
ECMK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

ECMK LIMITED

COMPANY INFORMATION

Directors	Jim Louis Balas David Randall Hayes Lisa Dominique Taylor
Company secretary	Jan Renee Shanklin Morris
Registered number	04701167
Registered office	Fore 2 2 Huskisson Way Shirley Solihull West Midlands B90 4SS
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 17th Floor 103 Colmore Row Birmingham B3 3AG
Bankers	HSBC UK Bank Plc 19 Midsummer Blvd Milton Keynes United Kingdom MK9 3GB J.P. Morgan Chase Bank 25 Bank Street London United Kingdom E14 5JP
Solicitors	Baker & McKenzie LLP 100 New Bridge Street London United Kingdom EC4V 6JA

ECMK LIMITED

CONTENTS

	Page
Directors' Report	1 - 3
Independent Auditor's Report	4 - 8
Statement of Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 - 21

ECMK LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

Principal activity

The principal activity of the Company during the year was the provision of accreditation, training, certification and software to enable Domestic Energy Assessors to deliver Energy Performance Certificates and Display Energy Certificates for all building types.

Results, dividends and future outlook

The profit for the year, after taxation, amounted to £1,079,820 (2020 - £488,742).

The directors did not recommend the payment in the year (2020:£Nil).

The future prospects of the Company pre considered to be good.

The Company has maintained its focus on being a government approved provider of accreditation, training, certification and software enabling assessors to deliver Energy Performance Certificates (EPCs), Display Energy Certificates (DECs) and other inspection reports. With recent changes in energy legislative levels, the Company has a development plan in place for growth in future periods.

The market impacts of Covid-19 in 2020 abated in 2021. In addition, some of the operational changes made during the Pandemic were embraced as 'business as usual', particularly in relation to remote working. This had a positive effect on the company's ability to retain and attract talent in a competitive labour market.

The Company derives its income from delivering accreditation and auditing services to qualified Domestic Energy Assessors who provide Energy Performance Certificates. Energy Performance Certificates are required in order to list a property for sale or rental, and in support of Government sponsored retrofit schemes. As a result, the Company's revenue is partially correlated to volumes in the property market.

The property market bounced back strongly from the impact of COVID in 2021, with net lending in the mortgage market up 51% rise on 2020. This was supported by the post-lockdown recovery and the stamp duty holiday. 2022 has been a relatively strong year for the housing market, with 1.25m transactions but there are signs that residential sales will slow thereafter, with market participants forecasting 1.1m completions in 2023. In order to lessen the impact of property market fluctuations, the Company has been focussed on growing its share of the PAS2035 Whole House Retrofit accreditation market which is driven by the Energy Company Obligation Scheme.

In addition, we have business continuity and crisis plans which will enable us to respond quickly to mitigate the impact. Any longer-term impact will be considered and monitored as appropriate.

Going concern

As with most businesses, recent economic conditions in the UK naturally create uncertainty over the level of demand for the Company's activities, products and services. However, the directors have performed detailed assessments of the business and its plans for future activity and are satisfied that it remains a going concern.

The Company is reliant upon Corelogic Inc, the ultimate parent company, for ongoing support. The directors have procured a guarantee of this support and Corelogic Inc is committed to the future growth of the company and has a long-term investment program to ensure its continued success.

With this commitment from the ultimate parent company, the directors have a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future, being a period of at least 12 months from the date of approval of these financial statements. Thus, the directors continue to adopt the going concern basis in preparing the financial statements.

