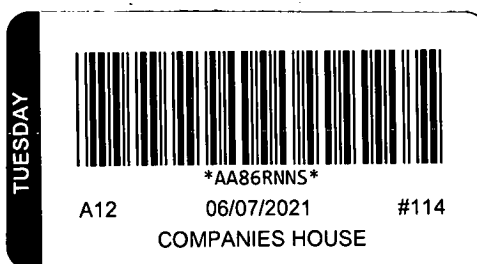


Registration number: 03766242

Thomas Miller (UK) Holdings Company Ltd

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2020



Thomas Miller (UK) Holdings Company Ltd

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Thomas Miller (UK) Holdings Company Ltd

Company Information

Directors	C E Fenton
	J M Goldthorpe
	B M Kesterton
	H J Wynn-Williams
	A J Taylor
Company secretary	K P Halpenny
Registered office	90 Fenchurch Street
	London
	EC3M 4ST
Auditor	Deloitte LLP
	Statutory Auditor
	London
	United Kingdom

Thomas Miller (UK) Holdings Company Ltd
Strategic Report for the Year Ended 31 December 2020

The Directors present their strategic report for the year ended 31 December 2020.

Principal activity

The principal activity of the company is to act as a holding company for its subsidiary undertakings. The main activities of the subsidiaries include the provision of general management and agency services to various clients.

Fair review of the business

The profit on ordinary activities after taxation amounted to £1,256,601 (2019 - £1,560,733). The reduction in this KPI is largely due to reduced incentive fee income in 2020. Based on the main activities of the Company and its subsidiaries, the Directors consider this KPI as sufficient in highlighting the financial performance of the Group.

Principal risks and uncertainties

The Group is exposed to financial risk through its financial assets and financial liabilities. In particular, the key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from financial liabilities as they fall due. The most important components of this financial risk are currency risk and credit risk.

The Group finance director, advised by the Treasury Advisory Committee, monitors and aims to reduce exposure to the various components of financial risk. Through the committee, the group finance director takes advice to ensure that he acts in line with the terms of reference approved by the board of the ultimate parent company, Thomas Miller Holdings Ltd.

Currency risk

The Group manages its currency risk in respect of its income and expenditure streams and its balance sheet exposure. Currency risk exists from the Group's residual exposure to adverse movements in exchange rates in respect of its foreign currency movements and balances. This risk is managed within the Group by collecting management fees in currencies which match the costs of the overseas Group companies and through balancing the levels of currency assets and liabilities which may involve the use of forward exchange contracts. Foreign exchange differences are charged to the profit and loss account.

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The main area where the company is exposed to credit risk is in relation to amounts due from the ultimate parent company, from fellow subsidiary undertakings, financial institutions and other customers. However, the balances due are readily realisable and the Company is comfortable that the counterparties have sufficient resources to meet their obligations.

Thomas Miller (UK) Holdings Company Ltd

Strategic Report for the Year Ended 31 December 2020 (continued)

Credit risk (continued)

Taking into account the company's current position and its principal risks, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over at least the next 12 months. As a result of COVID 19, financial markets have been volatile during 2020 and it is reasonable to expect this volatility to continue for an indeterminate period in the future. In assessing the prospects of the Company, the Directors noted that such assessment is subject to a degree of uncertainty that can be expected to continue, looking out over time and, accordingly, future outcomes cannot be guaranteed or predicted with certainty. The Directors' assessment has taken into account the resources of the Company and that of the wider Thomas Miller Group under the parent company Thomas Miller Holdings Ltd. Where necessary Thomas Miller Holdings Ltd. has indicated it will provide further liquidity or regulatory capital to the Company.

As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully in the current economic environment.

The Directors' assessment has taken into account the resources of the Company and that of the wider Thomas Miller group under the parent company, Thomas Miller Holdings Ltd. Where necessary, Thomas Miller Holdings Ltd. has indicated it will provide financial support for a period of not less than 12 months after the date of the approval of these financial statements.

Brexit

We continue to monitor the risks associated with the UK's exit from the Brexit transition period as of 31st December 2020. We do not consider there to be an impact on the company results due to the nature of its business activities - which have been largely unaffected during the year.

