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NATIONAL DENTAL PLAN LIMITED

Annual Report for the year ended 31 December 2019

NATIONAL DENTAL PLAN LIMITED

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NATIONAL DENTAL PLAN LIMITED

Directors, Officers and Advisers

Directors

Andrew Bower
Jonathan Fletcher
Peadar O'Donnell

Bankers

Lloyds Bank plc, City Office
PO Box 72
Bailey Drive
Gillingham Business Park
Gillingham
Kent
ME8 0LS

Secretary and Registered office

Steven Leverett
National Dental Plan Limited
Milton Court
Dorking
Surrey
RH4 3LZ

Registered Auditor

Ernst & Young LLP
25 Churchill Place
Canary Wharf
London
E14 5EY

Registered Number

02260489

NATIONAL DENTAL PLAN LIMITED

STRATEGIC REPORT For the year ended 31 December 2019

Company strategy

The principal activities of the Company are continuing to process claims and payments for historic business and maintaining relationships between Unum Limited, a fellow subsidiary company of Unum European Holding Company Limited, and industry intermediaries to ensure that brokers are paid and terms of business agreed.

From 1st January 2020 Unum Limited is now managing the broker relationships and paying brokers directly. The Company is continuing to receive and process payments and claims for historic business and National Dental Plan Ltd remains part of Unum UK's business strategy for dental business.

Review of the business

Unum Limited is responsible for underwriting dental insurance policies for the UK group. The Company (NDP) pays broker commissions on behalf of Unum Limited and processes payments and claims for historic business.

Turnover for the Company was £1,183,806 in 2019 compared to £1,124,497 in 2018. The Company realised an operating profit before tax, of £10,695 including interest receivable and paid (2018: loss £145,524).

Net assets have increased from £1,391,742 to £1,399,955 driven by the after tax profit earned during the year.

Dividends

No interim dividends were paid in 2019 (2018: £Nil). The Directors propose a final dividend of £1,000,000 for the year ended 31 December 2019 (2018: £Nil).

Future business outlook

The Company continues to receive and process payments and claims for historic business and remains part of Unum UK's strategy for its dental business.

We continue to monitor COVID-19 closely to assess the potential impact and will respond to the changing external environment. Based on what we know to date and the forecasts that we have prepared, we believe the impacts for the Company can be managed effectively.

The Company retains adequate financial resources to settle all liabilities as they fall due.

Principal risks and uncertainties

Debtor balances comprise of amounts owing from Unum Limited, a fellow subsidiary company, as well as amounts due from counterparties outside the group. The Company was owed £327,403 from Unum Limited (2018: £1,089,081) which has a credit rating of A- (Strong) from Standard & Poor's with a stable outlook, and £24,547 (2018: £61,397) from aggregate balances outside of the group (Note 10). The Directors consider these amounts to be recoverable.

NATIONAL DENTAL PLAN LIMITED

STRATEGIC REPORT
For the year ended 31 December 2019

Principal risks and uncertainties (continued)

There were no amounts owed to companies within Unum Group at 31 December 2019 (2018: £996,514) whilst amounts owed outside the group totalled £821,173 (2018: £705,517) (Notes 12, 13 & 14). The Company has a cash holding of £846,463, post foreseeable dividend, which is significantly in excess of its liabilities.

COVID-19

There is considerable uncertainty around the impacts of COVID-19 due to the fast developing nature of this event. We continue to monitor it closely to assess the impact it could have on the business. COVID-19 is unlikely to cause material disruption to the business as it continues to process historic payments and claims.

Brexit

There remains uncertainty surrounding the potential financial, regulatory, legal, and tax implications of the UK's withdrawal of membership from the European Union (EU).

The UK formally left the EU on the 31st January 2020. During the remainder of 2020, the UK will be working towards a trade deal with the EU.

The Company has not been required to, and does not anticipate a need to make, any material changes to its current business model as a result of Brexit and will continue to process historic payments and claims for business written prior to January 2017 to its mainly UK based clients.

Climate Change

Our strategy design and execution processes include consideration of climate change risk that is proportionate to the nature, scale and complexity of our business. The Directors believe the risk of any climate change impact on the Company is low.

