

Iress FS Limited

Registered in England and Wales
Company number: 02958430

Unaudited annual report and financial statements for the year ended 31 December 2021

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Corporate directory

31 December 2021

Nature of Business and Principal Activities

Iress FS Limited provides business-critical software solutions to banks, building societies, wealth managers, financial planners, life insurance companies, brokers and other financial services companies.

Directors

J Harris
R Kelly
J McNeill
A Morgan
A Walsh

Company secretary

R Kelly

Registered Office (to 3 April 2022)

1 Kingmaker Court
Warwick Technology Park
Warwick
CV34 6DY

Registered Office (from 4 April 2022)

Honeybourne Place
Jessop Avenue
Cheltenham
Gloucestershire
GL50 3SH

Parent company

Iress FS Group Limited

Ultimate holding company

Iress Limited

Auditor *

Deloitte LLP
Chartered Accountants and Statutory Auditor
Birmingham
United Kingdom

* The auditor of the holding company in the UK Group – Iress UK Holdings Limited, and the ultimate holding company in Australia, Iress Limited

Strategic report

For the year ended 31 December 2021

The Directors, in preparing this strategic report, have complied with Section 414C of the Companies Act 2006.

Review of operations

Iress FS Limited ('the Company') provides software for the financial services industry. The Company's clients range from small retail to large institutional businesses. The Company's technology sits at the centre of our clients' businesses, supporting their core operations, providing essential functionality and helping them connect through their back, middle and front offices and to their clients and customers.

During the year, the business has continued with projects to deploy Iress' solutions at key clients

During the year, an in-specie dividend of £37.2 million was declared and paid to Iress FS Group Limited (2020: £14.0 million). On 30 March 2022, an in-specie dividend of £17.9 million was declared and paid to Iress FS Group Limited. No further dividends have been proposed or paid.

Future developments

There remains a continued focus on growth across the Group, through implementation of Iress products to new and existing customers, ultimately resulting in a recurring licence fee for the Iress software.

Key performance indicators

In order to realise its strategic aims, the Company has identified areas of particular focus and has put into place a number of Key Performance Indicators (KPIs) to measure and assess progress against them. The following indicators are calculated for the continuing operations of the Company:

	2021	2020	%
	£'000	£'000	up/(down)
Revenue	60,884	57,360	6.14%
Operating profit	10,707	15,674	(31.69%)
Profit for the year	6,558	59,699	(89.01%)
Net assets	60,992	91,676	(33.47%)

The strong positive net assets position and continued cash and profit generative nature demonstrates the resilience of the Company. In 2020, the Company received dividends of £44.3 million from its subsidiaries, whereas none were received in 2021, which is the primary driver of the reduction in profit from 2020 to 2021. Other factors reducing profit when comparing 2020 to 2021 include an impairment of lease assets and recognition of an onerous contract provision relating to closed office space and also differences in transfer pricing. Net assets have reduced by £30.9 million despite the profit for the year due to in-specie dividends paid to Iress FS Group Limited.

Impact of Brexit on the Company

There has been no significant impact of Brexit noted on the Company's performance to date. Given the predominantly domestic focus of UK clients, the Company does not expect a significant direct Brexit impact. The Company is exposed to indirect economic impacts such as changes to the legislative landscape that are not expected to be significant but are harder to predict and are therefore being closely monitored.

Impact of COVID-19 on the Company

There have been some delays in client implementations during the year but given the high proportion of recurring revenue and the cash generative nature of the business the Company does not expect a significant direct impact. The Company is exposed to indirect economic impacts that are harder to predict and are being closely monitored.

The Company harnessed existing technology to swiftly and seamlessly move all areas of the business to home working.

The Company did not benefit during 2020 or 2021 under the Coronavirus Job Retention Scheme ("CJRS") as no employees were furloughed.

Impact of war in Ukraine and Russian Sanctions

There has been no significant impact noted on the Company's performance to date. Given the predominantly domestic focus of UK clients, the Company does not expect a significant direct impact. The Company is exposed to indirect economic impacts that are harder to predict and are therefore being closely monitored.

Strategic report (continued)

For the year ended 31 December 2021

Principal risks and uncertainties

Iress FS Limited, as part of Iress Limited (The Ultimate Parent in Australia), has an active and robust corporate governance programme designed to manage strategic and tactical risks which could impact the business. Risks are clearly identified and monitored on a regular basis.

Although resources are devoted to developing efficient procedures and to staff training, it is only possible to be reasonably, but not absolutely certain that such procedures will be effective in preventing fraud.

The key risks and uncertainties currently facing the Company relate to managing competitor and operational risk effectively.