ECMK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Directors

The directors who served during the year were:

Jim Louis Balas
David Randall Hayes
Lisa Dominique Taylor

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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, 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 and 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

Qualifying third party indemnity provisions

The Company has maintained cover for its Directors and officers and those of its subsidiary companies under a Directors and Officers Liability insurance policy as permitted by the Companies Act 2006. The liability insurance is a qualifying third party indemnity provision and was in force during the year up to and including the date of the approval of the Annual Report and Financial Statements.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

ECMK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

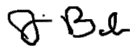
Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:



Jim Louis Balas
Director

Date: 29 September 2022



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ECMK LIMITED

Opinion

We have audited the financial statements of ECMK Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ECMK LIMITED (CONTINUED)

Conclusions relating to going concern (continued)

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

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

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

We have nothing to report in 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ECMK LIMITED (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

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 Directors' Report.

Matters on which we are required to report by exception

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; or
- 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.

Responsibilities of directors for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ECMK LIMITED (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We understood how the Company is complying with those legal and regulatory frameworks by making enquiries of management. We corroborated our enquiries through our review of board minutes.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting frameworks (FRS 101 and Companies Act 2006) and the relevant tax compliance regulations in the jurisdictions in which the Company operates.
- In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations relating to health and safety, employee matters, environmental, and bribery and corruption practices.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with management from different parts of the business to understand where it is considered there was a susceptibility of fraud. We also considered performance targets and their propensity to influence efforts made by management to manage earnings. We considered the programs and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programs and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk.
- Our audit procedures involved: journal entry testing, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the business and enquiries of management. In addition, we completed audit procedures to conclude on the compliance of disclosures in the Annual Report and accounts with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates;
 - understanding of the legal and regulatory requirements specific to the Company including:
 - ◆ the provisions of the applicable legislation;
 - ◆ the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules; and
 - ◆ the applicable statutory provisions.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ECMK LIMITED (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - The Company's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
 - the applicable statutory provisions; and
 - the Company's control environment, including the policies and procedures implemented to comply with the requirements of its regulator, including the adequacy of the training to inform staff of the relevant legislation, rules and other regulations of the regulator, the adequacy of procedures for authorisation of transactions, internal review procedures over the Company's compliance with regulatory requirements and procedures to ensure that possible breaches of requirements are appropriately investigated and reported.

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.



John Coates BSc BFP FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
Date: 30/9/2022

ECMK LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	1,580,852	921,025
Cost of sales		(345,532)	(364,239)
Gross profit		1,235,320	556,786
Administrative expenses		(28,978)	(15,947)
Operating profit		1,206,342	540,839
Tax charge on profit	8	(126,522)	(52,097)
Profit for the financial year		1,079,820	488,742
Total comprehensive income for the year		1,079,820	488,742

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

All income arose from continuing operations in both 2021 and 2020.

The notes on pages 12 to 21 form part of these financial statements.

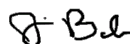
ECMK LIMITED
REGISTERED NUMBER:04701167

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Current assets			
Debtors: amounts falling due within one year	9	193,721	48,329
Cash at bank and in hand	10	2,484,039	1,380,421
		<u>2,677,760</u>	<u>1,428,750</u>
Creditors: amounts falling due within one year	11	(375,982)	(206,792)
Net current assets		2,301,778	1,221,958
Total assets less current liabilities		2,301,778	1,221,958
Net assets		2,301,778	1,221,958
Capital and reserves			
Called up share capital	14	190	190
Other reserves	15	463,895	463,895
Profit and loss account	15	1,837,693	757,873
Total shareholder's funds		2,301,778	1,221,958

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Jim Louis Balas
Director

Date: 29 September 2022

The notes on pages 12 to 21 form part of these financial statements.

ECMK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	190	463,895	269,131	733,216
Profit for the year	-	-	488,742	488,742
Total comprehensive income for the year	-	-	488,742	488,742
At 1 January 2021	190	463,895	757,873	1,221,958
Profit for the year	-	-	1,079,820	1,079,820
Total comprehensive income for the year	-	-	1,079,820	1,079,820
At 31 December 2021	190	463,895	1,837,693	2,301,778

The notes on pages 12 to 21 form part of these financial statements.

ECMK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

ECMK Limited (the "Company") is a company incorporated and domiciled in the UK.