By order of the board



Steven Leverett
Secretary

16 July 2020

NATIONAL DENTAL PLAN LIMITED

Company Registration No: 02260489

DIRECTORS' REPORT for the year ended 31 December 2019

The Directors submit their report and the financial statements for the year ended 31 December 2019.

Directors

The Directors who were members of the Board at the time of approving the Directors' Report are listed on page 3 and their service was continuous throughout the year.

Performance for the year

The Company recognised an operating profit before tax in 2019 of £10,695 including interest receivable and paid, compared to a prior year loss of £145,524.

Going concern assessment

The Directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

As set out in Note 1 of the financial statements, the Directors have considered the possible impact of COVID-19 on National Dental Plan Limited for the foreseeable future. The business activities of National Dental Plan Limited are closely associated with Unum Limited, a fellow group undertaking. The financial position of Unum Limited was assessed in the accounts which were signed in April 2020, with regard to the COVID-19 business environment, with the conclusion that Unum Limited will be able to meet its liquidity and capital requirements over the next 12 months. National Dental Plan Limited holds a cash balance of £846,463 post foreseeable dividend, which is significantly in excess of its current liabilities and foreseeable future costs. As a result of the business relationship between Unum Limited and National Dental Plan Limited, and given Unum Limited's financial position, we are satisfied that the going concern basis remains appropriate for National Dental Plan Limited in preparing its financial statements.

Statement as to disclosure of information to auditors

Having made enquiries of fellow Directors and of the company's auditors, each of these Directors confirms that:

- to the best of each Director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

In accordance with Section 487(2) of the Companies Act 2006, the Auditors Ernst and Young LLP are deemed reappointed.

NATIONAL DENTAL PLAN LIMITED

**DIRECTORS' REPORT (continued)
for the year ended 31 December 2019**

Insurance of Directors and officers

The Directors and officers of the Group are covered under a global professional indemnity insurance policy held by Unum Group, the ultimate parent company. The insurance was in force at 31 December 2019 and on the day the Report of the Directors was approved.

By order of the board

A handwritten signature in black ink, appearing to read 'S. Leverett', written in a cursive style.

**Steven Leverett
Secretary**

16 July 2020

NATIONAL DENTAL PLAN LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 to 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.

NATIONAL DENTAL PLAN LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL DENTAL PLAN LIMITED

Opinion

We have audited the financial statements of National Dental Plan Limited for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 18, 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 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 below. 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 – Effects of Covid-19

We draw attention to Note 1 and Note 18 of the financial statements, which describe the economic and operational consequences the company is facing as a result of Covid-19 which is impacting the potential results of the Company. Our opinion is not modified in respect of this matter.

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

NATIONAL DENTAL PLAN LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL DENTAL PLAN LIMITED (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

NATIONAL DENTAL PLAN LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL DENTAL PLAN LIMITED (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Ernst & Young LLP

John Headley (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

17 July 2020

NATIONAL DENTAL PLAN LIMITED
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2019

	Notes	2019 £	2018 £
Turnover	2	1,183,806	1,124,497
Cost of sales	3	(1,175,477)	(1,263,001)
Gross profit/(loss)		<u>8,329</u>	<u>(138,504)</u>
Administrative expenses		<u>(99)</u>	<u>(5,884)</u>
Operating profit/(loss)		8,230	(144,388)
Interest receivable and similar income	5	2,465	408
Interest payable and similar charges	6	<u>-</u>	<u>(1,544)</u>
Profit/(loss) on ordinary activities before tax		10,695	(145,524)
Tax (charge)/credit	9	<u>(2,482)</u>	<u>28,115</u>
Profit/(loss) for the financial year		<u><u>8,213</u></u>	<u><u>(117,409)</u></u>

The notes on pages 15 to 23 form an integral part of these financial statements.