Section 172(1) statement

Risk management

We provide business-critical services to our Clients, often in highly regulated environments. As we grow, our business and our risk environment also become more complex. It is therefore vital that we effectively identify, evaluate, manage and mitigate the risks we face, and that we continue to evolve our approach to risk management.

For details of our principal risks and uncertainties, and how we manage our risk environment, please see the section above.

Our people

The Company is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, clients, investors, communities and society as a whole. People are at the heart of our services. For our business to succeed we need to manage our people's performance and develop and bring through talent while ensuring we operate as efficiently as possible. We must also ensure we share common values that inform and guide our behaviour so we achieve our goals in the right way.

Business relationships

Our strategy prioritises business growth and bringing new Clients into the Company. To do this, we need to develop and maintain strong client relationships. We value all of our suppliers and have multi-year contracts with our key suppliers.

Community and environment

The Company's approach to this area is set at a group level by the ultimate parent company, Thomas Miller Holdings Ltd. which from a position of strength creates a positive change for the people and communities with which it interacts. The Group's expertise enables colleagues to support the communities around us.

Thomas Miller (UK) Holdings Company Ltd

Strategic Report for the Year Ended 31 December 2020 (continued)

Culture and values

The Board recognises the importance of having the right corporate culture. Our long-term success depends on achieving our strategic goals in the right way, so we look after the best interests of our Clients, people and other stakeholders.

Shareholders

The Board is committed to regularly engaging with the board of our ultimate parent company, Thomas Miller Holdings Ltd. as we recognise the importance of a continuing effective dialogue. It is important to us that our strategy and objectives are understood, so these must be explained clearly, feedback heard and any issues or questions raised properly considered. Further details can be found in the Corporate Governance report contained within financial statements of the ultimate parent company, Thomas Miller Holdings Ltd.

The Directors of the Company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A Director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so have regard (amongst other matters) to:

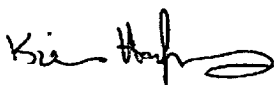
- the likely consequences of any decisions in the long-term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between shareholders of the company.

As part of their induction, a new Director of the Company is briefed on their duties and they can access professional advice on these, either from the Company Secretary or, if they judge it necessary, from an independent adviser. It is important to recognise that the directors fulfil their duties partly through a governance framework that delegates day-to-day decision-making to employees all of whom are employed by Thomas Miller & Co. Limited, a fellow subsidiary undertaking. Thomas Miller & Co. Limited provides the personnel and other shared services to the company, for example premises, utilities, facilities management, information technology and human resources which are required for the conduct of the Company's business, and charges the Company accordingly. Further details can also be found in the Corporate Governance Report of the ultimate parent company Thomas Miller Holdings Ltd.

Future developments

The directors expect the general level of activity to remain consistent with 2020 in the forthcoming year.

Approved by the Board on 6 May 2021 and signed on its behalf by:



.....
K P Halpenny
Company secretary

Thomas Miller (UK) Holdings Company Ltd
Directors' Report for the Year Ended 31 December 2020

The Directors present their report and the for the year ended 31 December 2020.

Directors of the Group

The directors who held office during the year were as follows:

C E Fenton

J M Goldthorpe

B M Kesterton

H J Wynn-Williams

A J Taylor (appointed 20 February 2020)

Dividends

Please see note 15 for details of the dividends paid during the year and up to the date of signing.

Information included in the Strategic Report

Details of future developments can be found in the Strategic Report and form part of this report by cross-reference.

Engagement with suppliers, customers and other relationships

Thomas Miller & Co. Limited, a fellow subsidiary undertaking, provides the personnel, the office space and other services and equipment required for the conduct of the Group's businesses, and charges the Group accordingly. No change is envisaged in these arrangements for 2021 and beyond.

Future developments

Details of future developments can be found in the Strategic Report and form part of this report by cross-reference.

Financial risk management objectives and policies

Details of financial risk management objectives and policies can be found in the Strategic Report and form part of this report by cross-reference.

Thomas Miller (UK) Holdings Company Ltd

Directors' Report for the Year Ended 31 December 2020 (continued)

Going concern

The business activities of the Group are set out in the Directors' Report.