Information security breach and failure of critical systems	<p>Due to the nature of Iress' business, the Group could be impacted significantly by the failure of critical systems, whether caused by error or malicious attack.</p>	<p>Iress has increased its investment in information security in recent years in response to the increased sophistication of cyber terrorists, the increased reliance on our solutions by our customers and increased regulatory pressure.</p> <p>Iress has a dedicated information security function across all jurisdictions, Board oversight through the Ultimate Parent company's Audit & Risk Committee and executive oversight via the Executive Risk Committee and Chief Information Security Officer.</p> <p>Iress' controls, audit and governance provide a framework for actively identifying gaps, new exposures and the development of appropriate treatment plans.</p> <p>Network and malware scanning and mandatory information security awareness training is in place across the business.</p> <p>Comprehensive disaster recovery procedures are in place.</p> <p>Iress Global Information Security Management System (ISMS) is certified by independent audit to meet the global ISO 27001 standard.</p>
Economic climate	<p>Economic conditions, domestically and internationally, can impact client revenue and accordingly, client demand for Iress' systems.</p> <p>The impact of COVID-19 on the Group is considered on page 3.</p> <p>The UK left the European Union on 1 January 2021.</p>	<p>This risk is mitigated at an Ultimate Parent level by Iress' diverse geographic presence and the Groups diverse product portfolio. In the UK, revenue is over 80% recurring (2019: over 80 % recurring) and our software is an integrated part of our clients' businesses. As seen through the COVID-19 pandemic, this revenue remains stable, even under deteriorating economic conditions.</p> <p>The impact of COVID-19 is mitigated by the recurring revenue base and cash generative nature of the Group and the Ultimate Parent. During 2020, the Ultimate Parent refinanced their debt facilities and successfully raised equity to fund acquisitions.</p> <p>The Group largely has a UK client base and has therefore seen minimal direct impact of Brexit. Indirect impacts such as the legislative landscape are not expected to have a significant impact on the Group, but continues to be monitored.</p>
Regulation	<p>Regulation can impact Iress and its clients because regulation increases the cost of doing business, or because regulation results in structural changes, including consolidation or fragmentation, both of which can impact Iress client engagements.</p>	<p>Iress' risk management strategy includes the close monitoring of regulatory developments globally.</p> <p>Iress is pro-actively engaged in the development of new and existing relationships with relevant regulatory stakeholders, policy makers, and media groups to monitor the regulatory landscape.</p> <p>This strategy is focused on limiting potential impacts of regulatory development so that Iress may continue to service its global markets and efficiently respond to compliance requests.</p>
Market or technology risk	<p>The risk of a pronounced shift in technology or a pronounced change in the way market segments organise themselves and make use of Iress' products or solutions.</p>	<p>Iress endeavours to manage this risk by maintaining a highly skilled and educated technology organisation and by exploring the potential utilisation or impact of emerging technologies.</p> <p>Iress endeavours to manage market change by maintaining a high degree of engagement with its customers. In this regard Iress is fortunate that its customer base, being distributed geographically and made up of highly sophisticated industry representatives, is likely to be at the forefront of industry change and evolution.</p>

Strategic report (continued)

For the year ended 31 December 2021

Principal risks and uncertainties (continued)

Reputation Risk	<p>Iress provides solutions to the financial services industry. The financial services industry is subject to significant public focus, media attention and government review. The use of technology within financial services businesses, and especially its role in processing and storing sensitive personal information, can expose both the financial services provider and providers of technology such as Iress, to reputational risk if there is a failure in a critical system or process or the release by error or mischief of personal data.</p>	<p>Mitigation of technology risk lies at the heart of Iress' information security function (refer to comments above under Information Security) and software development practices. The latter includes rigour in architecture, code development and testing. Iress does not outsource development of core technology, maintaining direct oversight and control.</p>
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Section 172

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole.

The Directors are mindful of their duty to promote the success of the Company and believe they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

The Directors consider that in addition to the Ultimate Parent company and their shareholders, the key stakeholders are the employees, customers, suppliers and community. The Directors take seriously the views of these stakeholders in setting and implementing strategy.

In carrying out this duty, they have had regards for, amongst other matters, the areas set out below.

Consequences of any decision in the long-term

The Ultimate Parent Board Members and senior management in the UK meet regularly to discuss and challenge the ongoing strategy for the business. The management team also meets regularly to challenge and deploy this strategy in the UK. Outputs from these meetings drive the context for decisions on budgets, forecasts and the five year plan to ensure alignment with the strategic direction of the business.

Ultimate Parent Company shareholders

The Company forms part of reporting to the ASX by the Ultimate Parent, Iress Limited. Investors are given access to the Ultimate Parent company CFO and CEO through investor conferences. A suite of information on the Ultimate Parent is available at <https://www.iress.com/resources/investors/>

Employees

The Company operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2005.

During the year, the policy of providing employees with information, including information relating to the economic and financial factors affecting the performance of the Company, has been continued through periodic forums (led by both Ultimate Parent and Group Directors and members of both Leadership Teams) in which employees have also been encouraged to present their suggestions and views on the Company's performance.

Information is regularly shared with all employees through all internal communication channels by Directors of the Ultimate Parent and Group and senior management.

The Board engages employees through an annual Pulse employee survey to ensure the Company's values are understood and promoted.

The business runs a hackathon event annually to allow employees from across the business to put forward new ideas for the business and then develop them into functioning software by the end of the event.

All employees are incentivised by a profit share in the event of Iress Limited meeting its profit objectives for each financial year and have an opportunity to participate in a Share Incentive Plan.

Quarterly "One Iress" awards are granted to employees nominated by their peers for making a significant contribution to the business.

In 2022 the "Long Weekend" scheme was introduced, allowing all employees to have six extra days off per year, on a Monday or Friday.

Strategic Report (continued)

For the year ended 31 December 2021

Employees (continued)

The Company has a broad and diverse employee base. The Company monitors diversity under a broad definition across the general staff base and continues to observe no indicators of bias or impediments to diversity and believes Iress' diversity ratios reflect well on the Company.

The Company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

The Ultimate Parent has partnered with the charity Talent Beyond Boundaries, who assist refugees and other displaced people in finding work internationally. Through this charity, the Group recruited a software engineer, giving them and their young family the opportunity to move from Syria to work in Cheltenham.

Business relationship with customers

The Company places customers at the heart of everything we do and the Board is committed to considering the customer impact of every decision made. Our software is central to our customers' businesses and maintaining the value of the Iress brand protects the recurring revenue base.

The Directors and senior management receive regular updates regarding customer relationships including customer feedback surveys.

The Iress Community is an online community for users of Iress software. It has provided customers and users with access to help and best practice documentation as well as access to our experts and regular updates about our software and its releases.