NATIONAL DENTAL PLAN LIMITED

**STATEMENT OF FINANCIAL POSITION
at 31 December 2019**

	Notes	2019 £	2018 £
Current Assets			
Debtors	10	374,665	1,152,345
Cash at bank and in hand		1,846,463	1,941,428
		2,221,128	3,093,773
Creditors - amounts falling due within one year			
Amounts due to group undertakings	12	-	996,514
Other creditors including tax and social security	13	48,493	23,884
Accruals and deferred income	14	772,680	681,633
		821,173	1,702,031
Net Current Assets		1,399,955	1,391,742
Net Assets		1,399,955	1,391,742
Capital and Reserves			
Called up share capital	15	17,915	17,915
Share premium		49,830	49,830
Profit and loss account		1,332,210	1,323,997
Shareholders' Funds		1,399,955	1,391,742

The financial statements on pages 12 to 14 were agreed by the board of Directors and were signed on its behalf by:



J Fletcher
Director
16 July 2020



A Bower
Director
16 July 2020

NATIONAL DENTAL PLAN LIMITED

**STATEMENT OF CHANGES IN EQUITY
at 31 December 2019**

	Called up Share Capital £	Share Premium Account £	Profit and Loss Account £	Total £
Balance as at 1 January 2018	17,915	49,830	1,441,407	1,509,152
Loss for the year	-	-	(117,410)	(117,410)
Balance as at 31 December 2018	<u>17,915</u>	<u>49,830</u>	<u>1,323,997</u>	<u>1,391,742</u>
Balance as at 1 January 2019	17,915	49,830	1,323,997	1,391,742
Profit for the year	-	-	8,213	8,213
Balance as at 31 December 2019	<u>17,915</u>	<u>49,830</u>	<u>1,332,210</u>	<u>1,399,955</u>

NATIONAL DENTAL PLAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019

1. Principal accounting policies

A. General Information

National Dental Plan Limited is incorporated and domiciled in England, registration number 02260489. The registered office is Milton Court, Dorking, Surrey RH4 3LZ.

B. Statement of compliance

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Ireland' (FRS 102) and the Companies Act 2006.

C. Basis of preparation

The financial statements are prepared on a going concern basis under the historical cost convention. They are presented in pounds sterling, the functional and presentation currency of the Company.

As part of their going concern assessment, the Directors have considered the possible impact of COVID-19. The Company holds a cash balance of £846,463, post foreseeable dividend, which is significantly in excess of its current liabilities and foreseeable future costs.

This analysis indicates that the Company will meet its liquidity and capital requirements over the next twelve months. Therefore, the financial statements continued to be prepared on a going concern basis.

D. Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company is a qualifying entity for the purposes of the preparation of individual financial statements. Details regarding the parent entity of the group in whose consolidated financial statements the Company's financial statements are consolidated, and from where those financial statements may be obtained are provided in note 16.

The Company has chosen to take exemption from the requirement to provide disclosures in relation to:

1. The requirement to prepare a statement of cash flows; and
2. The disclosure of key management personnel compensation in total.

E. Operating leases

Payments made under operating leases are charged to the income statement as incurred over the lease term.

NATIONAL DENTAL PLAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

1. Principal accounting policies (continued)

E. Operating leases (continued)

Provisions for onerous property leases are recognised when the Company considers that the unavoidable costs of meeting the lease obligations exceed the economic benefits expected to be received under the lease. In determining the value of the provision future cash flows are discounted to their present value. The provisions recognised are estimates and the actual costs and timing of future cash flows are dependent on future events.

F. Pension benefits

A fellow Unum group entity, Unum European Holdings Company administers the defined contribution pension scheme. Amounts charged to the income statement represent the contributions payable to the scheme in the period.

G. Income

Turnover, which excludes VAT, comprises brokerage commission earned from the marketing and managing of dental insurance policies. Income is recognised once all obligations to the policy holder have been discharged over the duration of policies written. Should the commissions relate to services provided in future periods, they are deferred and recognised over those future periods.

H. Taxation

The taxation charge shown in the income statement is provided at the corporation tax rate applicable for the period and based on the profit on ordinary activities for the year after adjusting for items that are not taxable or tax deductible.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax balances are not discounted.

I. Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the year. Foreign transactions are recorded at the actual rate of exchange prevailing on the date of the transaction. All exchange differences are taken to the profit and loss account.