The Company has net current liabilities, which is a balance due to a fellow subsidiary company which has sufficient resources to meet its obligations. However, the Company will also be supported in its operations by the Group.

The Thomas Miller group has performed a liquidity stress test for the 21 month period ending December 2022 in light of the COVID-19 pandemic, including the cessation of certain business and the significant loss of incentive fees on three major contracts which indicates headroom before any mitigating actions. Thomas Miller have identified mitigating actions which include reducing costs, deferring capital expenditure and suspending dividends. Taking account of these potential mitigating actions, this analysis demonstrates that the group could continue as a going concern for at least the next year given the financial and liquidity strength of the insurance companies managed by Thomas Miller and the notice periods contained in the contracts. Accordingly, Thomas Miller considers the results of this test continue to support the view that the group is able to continue as a going concern for the next twelve months.

The Directors' assessment has taken into account the resources of the company and that of the wider Thomas Miller Group under the parent company, Thomas Miller Holdings Ltd. Where necessary, Thomas Miller Holdings Ltd. has indicated it will provide financial support for a period of not less than 12 months after the date of the approval of these financial statements.

As a consequence, the Directors believe that the group is well placed to manage its business risks successfully in the current economic environment. Therefore, the Directors continue to apply the going concern basis.

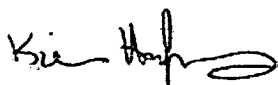
Directors' liabilities

The ultimate parent company Thomas Miller Holdings Ltd. has made qualifying third party indemnity provisions for the benefit of its subsidiaries' Directors that remain in force at the date of this report.

Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 6 May 2021 and signed on its behalf by:



.....
K P Halpenny
Company secretary

Thomas Miller (UK) Holdings Company Ltd

Statement of Directors' Responsibilities

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Thomas Miller (UK) Holdings Company Ltd

Independent Auditor's Report to the Members of Thomas Miller (UK) Holdings Company Ltd

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of Thomas Miller (UK) Holdings Company Ltd (the 'Parent Company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2020 and of the group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 [and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements which comprise:

- the Consolidated Profit and Loss Account;
- the Consolidated and Parent Company Balance Sheets;
- the Consolidated and Parent Company Statements of Changes in Equity;
- the related notes 1 to 17.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 [and IFRSs as issued by the IASB]. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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

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.

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 Group's and Parent 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.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Thomas Miller (UK) Holdings Company Ltd

Independent Auditor's Report to the Members of Thomas Miller (UK) Holdings Company Ltd (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 within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Responsibilities of directors

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 Group's and the Parent 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 Group or the Parent 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

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

We considered the nature of the Group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

Thomas Miller (UK) Holdings Company Ltd

Independent Auditor's Report to the Members of Thomas Miller (UK) Holdings Company Ltd (continued)

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the Financial Statements; and
- do not have a direct effect on the Financial Statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing Financial Statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the Financial Statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

Report on other legal and regulatory requirements

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 the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and of the Parent Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the Directors' report.

Matters on which we are required to report by exception

~~Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:~~

- ~~• adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or~~
- ~~• the Parent Company 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.~~

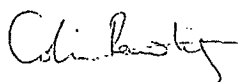
We have nothing to report in respect of these matters.

Thomas Miller (UK) Holdings Company Ltd

**Independent Auditor's Report to the Members of Thomas Miller (UK) Holdings
Company Ltd (continued)**

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.



Colin Rawlings FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London

6 May 2021

Thomas Miller (UK) Holdings Company Ltd

Consolidated Profit and Loss Account for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Turnover	3	<u>93,675,389</u>	<u>87,888,930</u>
Gross profit		93,675,389	87,888,930
Administrative expenses		<u>(92,105,936)</u>	<u>(85,980,121)</u>
Operating profit	4	1,569,453	1,908,809
Other interest receivable and similar income	5	<u>(2)</u>	<u>-</u>
Profit before tax		1,569,451	1,908,809
Tax on profit	8	<u>(312,850)</u>	<u>(348,076)</u>
Profit for the financial year		<u>1,256,601</u>	<u>1,560,733</u>
Profit/(loss) attributable to:			
Owners of the company		<u>1,256,601</u>	<u>1,560,733</u>

The notes on pages 18 to 30 form an integral part of these financial statements.