Business relationship with suppliers

The Company is committed to treating all our suppliers fairly.

We endeavour to pay all suppliers in line with their payment terms and, where this is not possible, we take steps to minimise the impact on the supplier.

Impact on community

Since its launch, the Iress Foundation has amplified the community support and charity activities our people were already championing, including a Workplace Giving Programme called the Iress Foundation Giving Platform. The platform provides our people with a central information source of Foundation initiatives and an easy way to get involved in Foundation activities and donate to Foundation causes. Its comprehensive analytics and reporting provide us with a deeper understanding of how our people get involved and which causes matter to them the most.

The Company has a long standing tradition of investing in local communities including programmes to support local charities and their initiatives.

Through the Iress Matching Initiative, where the Company matches monies raised for charities, we support people at Iress who want to focus on causes that are close to their hearts.

We give eligible members of our team three days of Iress Foundation Leave each year to help them give back to Iress Foundation supported charitable organisations.

Impact on environment

Iress is an office based technology company, so the impact on the environment is driven by energy use in the offices, domestic travel to clients and international travel to Australia, South Africa, Canada and France where other Iress offices are based. Details of UK emissions and energy consumption are disclosed in the consolidated accounts of Iress UK Holdings Limited.

Approved by the Directors and signed on behalf of the Board by:



A Morgan
Director
Cheltenham
8 August 2022

Directors' report

for the year ended 31 December 2021

The Directors of Iress FS Limited submit the annual financial statements for the year ended 31 December 2021.

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Political contributions	None	
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Directors' indemnities

The Group made qualifying third-party indemnity provisions during the year and they remain in force at the date of this report. The third-party indemnity provisions were for the benefit of the Directors of the Group, its subsidiaries, the Ultimate Parent and fellow subsidiaries.

Going concern

The Directors of the Company maintain a cash flow forecast for a year beyond the date of authorising these financial statements. This cash flow forecast has been sensitised to allow for unexpected revenue delays as a result of the impact of COVID-19 and this indicates that there are no reasonably plausible downside scenarios resulting in the Company having insufficient cash reserves to meet its obligations as they fall due for at least a year from the date of signing these financial statements.

In the remote event that funding is required, the Directors of the Ultimate Parent have provided a letter of support to the Company and its subsidiaries which states that the Ultimate Parent:

- a) continues to support and provide additional finance to the Group for at least a year from the signing date of the financial statements; and
- b) will not demand payment of loans until such time as the subsidiary is able to repay such amounts without detriment to its operation as a going concern.

Following reasonable enquiries, the Directors of the Company have an expectation that the Ultimate Parent has access to adequate resources to continue in operational existence for the foreseeable future. As part of their comprehensive assessment of whether the Ultimate Parent is a going concern, the Directors have reviewed the Ultimate Parent's cash flow and solvency forecasts for at least a year from the date of authorising the financial statements and confirmed that the Ultimate Parent is both cash generative and able to raise funds via debt and equity to fund operations and acquisitions. This was evidenced in 2020 (post the onset of COVID-19) by successfully refinancing debt and raising equity to fund acquisitions.

Directors' report (continued)

For the year ended 31 December 2021

Events subsequent to the Statement of Financial Position date

There has not been any other matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations the state of affairs of the Company in future financial years.

Approved by the Directors and signed on behalf of the Board by:

A handwritten signature in black ink, appearing to read "A Morgan".

A Morgan
Director
Cheltenham
8 August 2022

Directors' responsibilities statement

For the year ended 31 December 2021

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 Company financial statements in accordance with international accounting standards in conformity with requirements of the Companies Act 2006. The financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the IASB. The Company financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework".

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year.

In preparing the Company financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Turnover	2.1	60,884	57,360
Communication and other technology expenses		(3,832)	(2,786)
Customer data fees		(3,574)	(2,842)
Employee benefits expense	2.1	(34,049)	(37,501)
Depreciation and amortisation expense	2.1	(4,390)	(3,809)
Net unrealised (losses)/gains		(388)	510
Other operating income		940	555
Other operating expenses	2.1	(4,884)	4,187
Operating profit		10,707	15,674
Dividends received		-	44,300
Interest income		462	596
Interest expense		(571)	(652)
Profit before income tax expense		10,598	59,918
Tax expense on profit from ordinary activities	3	(4,040)	(219)
Profit for the year		6,558	59,699

The above profit and loss account should be read in conjunction with the accompanying notes.

The Company has no recognised gains or losses other than the loss for the current year and prior period, which arose solely from continuing operations. Accordingly, a statement of other comprehensive income has not been prepared.

Statement of Financial Position

As at 31 December 2021

	Notes	2021 £'000	2020 £'000
ASSETS			
Current assets			
Cash at bank and in hand		3,568	4,554
Trade and other receivables	7(a)	7,803	7,858
Current tax receivables		52	1,470
Trade receivables from related parties	7(a)	138,863	142,306
Total current assets		150,286	156,188
Non-current assets			
Intangible assets	4	1,465	849
Tangible fixed assets	5	4,653	5,766
Right-of-use assets	6(a)	14,480	18,449
Investments in subsidiaries	6	51,441	51,441
Deferred tax assets	3(c)	1,778	1,690
Total non-current assets		73,817	78,195
Total assets		224,103	234,383
LIABILITIES			
Current liabilities			
Trade and other payables	7(b)	(7,700)	(11,362)
Provisions	10	(1,167)	-
Current tax payables	7(b)	(2,208)	(11)
Lease liability	6(b)	(2,170)	(1,842)
Trade payables due to related parties	7(b)	(134,484)	(111,940)
Total current liabilities		(147,729)	(125,155)
Lease liability	6(b)	(15,382)	(17,552)
Total non-current liabilities		(15,382)	(17,552)
Total liabilities		(163,111)	(142,707)
Net assets		60,992	91,676
EQUITY			
Share capital	8	-	-
Profit and loss account		60,992	91,676
Total equity		60,992	91,676

The above statement of financial position should be read in conjunction with the accompanying notes.