NATIONAL DENTAL PLAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

J. Insurance broking assets and liabilities

The company acts as an agent in broking the insurable risks of its clients. Generally, it is not liable for either premiums due to underwriters or return premiums payable to clients. Balances arising from insurance broking transactions are reported as separate assets and liabilities unless such balances are due to or from the same party and the offset would survive the insolvency of that party, in which case they are aggregated into a single net balance. As such, cash and creditors due to underwriters, and amounts due from clients are not recognised on the company balance sheet as risk transfer arrangements are in place.

K. Cash and cash equivalents

Cash at bank and in hand comprises cash on hand and on-demand deposits.

2. Turnover

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

3. Cost of sales

Cost of sales comprise of broker commissions paid by the company in respect of sales of Unum Limited Dental policies.

4. Administrative Expense

The Company has no employees. It has a resourcing and services agreement with a parent company, Unum European Holding Company Limited, under which it is provided with staff who perform administrative and management services on behalf of the Company.

5. Interest received and similar Income

	2019	2018
	£	£
Bank interest received	569	408
Foreign exchange translation gain	1,896	-
	<hr/> 2,465	<hr/> 408

NATIONAL DENTAL PLAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019 (continued)

6. Interest paid and similar charges

	2019	2018
	£	£
Foreign exchange transaction loss	-	1,544
	-	1,544

7. Directors' emoluments and pensions

Remuneration for Directors is disclosed below. Where an individual serves more than one company in the Group, the individual's total remuneration and valuation of shares received are allocated across the main, relevant companies and the appropriate proportion is disclosed in each company's financial statements. The allocation is based on an estimation of the time the Directors spend on each company.

	2019	2018
	£	£
Aggregate emoluments in respect of qualifying services	40,541	130,501
Aggregate amounts receivable under long-term incentive plans	6,423	8,016
Aggregate amounts paid under money purchase schemes	5,150	17,082

	2019	2018
	No.	No.
Number of Directors who received shares in respect of qualifying services	1	1
Number of Directors who exercised share options	-	-
Number of Directors accruing benefits under money purchase schemes	1	-
Number of Directors accruing benefits under defined benefits schemes	-	-

	2019	2018
	£	£
In respect of highest paid Director:		
Aggregate emoluments	52,114	130,501
Accrued pension at the end of the year	38,986	33,836
Accrued lump sum at the end of the year	-	-

NATIONAL DENTAL PLAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

7. Directors' emoluments and pensions (continued)

The highest paid Director received shares to the value of £6,423 (2018: £8,016) in the ultimate parent company, Unum Group, during the year. Shares were receivable by the Director under the Group's long-term incentive plan. The aggregate amount of compensation paid to Directors or past Directors for loss of office was £Nil (2018: £Nil).

8. Auditors' remuneration

The auditors' remuneration of £15,000 for the 2019 statutory audit was borne by a fellow Unum group company, Unum European Holding Company Ltd (2018: £15,000). The auditors received no other remuneration in respect of services provided to the company for the year.

NATIONAL DENTAL PLAN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019 (continued)**

9. Taxation

(a) Analysis of tax charge

	2019	2018
	£	£
Current tax		
UK corporation tax charge/(credit) on ordinary profit/(losses) of the period at 19.00% (2018: 19.00%)	1,690	(28,063)
Adjustment in respect of previous periods	486	13
Total current tax charge/(credit)	2,176	(28,050)
Deferred tax		
Origination and reversal of timing differences	306	370
Adjustment in respect of previous periods	-	(435)
Total deferred tax charge/(credit)	306	(65)
Total tax charge/(credit) on income statement	2,482	(28,115)

(b) Factors affecting the total tax charge

The total tax charge/(credit) assessed for the period differs from the standard rate of corporation tax of 19.00% (2018: 19.00%). The differences are explained below:

	2019	2018
	£	£
Profit/(Loss) on ordinary activities before tax:	10,695	(145,524)
Profit/(Loss) on ordinary activities before tax multiplied by the standard rate of corporation tax of 19.00% (2018: 19.00%)	2,032	(27,650)
Which was affected by:		
Effect of timing differences recorded at lower tax rate	(36)	(43)
Adjustments to tax in respect of previous years	486	(422)
Total tax charge/(credit) for the year	2,482	(28,115)

(c) Factors affecting current and future tax charges

On 11th March 2020, the Chancellor announced that the corporation tax rate will remain at 19% for the financial year beginning 1 April 2020 rather than being reduced to 17% as previously enacted. This change does not have a material impact on the Company's deferred tax asset at 31 December 2019 and is not expected to materially impact the Company's tax asset for the year ended 31 December 2020.