Thomas Miller (UK) Holdings Company Ltd

**Consolidated Statement of Comprehensive Income for the Year Ended 31 December
2020**

	2020	2019
	£	£
Profit for the year	<u>1,256,601</u>	<u>1,560,733</u>
Total comprehensive income for the year	<u>1,256,601</u>	<u>1,560,733</u>
Total comprehensive income attributable to:		
Owners of the company	<u>1,256,601</u>	<u>1,560,733</u>

The notes on pages 18 to 30 form an integral part of these financial statements.

Thomas Miller (UK) Holdings Company Ltd

(Registration number: 03766242)

Consolidated Balance Sheet as at 31 December 2020

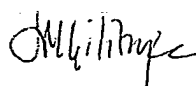
	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	6,848,138	3,315,995
Current assets			
Debtors	11	31,842,502	31,071,774
Cash at bank and in hand		441	483
		<u>31,842,943</u>	<u>31,072,257</u>
Creditors: Amounts falling due within one year	13	<u>(36,562,081)</u>	<u>(31,064,742)</u>
Net current (liabilities)/assets		<u>(4,719,138)</u>	<u>7,515</u>
Total assets less current liabilities		2,129,000	3,323,510
Provisions for liabilities		<u>(188,987)</u>	<u>(124,099)</u>
Net assets		<u>1,940,013</u>	<u>3,199,411</u>
Capital and reserves			
Called up share capital	14	10,608	10,608
Share premium reserve		2,532,908	2,532,908
Profit and loss account		<u>(603,503)</u>	<u>655,895</u>
Equity attributable to owners of the company		<u>1,940,013</u>	<u>3,199,411</u>
Shareholders' funds		<u>1,940,013</u>	<u>3,199,411</u>

The financial statements of Thomas Miller (UK) Holdings Company Ltd (registered number 03766242) were approved by the board of directors and authorised for issue on 6 May 2021. They were signed on its behalf by:



Director

B M Kesterton



Director

J M Goldthorpe

The notes on pages 18 to 30 form an integral part of these financial statements.

Thomas Miller (UK) Holdings Company Ltd
(Registration number: 03766242)
Company Balance Sheet as at 31 December 2020

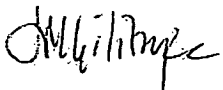
	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	6,848,138	3,315,995
Investments	10	<u>2,543,514</u>	<u>2,543,514</u>
		9,391,652	5,859,509
Creditors: Amounts falling due within one year	13	<u>(6,658,604)</u>	<u>(3,176,749)</u>
Total assets less current liabilities		2,733,048	2,682,760
Provisions for liabilities		<u>(188,987)</u>	<u>(124,099)</u>
Net assets		<u>2,544,061</u>	<u>2,558,661</u>
Capital and reserves			
Called up share capital	14	10,608	10,608
Share premium reserve		2,532,908	2,532,908
Profit and loss account		<u>545</u>	<u>15,145</u>
Shareholders' funds		<u>2,544,061</u>	<u>2,558,661</u>

The company made a profit after tax for the financial year of £2,501,400 (2019 - profit of £1,632,600).

The financial statements of Thomas Miller (UK) Holdings Company Ltd (registered number 03766242) were approved by the board of directors and authorised for issue on 6 May 2021. They were signed on its behalf by:


 _____ Director

B M Kesterton


 _____ Director

J M Goldthorpe

The notes on pages 18 to 30 form an integral part of these financial statements.