The Company is entitled to exemption from audit under Section 479a of the Companies Act 2006 for the year ended 31 December 2021 relating to subsidiary companies.

The members have not required the Company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements of Iress FS Limited (registered number 02958430) on pages 10 to 27 were approved for issue by the Board of Directors on 8 August 2022.

Signed on behalf of the Board of Directors by



A Morgan
Director
Cheltenham
8 August 2022

Statement of Changes in Equity

For the year ended 31 December 2021

	Share capital ⁽¹⁾	Profit and loss account	Total equity
	£'000	£'000	£'000
Balance at 1 January 2020	-	45,937	45,937
Profit for the year, representing total comprehensive income for the year	-	59,699	59,699
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	59,699	59,699
In-specie dividends declared and paid		(13,960)	(13,960)
Balance at 31 December 2020	-	91,676	91,676

	Share capital ⁽¹⁾	Profit and loss account	Total equity
	£'000	£'000	£'000
Balance at 1 January 2021	-	91,676	91,676
Profit for the year, representing total comprehensive income for the year	-	6,558	6,558
Total comprehensive income for the year	-	98,234	6,558
Dividends declared and paid	-	(37,242)	(37,242)
Balance at 31 December 2021	-	60,992	60,992

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Notes to the financial statements

For the year ended 31 December 2021

1. Accounting policies

Company information

Iress FS Limited ("the Company") is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Corporate Directory on page 2 and Strategic and Directors' Report on pages 3 to 8.

These unaudited financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates and are rounded to the nearest £'000.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements as it is included in the group financial statements of Iress UK Holdings Ltd and Iress Limited which are publicly available.

Copies of the Iress UK Holding Ltd consolidated financial statements may be obtained from Companies House.

Copies of the Iress Limited consolidated financial statements may be obtained from the Company Secretary, Iress Limited, Level 18, 385 Bourke Street, Melbourne VIC 3000.

In the opinion of the Directors, the ultimate controlling party is Iress Limited.

(a) Accounting convention

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 (FRS 100) 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council ("FRC").

These financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the FRC.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payments, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group financial statements of Iress Limited which are available to the public and can be obtained from the address in Company Information above.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The principal accounting policies adopted are set out below.

(b) Revenue

Revenue is generated mostly from UK customers. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes. Revenue is reduced for estimated customer returns, rebates and other similar allowances. The Group's revenue mainly arises from services rendered or access to software.

Licence revenue from a contract to provide access to use of the software is recognised once access is granted and spread over the licence period.

Revenue from a contract to provide services is recognised by reference to the performance obligation of the contract.

The performance obligation of the contract is determined as follows:

- installation fees are recognised by reference to the performance obligation of the installation, determined as the proportion of the total time expected to install that has elapsed at the Statement of Financial Position date;
- revenue from time and material contracts is recognised at the contractual rates as labour hours are delivered and direct expenses incurred.

Interest income is accrued on a time proportion basis by reference to the principal balance outstanding and the interest rate applicable.

Notes to the financial statements (continued)

For the year ended 31 December 2021

(c) 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.

(d) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the Company to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on the Directors' best judgement at the date of preparation of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. The areas where a higher degree of judgement or complexity arises are revenue recognition on long-term contracts, and recognition and measurement of deferred tax.

2.1 Operating profit

Included in profit before interest and taxation are the following items:

	2021	2020	
	£'000	£'000	
Revenue			
Information revenue	54,167	50,906	
Royalty revenue	1,308	919	
Non-recurring revenue	5,409	5,535	
Total revenue	60,884	57,360	
	2021	2020	
	£'000	£'000	
Employee benefit expenses			
Employee benefits expense	(26,793)	(30,048)	
Pension expense	(3,803)	(2,549)	
Termination benefits	1	(36)	
Other employee benefits	(855)	(1,251)	
Share-based payment expense	(2,599)	(3,617)	
Total employee benefit expenses	(34,049)	(37,501)	
	2021	2020	
	£'000	£'000	
	Notes		
Depreciation and amortisation expense			
Amortisation - intangible assets	4(a)	(341)	(349)
Depreciation - plant and equipment	5(a)	(1,913)	(1,517)
Depreciation - right-of-use assets	6(b)	(2,136)	(1,943)
Total depreciation and amortisation expense		(4,390)	(3,809)

Notes to the financial statements (continued)

For the year ended 31 December 2021

2.1 Operating profit (continued)

	2021	2020
	£'000	£'000
Other operating income		
Other Income	403	4
Rental income from sub-leasing of premises	-	302
Management fees from related parties	537	249
Total other operating income	940	555

	2021	2020
	£'000	£'000
Audit fees	(119)	(135)
Professional services	(306)	(426)
Legal services	(106)	(113)
Venue hire	(2)	(3)
Equipment rental	(5)	(19)
Office utilities	(1,580)	(1,579)
Trade debtors written off	(87)	(55)
Doubtful debts reversal/(allowance)	131	(16)
Recognition of onerous loss provision	(1,167)	-
Marketing services	(522)	(603)
Communication expenses	(86)	(96)
Technology expenses	(2,819)	(2,048)
Restructuring expenses	(169)	(275)
Gain/Loss on the disposal of plant and equipment	(98)	(40)
Gain/Loss on ROUA de-recognition	-	44
Impairment of leases	(1,832)	-
Inter-company income	5,302	9,904
Other expenses including administration expenses	(1,419)	(353)
Total other operating expenses	(4,884)	4,187

Audit fees are payable for the audit of the UK consolidated financial statements, Iress UK Holdings Limited.