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

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted FRS 101"), but makes amendments where necessary in order to comply with Companies Act 2006.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

2.3 Measurement convention

The financial statements are prepared on the historical cost basis. There are no assets or liabilities stated at fair value.

ECMK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.4 Going concern**

As with most businesses, recent economic conditions in the UK naturally create uncertainty over the level of demand for the Company's activities, products and services. However, the directors have performed detailed assessments of the business and its plans for future activity and are satisfied that it remains a going concern.

The market impacts of Covid-19 in 2020 abated in 2021. In addition, some of the operational changes made during the Pandemic were embraced as 'business as usual', particularly in relation to remote working. This had a positive effect on the company's ability to retain and attract talent in a competitive labour market.

The Company derives its income from delivering accreditation and auditing services to qualified Domestic Energy Assessors who provide Energy Performance Certificates. Energy Performance Certificates are required in order to list a property for sale or rental, and in support of Government sponsored retrofit schemes. As a result, the Company's revenue is partially correlated to volumes in the property market.

The property market bounced back strongly from the impact of COVID in 2021, with net lending in the mortgage market up 51% rise on 2020. This was supported by the post-lockdown recovery and the stamp duty holiday. 2022 has been a relatively strong year for the housing market, with 1.25m transactions but there are signs that residential sales will slow thereafter, with market participants forecasting 1.1m completions in 2023. In order to lessen the impact of property market fluctuations, the Company has been focussed on growing its share of the PAS2035 Whole House Retrofit accreditation market which is driven by the Energy Company Obligation Scheme.

In addition, we have business continuity and crisis plans which will enable us to respond quickly to mitigate the impact. Any longer-term impact will be considered and monitored as appropriate.

The Company is reliant upon Corelogic Inc, the ultimate parent company, for ongoing support. The directors have procured a guarantee of this support and Corelogic Inc is committed to the future growth of the company and has a long-term investment program to ensure its continued success.

With this commitment from the ultimate parent company, the directors have a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future, being a period of at least 12 months from the date of approval of these financial statements. Thus, the directors continue to adopt the going concern basis in preparing the financial statements.

ECMK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.5 Basic financial instruments**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

2.6 Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the Balance Sheet date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

ECMK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.7 Turnover**

Operating turnover arrangements are written and specify the products or services to be delivered, pricing and payment terms. Operating turnover is recognised when the distinct good or service (also referred as "performance obligation"), is delivered and control has been transferred to the customer. Generally, customers contract with us to provide products and services that are highly interrelated and not separately identifiable. Therefore, the entire contract is accounted for as one performance obligation. At times, some of our contracts have multiple performance obligations where we allocate the total price to each performance obligation based on the estimated relative standalone selling price using observable sales or the cost-plus-margin approach.

For products or services where delivery occurs at a point in time, we recognise operating turnover when the customer obtains control of the products upon delivery. When delivery occurs over time, we generally recognise operating turnover ratably over the service period, once initial delivery has occurred. For certain of our products or services, customers may also pay upfront fees, which we defer and recognise as operating turnover over the longer of the contractual term or the expected customer relationship period.

Customer payment terms are standard with no significant financing components or extended payment terms granted. In limited cases, we allow for customer cancellations for which we estimate a provision.

Operating turnover is stated net of VAT and discounts. Any payments received in advance from customers are recorded as deferred income and included as part of Creditors due within one year.

ECMK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.8 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

ECMK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.11 Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

There are no critical estimates or judgements, however all estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

4. Turnover

	2021 £	2020 £
By activity:		
Accreditation	<u>1,580,852</u>	<u>921,025</u>

All turnover arose in the UK.

5. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>8,750</u>	<u>8,500</u>
Fees payable to the Company's auditor and its associates in respect of:		
Accounting services	<u>1,650</u>	<u>1,600</u>

The auditor's remuneration was borne by Corelogic U.K. Limited, the Company's parent company.