Thomas Miller (UK) Holdings Company Ltd

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2020
Equity attributable to the parent company

	Share capital £	Share premium £	Profit and loss account £	Total £	Total equity £
At 1 January 2020	10,608	2,532,908	655,895	3,199,411	3,199,411
Profit for the year	-	-	1,256,601	1,256,601	1,256,601
Total comprehensive income	-	-	1,256,601	1,256,601	1,256,601
Dividends	-	-	(2,516,000)	(2,516,000)	(2,516,000)
Other movements on reserves	-	-	1	1	1
At 31 December 2020	10,608	2,532,908	(603,503)	1,940,013	1,940,013
	Share capital £	Share premium £	Profit and loss account £	Total £	Total equity £
At 1 January 2019	10,608	2,532,908	713,162	3,256,678	3,256,678
Profit for the year	-	-	1,560,733	1,560,733	1,560,733
Total comprehensive income	-	-	1,560,733	1,560,733	1,560,733
Dividends	-	-	(1,618,000)	(1,618,000)	(1,618,000)
At 31 December 2019	10,608	2,532,908	655,895	3,199,411	3,199,411

The notes on pages 18 to 30 form an integral part of these financial statements.
Page 16

Thomas Miller (UK) Holdings Company Ltd

Statement of Changes in Equity for the Year Ended 31 December 2020

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 January 2020	10,608	2,532,908	15,145	2,558,661
Profit for the year	-	-	2,501,400	2,501,400
Total comprehensive income	-	-	2,501,400	2,501,400
Dividends	-	-	(2,516,000)	(2,516,000)
At 31 December 2020	10,608	2,532,908	545	2,544,061

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 January 2019	10,608	2,532,908	545	2,544,061
Profit for the year	-	-	1,632,600	1,632,600
Total comprehensive income	-	-	1,632,600	1,632,600
Dividends	-	-	(1,618,000)	(1,618,000)
At 31 December 2019	10,608	2,532,908	15,145	2,558,661

The notes on pages 18 to 30 form an integral part of these financial statements.

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020

1 General information

The company is a private company limited by share capital, incorporated in United Kingdom.

The address of its registered office is:

90 Fenchurch Street
London
EC3M 4ST

These financial statements were authorised for issue by the Board on 6 May 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Summary of disclosure exemptions

The company as a "qualifying entity" is exempt from producing a cash flow statement in accordance with FRS 102.1.12(b). The full voting rights of the company are owned by its ultimate parent undertaking whose published, publicly available accounts include a consolidated cash flow statement.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December 2020.

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Going concern

The financial statements have been prepared on a going concern basis.

The Thomas Miller Group has performed a liquidity stress test for the 21 month period ending December 2022 in light of the COVID-19 pandemic, including the cessation of certain business and the significant loss of incentive fees on three major contracts which indicates headroom before any mitigating actions. Thomas Miller have identified mitigating actions which include reducing costs, deferring capital expenditure and suspending dividends. Taking account of these potential mitigating actions, this analysis demonstrates that the Group could continue as a going concern for at least the next year given the financial and liquidity strength of the insurance companies managed by Thomas Miller and the notice periods contained in the contracts. Accordingly, Thomas Miller considers the results of this test continue to support the view that the Group is able to continue as a going concern for the next twelve months.

The Group has net current assets. The majority of these consist of inter-company balances due from the parent and a fellow subsidiary company both of which have sufficient resources to meet their obligations. These balances are readily realisable.

As a consequence, the Directors believe that the group is well placed to manage its business risks successfully in the current economic environment. Therefore, the Directors continue to apply the going concern basis.

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty

There are no critical accounting judgements or key sources of estimation uncertainty requiring disclosure..

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Group recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the Group's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the company balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Asset class	Depreciation method and rate
Furniture, fittings and equipment	Straight-line over 3 to 17 years

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2020	2019
	£	£
Rendering of services	93,675,389	86,189,930
Dividends received	-	1,699,000
	<u>93,675,389</u>	<u>87,888,930</u>

4 Operating profit

Arrived at after charging/(crediting)

	2020	2019
	£	£
Depreciation expense	1,390,966	186,671
Foreign exchange (gains)/losses	<u>(47,008)</u>	<u>85,692</u>

5 Other interest receivable and similar income

	2020	2019
	£	£
Interest income on financial assets	<u>(2)</u>	<u>-</u>

6 Directors' remuneration

The Directors of the Company include a number of Directors who are also Directors of other Companies within the Thomas Miller Holdings Group. The Directors do not consider it practicable or appropriate to allocate Directors' services between individual subsidiary companies. The Directors of the Company received aggregate emoluments of £7,009,484 (2019 - £2,920,446) relating to their services to all Companies within the Thomas Miller Holdings Group.