2.2 Employees

	2021	2020
	£'000	£'000
Average number of employees	709	701

Notes to the financial statements (continued)

For the year ended 31 December 2021

2.3 Director and KMP remuneration disclosures

The directors of the Company are detailed below:

Directors	Paid by Ultimate Parent	Paid by Company
J Harris	✓	
R Kelly		✓
J McNeill		✓
A Morgan		✓
A Walsh	✓	

In 2021, the Key Management Personnel (KMP) remuneration disclosures include the 3 directors paid by the Company and P Quin-Conroy and S New, KMPs of the Company.

The following table provides details of remuneration paid to KMPs by the Company, being these 5 individuals (2020: 4 individuals):

	2021 £'000	2020 £'000
Short-term employee benefits	(1,024)	(801)
Post-employment benefits ⁽¹⁾	(63)	(54)
Other employee benefits ⁽²⁾	(830)	(534)
	(1,917)	(1,389)

The remuneration paid to the 3 directors by the Company while directors of the Company, is as follows:

	2021 £'000	2020 £'000
Short-term employee benefits	(545)	(539)
Post-employment benefits ⁽¹⁾	(35)	(35)
Other employee benefits ⁽²⁾	(288)	(306)
	(868)	(880)

⁽¹⁾ This comprises of contributions to defined contribution plans in relation to 4 directors and 1 KMP (2020: 1 Director and 1 KMP of the Company)

⁽²⁾ This comprises employment cost recharges from the ultimate parent entity

In 2021, 3 directors paid by the Company exercised share options (2020: 2 directors) and 3 directors accrued share options (2020: 3 directors).

3 directors paid by the Company are members of defined contribution pension schemes (2020: 3 directors).

Aggregate remuneration of the highest paid director was £0.500 million (2020: £0.508 million), including £0.235 million of receivable shares (2020: £0.245 million). The highest paid director exercised share options in the year with a value of £0.568 million (2020: £0.067 million).

Notes to the financial statements (continued)

For the year ended 31 December 2021

3. Taxation

Total corporation tax expense or benefit comprises current and deferred tax recognised in the income statement in the period.

Current tax

Current tax represents the entity's expected tax payable/receivable for the period in respect of income and expenses which have been recognised in the income statement.

Current tax comprises expected tax payable/receivable on the entity's taxable income/loss which is recognised in the income statement in the current period, as well as any adjustments to tax payable/receivable recognised in the current period which relate to taxable income/loss recognised in the income statement in prior periods.

Current tax is measured using the applicable corporation tax rates which are enacted, or substantively enacted, at the reporting date in the countries where the company's subsidiaries and associates operate.

Deferred tax

Deferred tax represents the movements in deferred tax assets and liabilities which have been recognised in the period and which are attributable to amounts recognised in the income statement in the current period, as well as amounts recognised in the income statement in prior periods. Deferred tax assets and liabilities are attributable to temporary timing differences between the carrying amount of assets and liabilities recognised for financial reporting purposes and the tax base of assets and liabilities recognised for tax purposes.

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits to the extent it is probable that future taxable profits will be available against which they can be realised.

Deferred tax liabilities are recognised for all assessable temporary differences as required by accounting standards.

Deferred tax is determined using tax rates which are expected to apply when the deferred tax asset/liability is expected to be realised/settled based on laws which have been enacted or substantively enacted at the reporting date. The measurement of deferred tax also reflects the tax consequences flowing from the manner in which the entity expects, at the reporting date, to realise or settle the carrying amount of its assets and liabilities.

Critical accounting judgements with respect to deferred tax balances:

The recognition and measurement of deferred tax requires the application of judgement in assessing the amount, timing and probability of future taxable profits and repatriation of retained earnings. These factors affect the determination of the appropriate rates of tax to apply and the recoverability of deferred tax assets. These judgements are influenced, inter alia, by factors such as estimates of future revenue, operating costs, future capital expenditure, and dividend policies.

(a) The Company's tax expense or benefit is as follows:

	2021	2020
	£'000	£'000
Corporation tax expense in the profit and loss		
Current tax		
Current tax charge	3,882	(78)
Adjustments in respect of current tax of the previous year	246	110
Deferred tax		
Origination and reversal of temporary differences	(120)	209
Adjustments in respect of deferred tax of the previous year	32	(22)
Corporation tax expense attributable to profit from continuing operations	4,040	219

(b) Numerical reconciliation of income tax expense to prima facie tax payable:

Corporation tax is calculated at 19.0 per cent (2020: 19.0 per cent) of the estimated taxable profit for the year.