6. Staff numbers and costs

There were no persons employed by the Company (other than directors) during the year.

ECMK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Directors' remuneration

The directors do not receive any amounts directly in respect of their qualifying services provided to the company. The remuneration of the directors of the company is borne by a fellow group company.

8. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	178,619	52,097
Adjustments in respect of previous periods	(52,097)	-
	<u>126,522</u>	<u>52,097</u>
Total current tax	<u><u>126,522</u></u>	<u><u>52,097</u></u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>1,206,342</u>	<u>540,839</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	229,205	102,759
Effects of:		
Expenses not deductible for tax purposes	162	93
Unrelieved tax losses carried forward	(50,748)	(50,755)
Adjustments to tax charge in respect of prior periods	(52,097)	-
Total tax charge for the year	<u><u>126,522</u></u>	<u><u>52,097</u></u>

ECMK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Taxation (continued)**Factors that may affect future tax charges**

The rate of tax applied to the reported profit is 19.00%. The rate of tax as introduced in the Finance Bill 2021 will remain unchanged for the financial year 2022.

In the Finance Act 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since this proposal does not change the current corporation tax rate for the next 12 months, there is no impact on this year's financial statements.

9. Debtors

	2021	2020
	£	£
Trade debtors	189,742	48,329
Prepayments	3,979	-
	<u>193,721</u>	<u>48,329</u>

The Company has reviewed expected credit losses under IFRS 9 and concluded the impact was immaterial.

10. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	<u>2,484,039</u>	<u>1,380,421</u>

ECMK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	8,240	4,000
Amounts owed to group undertakings	29,195	66,346
Corporation tax	178,619	52,097
Other taxation and social security	122,891	58,293
Accruals	37,037	26,056
	<u>375,982</u>	<u>206,792</u>

Amounts owed to group undertakings are unsecured, have no fixed repayment date, are repayable on demand and as such attract no interest.

12. Deferred taxation

The Company has unrecognised deferred tax assets of £145 (2020: £134) in respect of timing differences. These have not been capitalised as the directors are unsure as to whether the amounts will be realised in the future.

13. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at amortised cost	<u>189,742</u>	<u>48,329</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(74,472)</u>	<u>(96,402)</u>

Financial assets measured at amortised cost comprise of trade debtors.

Financial liabilities measured at amortised cost comprise of trade creditors, amounts owed to group undertakings and accruals.

ECMK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Share capital

	2021	<i>2020</i>
	£	£
Allotted, called up and fully paid		
190 (2020 - 190) Ordinary shares of £1.00 each	190	<i>190</i>
	<u>190</u>	<u><i>190</i></u>

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

15. Reserves**Profit and loss account**

Represents cumulative profit and loss net of distribution to owners.

Capital contribution reserve

Represents capital contributions made in the Company by its parent undertaking.

16. Guarantees and commitments

The Company is party to a composite company unlimited multilateral guarantee with Corelogic U.K. Limited.

17. Related parties

The Company has taken advantage of the exemptions available to wholly owned subsidiaries under FRS 101 related to the disclosure of related party transactions with other group companies.

18. Post balance sheet events

There have been no significant events affecting the Company since the year end.

19. Immediate and ultimate controlling party

The Company is a wholly owned subsidiary of Corelogic U.K. Limited, its immediate parent undertaking, a company registered in England and Wales.

The ultimate parent undertaking is Corelogic Holdings L.P., a limited partnership incorporated in the state of Delaware in the United States of America.

The smallest undertaking for which the company is a member and for which group financial statements are prepared is Corelogic, Inc., and the largest group is Corelogic Holdings L.P. Consolidated financial statements for Corelogic, Inc. can be obtained from Corelogic, Inc., 40 Pacifica, Irvine, CA 92618, US.

Corelogic Holdings L.P. does not have a single ultimate controlling party by virtue that no single shareholder holds more than 50% of the voting rights.