UK deferred tax has been provided for in the financial statements at the previously enacted rate of 17%.

NATIONAL DENTAL PLAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019 (continued)

10. Debtors

	2019	2018
	£	£
Amounts owed by Unum Limited	327,403	1,089,081
Prepayments and accrued income	24,547	61,397
Deferred tax asset (see Note 11)	1,561	1,867
Tax receivable	21,154	-
Total debtors	374,665	1,152,345

11. Deferred Tax Asset

	Deferred Tax
	£
At 1 January 2018	1,802
Prior year adjustment	435
Credit for the year	(370)
At 31 December 2018	1,867
At 1 January 2019	1,867
Prior year adjustment	-
Movement for the year	(306)
At 31 December 2019	1,561

The deferred tax asset is recognised in full in the financial statements as follows:

Deferred tax balance

	2019	2018
	£	£
Excess of tax value over book value of tangible assets	1,561	1,867
Deferred Tax Asset	1,561	1,867

There are no unrecognised amounts of deferred tax at 31 December 2019 (2018: £Nil). The deferred tax asset is not expected to materially change in the year ending 31 December 2020.

NATIONAL DENTAL PLAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019 (continued)

12. Amounts due to group undertakings

	2019	2018
	£	£
Amount owed to Claims Assistance (UK) Limited	-	373,149
Amount owed to Unum European Holding Co Limited	-	623,365
	-	996,514

13. Other creditors including tax and social security

	2019	2018
	£	£
Trade creditors	48,493	16,351
Corporation tax payable	-	7,533
	48,493	23,884

14. Accruals and deferred income

	2019	2018
	£	£
Commissions Payable	772,680	681,633
	772,680	681,633

15. Called up share capital

	2019	2018
	£	£
Allotted, issued and fully paid		
17,915 Ordinary shares of £1 each	17,915	17,915
	17,915	17,915

There are no rights, preferences or restrictions attached to this class of shares, including restrictions on distribution of dividends and repayment of capital.

NATIONAL DENTAL PLAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

16. Parent company

The Company's parent company is Unum European Holding Company Limited, a company incorporated in England.

The Directors regard Unum Group, a company incorporated in the United States of America as the ultimate parent company and ultimate controlling party. The smallest and largest group in which the results of the Company are consolidated is that of Unum Group. Copies of the consolidated financial statements of Unum Group can be obtained from Unum Group, 1 Fountain Square, Chattanooga, Tennessee, 37402, USA.

17. Related party transactions

Advantage has been taken of the exemption in FRS 102 under section 33.1A not to disclose transactions with the immediate and ultimate parent companies or any of its wholly owned subsidiaries.

A summary of balances owed to and from fellow group companies at 31 December 2019 is shown below.

	2019	2018
	£	£
Amounts owed from group undertakings		
Unum Limited	327,403	1,089,081
Amounts owed to group undertakings		
Claims Assistance (UK) Limited	-	(373,149)
Unum European Holding Co Limited	-	(623,365)
	<u>327,403</u>	<u>92,567</u>

18. Events after the balance sheet date

COVID-19 is considered to be a non-adjusting post balance sheet event and as such no adjustments have been made to the valuation of assets and liabilities as at 31 December 2019. COVID-19 is likely to cause minimal disruption to the business.

The Directors' have considered the implications of COVID-19 and believe that it is likely to have minimal impact on the financial position of the Company. As at 30 June 2020, National Dental Plan Limited's principal business activity is the continuation of the collection of historic commissions which is not expected to be impacted by COVID-19. The statement of financial position remains strong with sufficient liquidity to meet liabilities as they fall due.