Notes to the financial statements (continued)

For the year ended 31 December 2021

3. Taxation (continued)

(b) Numerical reconciliation of income tax expense to prima facie tax payable (continued):

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

	2021	2020
	£'000	£'000
Profit from continuing operations before corporation tax expense	10,598	59,918
Tax at the statutory tax rate of 19.00% (2020: 19.00%)	2,014	11,384
Tax effect of amounts which are not deductible (taxable) in calculating taxable profit:		
Tax effect of non-assessable income and non-deductible expenses	9	(8,532)
Tax effect of group relief received for nil payment	2,014	(2,668)
Employee share plan	(106)	38
Other	(169)	(91)
Adjustments for deferred tax of prior periods	32	(22)
Adjustments for current tax of prior periods	246	110
Corporation tax expense	4,040	219

(c) Deferred tax balances comprise of:

For the year ended	Opening balance	Charged to income	Charged to OCI/Equity	From business combinations	Closing balance
31 December 2020	£'000	£'000	£'000	£'000	£'000
Deferred tax assets					
Trade and other receivables	-	38	-	-	38
Plant and equipment	763	(194)	-	-	569
Computer software	-	1	-	-	1
Trade and other payables	61	2	-	-	63
Carry forward tax losses	386	(330)	-	-	56
Share based payments	656	307	-	-	963
Leases	11	(11)	-	-	-
Total deferred tax assets	1,877	(187)	-	-	1,690

For the year ended	Opening balance	Charged to income	Charged to OCI/Equity	From business combinations	Closing balance
31 December 2021	£'000	£'000	£'000	£'000	£'000
Deferred tax assets					
Trade and other receivables	38	(26)	-	-	13
Plant and equipment	569	226	-	-	795
Computer software	1	(77)	-	-	(76)
Trade and other payables	63	-	-	-	63
Carry forward tax losses	56	(56)	-	-	-
Share based payments	963	20	-	-	983
Total deferred tax assets	1,690	88	-	-	1,778

The Company has recognised a deferred tax asset of £Nil (2020: £56,228) in relation to tax losses as at the balance sheet date. This deferred tax asset arose as a result of tax losses generated by the Company in the past which were available for offset against future taxable profits of the Company. As the Company's relevant taxable profits are expected to exceed the remaining tax loss available, the deferred tax asset has reduced to nil.

Notes to the financial statements (continued)

For the year ended 31 December 2021

3. Taxation (continued)

(d) Factors which may affect future taxation:

On 3 March 2021, the Chancellor of the Exchequer delivered his Budget Statement. The measures announced included an increase in the standard rate of corporation tax from 19% to 25% with effect from 1 April 2023, and this was substantively enacted on 24 May 2021. We have reflected the impact of this change with respect to the deferred tax balances above, taking into consideration the likely timing of the reversals of deferred tax assets and liabilities. The Group expects its effective tax rate in the future to be affected by the impact of changes in tax law.

4. Intangible assets

Intangible assets comprise computer software and capitalised development costs. Additions are included at cost and are amortised only when ready for use. Software and capitalised development costs are amortised evenly over their estimated economic as: 3-10 years

The carrying values of intangible assets are reviewed for impairment wherever circumstances indicate that the carrying value of such assets may not be recoverable.

Software development costs are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised. If there is insufficient evidence on which to base reasonable estimates of the economic benefits that will be generated in the period until the design and content are next updated, the costs of development are charged to the profit and loss account as incurred.

The carrying value of intangible assets is presented below:

	2021	2020
	£'000	£'000
Balance at end of the year		
Cost	6,375	5,419
Accumulated depreciation	(4,910)	(4,570)
Carrying amount	1,465	849
Movement for the year		
Balance at the beginning of the year	849	805
Additions	957	393
Amortisation expense	(341)	(349)
Balance at the end of the year	1,465	849

Notes to the financial statements (continued)

For the year ended 31 December 2021

5. Tangible fixed assets

Tangible fixed assets comprise computer equipment, furniture and fixtures, office equipment and leasehold improvements. Additions are included at cost and are depreciated only when ready for use. Assets are depreciated evenly over their estimated economic life as follows:

- Computer equipment 3-5 years
- Furniture and fixtures 3-5 years
- Office equipment 3-5 years
- Leasehold improvements 3-5 years

The carrying values of fixed assets are reviewed for impairment wherever circumstances indicate that the carrying value of such assets may not be recoverable.

The carrying value of fixed assets is presented below:

	Computer equipment £'000	Furniture & fixtures £'000	Leasehold improvements £'000	Office equipment £'000	Total £'000
At 31 December 2020					
Cost	5,433	1,963	2,634	21	10,051
Accumulated depreciation	(3,541)	(534)	(202)	(8)	(4,285)
Carrying amount	1,892	1,429	2,432	13	5,766
Movement for the year					
Balance at 1 January 2020	1,605	149	58	13	1,825
Additions	1,479	1,456	2,559	4	5,498
Disposals	(2)	(38)	-	-	(40)
Depreciation expense	(1,190)	(138)	(185)	(4)	(1,517)
Balance at 31 December 2020	1,892	1,429	2,432	13	5,766

	Computer equipment £'000	Furniture & fixtures £'000	Leasehold improvements £'000	Office equipment £'000	Total £'000
At 31 December 2021					
Cost	5,100	1,485	2,723	11	9,319
Accumulated depreciation	(3,584)	(393)	(685)	(4)	(4,666)
Carrying amount	1,516	1,092	2,038	7	4,653
Movement for the year					
Balance at 1 January 2021	1,892	1,429	2,432	13	5,766
Additions	692	21	164	21	898
Disposals	(8)	(39)	(31)	(20)	(98)
Depreciation expense	(1,060)	(319)	(527)	(7)	(1,913)
Balance at 31 December 2021	1,516	1,092	2,038	7	4,653

Notes to the financial statements (continued)

For the year ended 31 December 2021

6. Leases

The Company leases real estate in the ordinary course of its business. The Company's real estate leases comprise office building leases in the United Kingdom in which the Group operates. The non-cancellable period of these leases range from 5 to 10 years.

All leases have a 5 year break clause.

