

Registered number: 02448499

LUCAS FETTES LIMITED

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2018

MONDAY



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30/09/2019
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LUCAS FETTES LIMITED

COMPANY INFORMATION

Directors	M P Rea C D K Scott
Company secretary	A Peel
Registered number	02448499
Registered office	The Walbrook Building 25 Walbrook London England EC4N 8AW
Accountants	BDO LLP 55 Baker Street London W1U 7EU

LUCAS FETTES LIMITED

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LUCAS FETTES LIMITED

**STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2018**

Introduction

The directors present their strategic report of the Company for the year ended 31 December 2018.

Business review

The Company is an intermediate holding company in a group of companies specialising in insurance broking. On 30 April 2018, the business and assets of the Company were transferred to Stackhouse Poland Limited. From that date the Company became dormant.

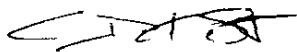
Principal risks and uncertainties

As a dormant intermediate holding company the Directors consider there to be no principle risks and uncertainties that would merit disclosure.

Financial key performance indicators

As a dormant intermediate holding company the Directors consider there to be no applicable financial key performance indicators that would merit disclosure.

This report was approved by the board on 26/9/19 and signed on its behalf.



C D K Scott
Director

LUCAS FETTES LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the period ended 31 December 2018.

Principal activity

The Company is a dormant intermediate holding company. On 30 April 2018 the Company hived-up all of the trade and assets to Stackhouse Poland Limited, a fellow Group subsidiary.

Results and dividends

The profit for the period, after taxation, amounted to £5,602,260 (2017 - £3,700,668).

During the year ended 31 December 2018 dividends totalling £11,203,381 (2017 - £nil) were paid.

Directors

The directors who served during the period were.

J M G Cary (resigned 5 April 2019)
J I D Agnew (resigned 5 April 2019)
P G Carroll (resigned 17 April 2018)
W A J Cockayne (resigned 17 April 2018)
R J Heighton (resigned 17 April 2018)
T D Johnson (resigned 5 April 2019)
R A G Lucas (resigned 17 April 2018)
J D P Phillips (resigned 17 April 2018)
I A Jamieson (resigned 5 April 2019)
M P Rea (appointed 5 April 2019)
C D K Scott (appointed 5 April 2019)

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 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.

Future developments

The Company is part of the Stackhouse Poland Group. On 5 April 2019, the entire share capital of Stackhouse Poland Group Limited was acquired by Gallagher Holdings (UK) Limited.

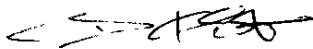
LUCAS FETTES LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2018

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 on 26/9/19 and signed on its behalf.



C D K Scott
Director

LUCAS FETTES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2018**

		31 December 2018 £	9 mths ended 31 December 2017 £
	Note		
Distribution costs		-	(9,240)
Administrative expenses		(1,973,642)	(650,049)
Other operating income	4	106,768	4,362,097
Operating (loss)/profit	5	(1,866,874)	3,702,808
Income from fixed assets investments		7,469,134	-
Interest receivable and similar income	8	-	8,639
Interest payable and expenses	9	-	(32)
Profit before tax		5,602,260	3,711,415
Tax on profit	10	-	(10,747)
Profit for the financial period		5,602,260	3,700,668

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 7 to 18 form part of these financial statements.

On 30 April 2018 all of the Company's trade and assets were hived to Stackhouse Poland Limited, a fellow Group subsidiary and the Company ceased trading from this date.

LUCAS FETTES LIMITED
REGISTERED NUMBER: 02448499

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12	-	412,269
Investments	13	70,966	1,892,222
		<u>70,966</u>	<u>2,304,491</u>
Current assets			
Debtors: amounts falling due within one year	14	2,745,684	10,206,581
Cash at bank and in hand	15	-	140,192
		<u>2,745,684</u>	<u>10,346,773</u>
Creditors: amounts falling due within one year	16	-	(4,191,862)
Net current assets		<u>2,745,684</u>	<u>6,154,911</u>
Total assets less current liabilities		<u>2,816,650</u>	<u>8,459,402</u>
Provisions for liabilities			
Other provisions	18	-	(41,631)
Net assets		<u><u>2,816,650</u></u>	<u><u>8,417,771</u></u>
Capital and reserves			
Called up share capital	19	53,136	53,136
Share premium account	20	2,746,750	2,746,750
Other reserves	20	16,764	16,764
Profit and loss account	20	-	5,601,121
		<u>2,816,650</u>	<u>8,417,771</u>

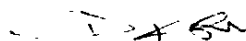
The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006. The members have not required the Company to obtain an audit for the period in question in accordance with section 476 of Companies Act 2006.

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

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

26/09/19

C D K Scott
 Director



The notes on pages 7 to 18 form part of these financial statements.