The value of contributions paid, or treated as paid, by the company in respect of defined contribution schemes was £24,789 (2019 - £5,833).

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2020	2019
	No.	No.
Received or were entitled to receive shares under long-term incentive schemes	5	4
Exercised share options	2	3
Accruing benefits under defined benefit pension scheme	2	3
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

7 Auditor's remuneration

	2020	2019
	£	£
Audit of these financial statements	<u>8,132</u>	<u>7,895</u>

8 Taxation

Tax charged/(credited) in the income statement

	2020	2019
	£	£
Current taxation		
UK corporation tax	280,309	223,977
UK corporation tax adjustment to prior periods	<u>(32,347)</u>	<u>-</u>
	<u>247,962</u>	<u>223,977</u>
Deferred taxation		
Arising from origination and reversal of timing differences	17,941	138,699
Arising from changes in tax rates and laws	18,005	(14,600)
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	<u>28,942</u>	<u>-</u>
Total deferred taxation	<u>64,888</u>	<u>124,099</u>
Tax expense in the income statement	<u>312,850</u>	<u>348,076</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2019 - the same as the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

8 Taxation (continued)

	2020 £	2019 £
Profit before tax	<u>1,569,451</u>	<u>1,908,809</u>
Corporation tax at standard rate	298,196	362,674
Effect of expense not deductible in determining taxable profit (tax loss)	54	-
Deferred tax expense/(credit) relating to changes in tax rates or laws	18,005	(14,598)
Deferred tax expense from unrecognised temporary difference from a prior period	28,942	-
Decrease in UK and foreign current tax from adjustment for prior periods	(32,347)	-
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>-</u>	<u>2</u>
Total tax charge	<u><u>312,850</u></u>	<u><u>348,078</u></u>

Deferred tax

Group

Deferred tax assets and liabilities

	Liability £
2020	
Liability at start of the year	124,099
Current period charge	35,946
Adjustment in respect of prior periods	<u>28,942</u>
	<u><u>188,987</u></u>
2019	
Liability at start of the year	-
Current period charge	124,099
Adjustment in respect of prior periods	<u>-</u>
	<u><u>124,099</u></u>

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

8 Taxation (continued)

Finance Act 2016 had previously enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020 and accordingly the deferred tax at 31 December 2020 had been calculated at this rate. However, in the March 2020 Budget it was announced that the reduction will not occur and the Corporation Tax Rate will be held at 19%. The Provisional Collection of Taxes Act was used to substantively enact the revised 19% tax rate on 17 March 2020 and accordingly the deferred tax balances have been re-calculated to 19% at the year end.

The March 2021 Budget announced a further increase to the main rate of corporation tax to 25% from April 2023. This rate has not been substantively enacted at the balance sheet date, as a result deferred tax balances as at 31 December 2020 continue to be measured at 19%. If all of the deferred tax was to reverse at the amended 25% rate the impact on the closing deferred tax position would be to increase the deferred tax liability by £59,680.

9 Tangible assets

Group

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 January 2020	3,502,666	3,502,666
Additions	4,923,109	4,923,109
Disposals	(506,969)	(506,969)
At 31 December 2020	<u>7,918,806</u>	<u>7,918,806</u>
Depreciation		
At 1 January 2020	186,671	186,671
Charge for the year	1,390,966	1,390,966
Eliminated on disposal	(506,969)	(506,969)
At 31 December 2020	<u>1,070,668</u>	<u>1,070,668</u>
Carrying amount		
At 31 December 2020	<u>6,848,138</u>	<u>6,848,138</u>
At 31 December 2019	<u>3,315,995</u>	<u>3,315,995</u>

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

9 Tangible assets (continued)

Company

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 January 2020	3,502,666	3,502,666
Additions	4,923,109	4,923,109
Disposals	<u>(506,969)</u>	<u>(506,969)</u>
At 31 December 2020	<u>7,918,806</u>	<u>7,918,806</u>
Depreciation		
At 1 January 2020	186,671	186,671
Charge for the year	1,390,966	1,390,966
Eliminated on disposal	<u>(506,969)</u>	<u>(506,969)</u>
At 31 December 2020	<u>1,070,668</u>	<u>1,070,668</u>
Carrying amount		
At 31 December 2020	<u>6,848,138</u>	<u>6,848,138</u>
At 31 December 2019	<u>3,315,995</u>	<u>3,315,995</u>