(i) Group as a lessee

Right-of-use asset

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of office and information technology equipment that have a lease term of 12 months or less or for leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. *The Company's average incremental borrowing rate used is 2.61% (2020: 1.95%).*

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and
- payment of penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is presented as a separate line in the Statement of Financial Position.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company did not make any such adjustments during the periods presented.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of office and information technology equipment that have a lease term of 12 months or less or for leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the financial statements (continued)

For the year ended 31 December 2021

6. Leases (continued)

(a) Carrying value of right-of-use assets

The Company's right-of-use assets comprise real estate leases. Right-of-use assets have finite lives and are carried at cost less accumulated depreciation. During the year one of the offices was closed and the right-of-use asset was fully impaired.

The carrying value of right-of-use assets is presented below:

	2021	2020
	£'000	£'000
Cost	20,629	22,462
Accumulated depreciation	(6,149)	(4,013)
Carrying value	14,480	18,449
Opening carrying value	18,449	4,347
New leases entered into contract	-	16,882
Expenses capitalised to right-of use assets	-	451
Right-of-use assets impaired	(1,833)	-
Disposal of leases from early termination	-	(900)
Fair value adjustments from modified leases	-	(388)
Depreciation	(2,136)	(1,943)
Closing carrying value	14,480	18,449

(b) Lease liabilities

(i) Lease liabilities included in the statement of financial position at the end of the period:

	Notes	2021	2020
		£'000	£'000
Current		(2,170)	(1,842)
Non-current		(15,382)	(17,552)
Total		(17,552)	(19,394)

(ii) Reconciliation of the movement of the lease liabilities:

	2021	2020
	£'000	£'000
Opening carrying value	(19,394)	(5,019)
Leased liabilities raised from the negotiation of new lease contracts	-	(16,881)
Leased liabilities reversed from early termination of lease contracts	-	1,338
Leased liabilities raised from changes in subsequent lease payments	-	(24)
Settlement of lease liabilities	1,842	1,192
Closing carrying value	(17,552)	(19,394)

(iii) Maturity analysis - contractual undiscounted cash flows:

	2021	2020
	£'000	£'000
Less than one year	2,498	2,206
More than one year and not more than five years	9,968	10,401
More than five years	4,099	8,563
Total undiscounted lease liabilities at the end of the year	16,565	21,170

At 31 December 2021 and 31 December 2020, the Company was not committed to any short-term leases.

Notes to the financial statements (continued)

For the year ended 31 December 2021

7. Investment in subsidiaries

Investment in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment and are reviewed for impairment wherever circumstances indicate that the carrying value of the investment may not be recoverable.

(a) The movement in investment in subsidiaries is as follows:

	2021	2020
	£'000	£'000
At the end of the year		
Cost	51,441	51,441
Carrying amount	51,441	51,441
Movement for the year		
Balance at the beginning of the year	51,441	48,010
Additions	-	3,431
Balance at the end of the year	51,441	51,441

(b) Investment in subsidiaries comprise:

		2021	2020
Subsidiary undertakings	Country of incorporation	% Holding	% Holding
Directly held			
Iress Mortgage Services Limited ⁽¹⁾	England and Wales	100	100
Iress Portal Limited ⁽²⁾	England and Wales	100	100
Iress Solutions Limited ⁽³⁾	England and Wales	100	100
Iress Technology Limited ⁽⁴⁾	England and Wales	100	100
Iress Web Limited ⁽⁵⁾	England and Wales	100	100
O&M Life & Pensions Limited ⁽⁶⁾⁽⁷⁾⁽¹²⁾⁽¹³⁾	England and Wales	100	100
O&M Systems Limited ⁽⁷⁾⁽¹²⁾	England and Wales	100	100
Proquote Limited ⁽⁸⁾	England and Wales	100	100
Pulse Software Systems Limited ⁽⁹⁾	England and Wales	100	100
Indirectly held			
Pulse Software Management Limited ⁽¹⁰⁾	England and Wales	100	100
TrigoldCrystal Limited ⁽¹¹⁾	England and Wales	100	100

⁽¹⁾ Iress Mortgage Services Limited is a non-trading dormant company.

⁽²⁾ Iress Portal Limited comprises an online comparison market place (Exchange Portal) that facilitates product quotes and subsequent transactions between buyers (distributors) and sellers (providers) of financial products.

⁽³⁾ Iress Solutions Limited is a non-trading dormant company.

⁽⁴⁾ Iress Technology Limited is a non-trading dormant company.

⁽⁵⁾ Iress Web Limited is a non-trading dormant company.

⁽⁶⁾ O&M Systems Limited is the holding company of O&M Life & Pensions Limited.

⁽⁷⁾ O&M Life & Pensions Limited provides solutions for advisers involved in pension and investment planning.

⁽⁸⁾ Proquote Limited provides professional financial data and trading systems and the distribution of financial market data.

⁽⁹⁾ Pulse Software Systems Limited is a non-trading dormant company.

⁽¹⁰⁾ Pulse Software Management Limited is a non-trading dormant company.

⁽¹¹⁾ TrigoldCrystal Limited is a non-trading dormant company.

⁽¹²⁾ O&M Systems Limited, a UK registered company which provides solutions for advisers involved in pension and investment planning.

⁽¹³⁾ O&M Systems Limited holds 100% of the share capital of O&M Life & Pensions Limited.