LUCAS FETTES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2018

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 April 2017	44,380	117,710	16,764	1,900,453	2,079,307
Comprehensive income for the period					
Profit for the period	-	-	-	3,700,668	3,700,668
Total comprehensive income for the period	-	-	-	3,700,668	3,700,668
Shares issued during the period	8,756	2,629,040	-	-	2,637,796
Total transactions with owners	8,756	2,629,040	-	-	2,637,796
At 1 January 2018	53,136	2,746,750	16,764	5,601,121	8,417,771
Comprehensive income for the period					
Profit for the period	-	-	-	5,602,260	5,602,260
Total comprehensive income for the period	-	-	-	5,602,260	5,602,260
Dividends: Equity capital	-	-	-	(11,203,381)	(11,203,381)
Total transactions with owners	-	-	-	(11,203,381)	(11,203,381)
At 31 December 2018	53,136	2,746,750	16,764	-	2,816,650

The notes on pages 7 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

1. General information

Lucas Fettes Limited (the 'company') is a private limited company registered in England and Wales. The company's registered number is 02448499 and registered office address The Walbrook Building, 25 Walbrook, London, EC4N 8AW. The company's principal activities are disclosed in the Directors Report.

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 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Stackhouse Poland Group Limited as at 31 December 2018 and these financial statements may be obtained from Companies House.

2.3 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.4 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

These financial statements therefore present information about the company as an individual undertaking and not about its group. The results of the company and group headed by it are included in the consolidated financial statements of its ultimate parent, Stackhouse Poland Group Limited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- not provided
Office equipment	- at varying rates on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 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.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.10 Creditors

Short term creditors are measured at the transaction price.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.12 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.14 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates. The directors do not consider there to be any material estimates and judgements applicable to the financial statements.

LUCAS FETTES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

4. Other operating income

	31 December 2018 £	9 mths ended 31 December 2017 £
Net rents receivable	86,743	325,514
Service charge receivable	20,025	44,774
Profit on disposal of fixed asset investments	-	3,991,809
	<u>106,768</u>	<u>4,362,097</u>

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	31 December 2018 £	9 mths ended 31 December 2017 £
Depreciation of tangible fixed assets	7,796	2,806
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	-	14,000
Other operating lease rentals	<u>149,620</u>	<u>337,880</u>

LUCAS FETTES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

6. Employees

Staff costs were as follows:

	31 December 2018 £	9 mths ended 31 December 2017 £
Wages and Salaries	5,632	13,769
Social security costs	376	1,005
	<u>6,008</u>	<u>14,774</u>

The average monthly number of employees, including the directors, during the period was as follows:

	31 December 2018 No.	9 mths ended 31 December 2017 No.
Employees	5	9

7. Income from investments

	31 December 2018 £	9 mths ended 31 December 2017 £
Dividends received from unlisted investments	(7,469,134)	-
	<u>(7,469,134)</u>	<u>-</u>

8. Interest receivable

	31 December 2018 £	9 mths ended 31 December 2017 £
Interest receivable from group companies	-	8,631
Other interest receivable	-	8
	<u>-</u>	<u>8,639</u>

LUCAS FETTES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018

9. Interest payable and similar expenses

	31 December 2018 £	9 mths ended 31 December 2017 £
Bank interest payable	-	32
	-	32

10. Taxation

	31 December 2018 £	9 mths ended 31 December 2017 £
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	10,747
Total deferred tax	-	10,747
Taxation on profit on ordinary activities	-	10,747

LUCAS FETTES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

10. Taxation (continued)**Factors affecting tax charge for the period**

The tax assessed for the period is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19.25% (2017 - 19.25%). The differences are explained below:

	31 December 2018 £	9 mths ended 31 December 2017 £
Profit on ordinary activities before tax	5,602,260	3,711,416
<i>Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2017 - 19.25%)</i>	1,064,429	705,169
Effects of:		
Expenses not deductible for tax purposes	343,368	49,239
Fixed asset differences	75,668	-
Non-taxable income	(1,419,135)	(758,443)
Other tax charge (relief) on exceptional items	(15,945)	-
Other differences leading to an increase (decrease) in the tax charge	-	(1,473)
Group relief	14,878	16,255
Tax balance transferred on hive up	(135,526)	-
Other tax adjustments, reliefs and transfers	72,263	-
Total tax charge for the period	-	10,747

