).

7. Staff numbers and costs

The Company has no staff and no associated costs (2018: £nil), all staff costs are paid by another company within the Pro Global Holdings Limited Group.

8. Dividends

During 2019 the Company declared and settled an in specie dividend of £1,090,397 per share (2018: £nil).

9. Debtors – amounts falling due within one year

	2019	2018
	£	£
Trade debtors	-	3,176
Amounts owed from group undertakings	109,646	1,090,402
	109,646	1,093,578

10. Creditors – amounts falling due within one year

	2019	2018
	£	£
Other creditors	4,000	9,794
	4,000	9,794

Notes to the financial statements (continued)

For the year ended 31 December 2019

11. Called up share capital

	2019	2018
Authorised:	£	£
10,000 Ordinary share of £1	<u>10,000</u>	<u>10,000</u>
Alotted issued and fully paid:	£	£
1 Ordinary share of £1	<u>1</u>	<u>1</u>

12. Post balance sheet events

Since the start of 2020, there has been an outbreak of a new Coronavirus, named Covid-19, which affects lungs and airways. As at 22 May 2020, approximately 5.1 million cases had been reported across 188 countries around the world, with around 333,000 deaths associated with the disease. Many countries have reacted to contain the spread of the virus by implementing a 'lock down' policy to prevent individuals leaving their homes, with around a quarter of the world's 7.8 bn population under lock down at this date. There has been significant economic impact with global stock indices around 30% down by March, central banks in more than 50 countries cutting interest rates, GBP down around 10% against USD and many small businesses being ordered to close by governments. There is a strong risk that a global recession will follow the virus outbreak, with potential impacts to the Company's clients on insured values, insured businesses entering bankruptcy and depressed asset values driving down capital availability. There may also be claims for losses related to the outbreak, both where the coverage for pandemics was included in the policy and where it was excluded, but insureds are challenging the basis of the exclusion.

Pro Group took the decision to move to remote working ahead of local government instruction and since 17th March 2020, has been fully implementing a full working from home protocol. By being pro-active we were able to manage the transition in a controlled manner, ensuring that our employees were not only safe, but could take required equipment with them to work efficiently. The implementation has been successful with IT systems, banking systems and infrastructure proving resilient and allowing all staff to work effectively.

This has allowed the business to continue through this period effectively and although we do expect that we will see some softening of revenue across 2020, we have to date not seen a material impact to our business. We have established contingency arrangements with our bank to provide a level of comfort, which allows for some drop off in cash through the later part of 2020. This is an evolving situation which the Directors continue to monitor on a continued basis.

13. Related party transactions

Under FRS 102, the Company is exempt from the requirement to disclose related party transactions with other members of Pro Global Holdings Limited on the grounds that all subsidiaries which are party to the transactions are wholly owned within the Group.

14. Parent company and ultimate controlling party

The ultimate parent company is Pro Global Holdings Limited incorporated in England and Wales. The parent undertaking of the smallest group which includes the Company and for which group accounts are prepared is Pro Global Holdings Limited, a company incorporated in England and Wales. Copies of the financial statements of Pro Global Holdings Limited are obtainable from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ. The immediate parent undertaking is Pro Insurance Solutions Limited.