Notes to the financial statements (continued)

For the year ended 31 December 2021

7. Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and liabilities are classified into the following categories:

- Loans and receivables – subsequently measured at amortised cost
- Other financial liabilities – subsequently measured at amortised cost

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

(a) Trade and other receivables

	2021	2020
	£'000	£'000
Amounts falling within one year:		
Trade receivables	3,268	2,510
Allowance for doubtful debts	(70)	(202)
Unbilled income	2,669	4,768
Prepayments	1,768	693
Other assets	168	89
Total trade receivables falling within one year	7,803	7,858
	2021	2020
	£'000	£'000
Trade receivables from related parties		
Trade receivables with Iress Data Pty Ltd	23	7,135
Trade receivables with Iress Limited	9,593	23,488
Trade receivables with Iress MD RSA (Proprietary) Limited	15	-
Trade receivables with O&M Life & Pensions Limited	2,536	1,206
Trade receivables with Proquote Limited	33,151	28,541
Trade receivables with Iress SAS	38	-
Trade receivables with QuantHouse UK Limited	109	73
Trade receivables with Apollo I Australia Pty Ltd	-	54
Trade receivables with Iress UK Holdings Ltd	89	191
Trade receivables with Iress FS Group Limited	3,440	3,440
Trade receivables with Iress (UK) Limited	5,990	5,149
Trade receivables with Iress Portal Limited	83,874	73,014
Trade receivables with Iress Wealth Management Pty Ltd	5	15
Total receivables from related parties	138,863	142,306
Total receivables and other assets	146,666	150,164

The carrying amount of trade and other receivables approximates their fair value, and the Company has no material exposure to credit risk.

Trade receivables from related parties are due on demand and no amounts are considered past due or impaired.

Notes to the financial statements (continued)

For the year ended 31 December 2021

7. Financial instruments (continued)

(b) Trade and other payables

	2021	2020
	£'000	£'000
Amounts falling due within one year:		
Trade payable	(980)	(587)
Trade payable other	(618)	(642)
Audit fees accrual	(78)	(70)
Tax fees accrual	(88)	(84)
Accrued expenses	(1,203)	(1,243)
Deferred revenue	(2,315)	(1,712)
Employee liabilities	(2,069)	(2,043)
VAT payable	(349)	(4,981)
Current tax payables	(2,204)	-
Lease liability	(2,170)	(1,842)
Withholding taxes	(4)	(11)
Provision for onerous losses	(1,167)	-
Total payables falling due within one year	(13,245)	(13,215)
	2021	2020
	£'000	£'000
Amounts falling due after more than one year:		
Non-current lease liability on property	(15,382)	(17,552)
Total payables falling due after more than one year	(15,382)	(17,552)
	2021	2020
	£'000	£'000
Amounts due to group undertakings		
Related party trade payables to Iress Data Pty Ltd	(20)	(6)
Related party trade payables to Iress Market Technology	-	(2)
Related party trade payables to Iress Limited	(492)	(388)
Related party trade payables to Iress MD RSA (Proprietary) Limited	(16)	-
Related party trade payables to O&M Life & Pensions Limited	(3,128)	(1,923)
Related party trade payables to O&M Systems Limited	(75)	(75)
Related party trade payables to Pulse Software System Limited	(1)	(1)
Related party trade payables to Proquote Limited	(32,957)	(26,284)
Related party trade payables to Iress International Holdings (Pty) Ltd	-	(217)
Related party trade payables to Iress International Holding Pty Ltd	(494)	(526)
Related party trade payables to Iress FS Group Limited	(3,440)	(3,440)
Related party trade payables to Iress (UK) Limited	(9,300)	(9,280)
Related party trade payables to Iress Portal Limited	(84,561)	(69,798)
Total payables due to group undertakings	(134,484)	(111,940)
Total payables and other liabilities	(163,111)	(142,707)

Notes to the financial statements (continued)

For the year ended 31 December 2021

7. Financial instruments (continued)

The fair value of trade and other payables approximates the carrying value and interest is charged at commercial rates on the outstanding monthly balance.

Amounts due to group undertakings are payable on demand.

Liquidity is managed by having an undertaking from the parent company to support the Company to settle any undertaking with other group companies as required to ensure the Company remains solvent. Liquidity risk is proactively managed by regularly assessing working capital requirements and monitoring cash flows.

8. Share capital

	2021	2020
	£	£
Authorised, issued and fully paid:		
Ordinary shares of £1 each	1	1
Issued and fully paid:		
Ordinary shares at par value of £1 each	1	1
	1	1
Movement for the year		
Balance at the beginning of the year	1	1
Balance at the end of the year	1	1

9. Commitments

	2021	2020
	£'000	£'000
Commitments for minimum lease payments for non-cancellable operating leases are payable as follows:		
Within one year	2,498	2,087
Later than one year, no later than five years	12,054	14,515
Later than five years	4,434	4,434
	18,986	21,036

Notes to the financial statements (continued)

For the year ended 31 December 2021

10. Provisions

A provision is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past services and the obligation can be estimated reliably.

Provisions are measured at the present value of Management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Onerous contracts represent the expected losses on non-cancellable property lease commitments no longer utilised by the Company. The amount provided for represents the present value of the future payments on the leases, net of expected income from sub-leasing the properties.

	2021	2020
	£'000	£'000
Current provisions		
Onerous losses provision	1,167	-
	1,167	-
	2021	2020
	£'000	£'000
Balance at the beginning of the year	-	-
Provision raised during the year	1,208	-
Provision utilised during the year	(41)	-
Balance at the end of the year	1,167	-

11. Contingent assets and liabilities

(a) Contingent liabilities

There are no material contingent liabilities that have been contracted or provided for at the reporting date (2020: £Nil).

(b) Contingent assets

There are no material contingent assets at the reporting date.

12. Going concern

The ultimate parent, Iress Limited, has confirmed it will provide financial support to the Company to ensure that it can meet all of its liabilities as they fall due for a period of at least one year following the signature date of these financial statements.

On the basis of support from the ultimate parent, the Directors have a reasonable expectation that the Company has access to adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the Directors have considered a period of at least 12 months from the date of authorising the financial statements.

13. Events subsequent to the Statement of Financial Position date

There has been no matter or circumstance which has arisen since the end of the financial year which has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent years.