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. Dividends

	2018 £	2017 £
Dividends paid during the year	11,203,381	-
	11,203,381	-

LUCAS FETTES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

12. Tangible fixed assets

	Freehold property £	Office equipment £	Total £
Cost			
At 1 January 2018	398,255	68,906	467,161
Transfers intra group	(398,255)	(68,906)	(467,161)
At 31 December 2018	-	-	-
Depreciation			
At 1 January 2018	-	54,892	54,892
Charge for the period on owned assets	-	7,796	7,796
Transfers intra group	-	(62,688)	(62,688)
At 31 December 2018	-	-	-
Net book value			
At 31 December 2018	-	-	-
At 31 December 2017	398,255	14,014	412,269

The net book value of land and buildings may be further analysed as follows:

	2018 £	2017 £
Freehold	-	398,255
	-	398,255

LUCAS FETTES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

13. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2018	1,892,222
Transfers intra group	(1,821,256)
At 31 December 2018	<u>70,966</u>

14. Debtors

	2018 £	2017 £
Trade debtors	-	19,279
Amounts owed by group undertakings	2,745,684	9,928,001
Amounts owed by associated undertakings	-	28,775
Prepayments and accrued income	-	95,000
Deferred taxation	-	135,526
	<u>2,745,684</u>	<u>10,206,581</u>

15. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	-	140,192
	<u>-</u>	<u>140,192</u>

LUCAS FETTES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

16. Creditors: Amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	-	3,967,706
Corporation tax	-	1,600
Other creditors	-	108,962
Accruals and deferred income	-	113,594
	<u>-</u>	<u>4,191,862</u>

17. Deferred taxation

	2018 £
At beginning of year	135,526
Charged to profit or loss	-
Transfers Intra-Group	(135,526)
At end of year	<u>-</u>

The deferred tax asset is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	-	135,526
	<u>-</u>	<u>135,526</u>

18. Provisions

	Other provisions £
At 1 January 2018	41,631
Charged to profit or loss	3,468
Arising on business combinations	(45,099)
At 31 December 2018	<u>-</u>

Other provisions represent a provision in connection with the estimated dilapidation costs that may become due at the end of the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

19. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
44,819 (2017 - 44,819) Ordinary shares of £1.00 each	44,819	44,819
934 (2017 - 934) B Ordinary shares of £1.00 each	934	934
7,383 (2017 - 7,383) D Ordinary shares of £1.00 each	7,383	7,383
	<hr/>	<hr/>
	53,136	53,136
	<hr/>	<hr/>

The B Ordinary shares have a right to a fixed repayment of £181 per share (plus arrears of any unpaid dividends) in the event of either a capital distribution or winding up of the company. In addition no dividend shall be declared on the ordinary shares unless there has been declared and paid a dividend on the B shares for each of the five previous years or each year during the period from the date of the original adoption of the new Articles (whichever shall be shorter) at a rate equivalent to not less than 6 4% of the sum that would be payable to the holders of the B shares on a winding-up or a return of capital.

The D Ordinary shares are more commonly known as growth shares and will share proportionately with the Ordinary shares in the value of the company once the Ordinary shares' value goes above £334 per share.

20. Reserves**Share premium account**

The share premium reserve includes the consideration received on the issue of shares above their nominal values.

Other reserves

The other reserve represents historical adjustments.

Profit and loss account

The profit and loss reserve includes all retained profits since incorporation.

21. Prior year reclassification

During the year management reviewed the holding of fixed asset investments, and have rectified this holding based on the legal shareholding of each entity. The reclassification has resulted in a increase in fixed asset investments by £72k and increased intercompany debtors by £72k. There is no effect on net assets overall..

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018

22. Commitments under operating leases

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	-	450,000
Later than 1 year and not later than 5 years	-	1,800,000
Later than 5 years	-	3,149,620
	<hr/>	<hr/>
	-	5,399,620
	<hr/>	<hr/>

23. Related party transactions

The company has taken advantage of exemptions under the terms of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' not to disclose related party transactions with wholly owned subsidiaries within the group.

24. Post balance sheet events

On 5 April 2019, the entire issued share capital of Stackhouse Poland Group Limited, the ultimate parent company of the Company, was acquired by Gallagher Holdings (UK) Limited, a subsidiary of Arthur J. Gallagher & Co., a company incorporated in the United States of America, which is the ultimate holding company..

25. Controlling party

The company's immediate controlling parent is Stackhouse Poland Holdings Limited, a company registered in England and Wales and is part of the Stackhouse Poland Group. On 5 April 2019, the entire share capital of Stackhouse Poland Group Limited, the ultimate parent company, was acquired by Gallagher Holdings (UK) Limited. The largest group of undertakings of which the Company is a member and for which financial statements are prepared, is headed up by Arthur J. Gallagher & Co., a Company incorporated in the United States of America, which is the ultimate holding company. The registered address of Arthur J. Gallagher & Co. is 2850 W. Gold Rd., Rolling Meadows, IL 60008. A copy of these consolidated financial statements is available from the registered office of the Company.