10 Investments

Company

Subsidiaries

£

Cost or valuation

At 1 January 2020

2,543,514

At 31 December 2020

2,543,514

Provision

At 1 January 2020

-

At 31 December 2020

-

Carrying amount

At 31 December 2020

2,543,514

At 31 December 2019

2,543,514

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

10 Investments (continued)

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
Marine Response Services Ltd	United Kingdom	Ordinary shares	100%	100%
H.A.P.M. Management Company Limited	United Kingdom	Ordinary shares	100%	100%
Signum Services Ltd.	United Kingdom	Ordinary shares	100%	100%
International Transport Intermediaries Management Company Ltd	United Kingdom	Ordinary shares	100%	100%
Thomas Miller P&I (Europe) Ltd	United Kingdom	Ordinary shares	100%	100%
Thomas Miller Defence Ltd.	United Kingdom	Ordinary shares	100%	100%
Thomas Miller Professional Indemnity (Holdings) Limited	United Kingdom	Ordinary shares	100%	100%
Thomas Miller Professional Indemnity Limited*	United Kingdom	Ordinary shares	100%	100%
H.A.M.I.A. Management Company*	United Kingdom	Ordinary shares	100%	100%
Bar Mutual Management Company*	United Kingdom	Ordinary shares	100%	100%
Thomas Miller War Risks Services Limited	United Kingdom	Ordinary shares	100%	100%
Through Transport Mutual Services (UK) Limited	United Kingdom	Ordinary shares	100%	100%

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

10 Investments (continued)

Subsidiary undertakings

Marine Response Services Ltd

The principal activity of Marine Response Services Ltd is Agency services.

H.A.P.M. Management Company Limited

The principal activity of H.A.P.M. Management Company Limited is Management services.

Signum Services Ltd.

The principal activity of Signum Services Ltd. is Investigation and security services.

International Transport Intermediaries Management Company Ltd

The principal activity of International Transport Intermediaries Management Company Ltd is Management services.

Thomas Miller P&I (Europe) Ltd

The principal activity of Thomas Miller P&I (Europe) Ltd is Agency and management services.

Thomas Miller Defence Ltd.

The principal activity of Thomas Miller Defence Ltd. is Agency and management services.

Thomas Miller Professional Indemnity (Holdings) Limited

The principal activity of Thomas Miller Professional Indemnity (Holdings) Limited is Investment holding.

*Thomas Miller Professional Indemnity Limited**

The principal activity of Thomas Miller Professional Indemnity Limited* is Management services.

*H.A.M.I.A. Management Company**

The principal activity of H.A.M.I.A. Management Company* is Management services.

*Bar Mutual Management Company**

The principal activity of Bar Mutual Management Company* is Management services.

Thomas Miller War Risks Services Limited

The principal activity of Thomas Miller War Risks Services Limited is Consultancy and management services.

Through Transport Mutual Services (UK) Limited

The principal activity of Through Transport Mutual Services (UK) Limited is Agency and management services.

* Held via an intermediate holding company

For the year ending 31 December 2020 the subsidiary was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

11 Debtors

	Note	Group		Company	
		2020	2019	2020	2019
		£	£	£	£
Trade debtors		6,889,010	6,981,038	-	-
Amounts owed by related parties	16	22,528,354	21,618,666	-	-
Accrued income		2,425,136	2,472,068	-	-
Income tax asset	8	2	2	-	-
		<u>31,842,502</u>	<u>31,071,774</u>	<u>-</u>	<u>-</u>

12 Cash and cash equivalents

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Cash at bank	<u>441</u>	<u>483</u>	<u>-</u>	<u>-</u>

13 Creditors

	Note	Group		Company	
		2020	2019	2020	2019
		£	£	£	£
Due within one year					
Trade creditors		10	-	-	-
Amounts due to related parties	16	6,913,457	3,711,146	6,658,604	3,176,749
Other payables		377,114	168,058	-	-
Accruals		55,705	13,077	-	-
Income tax liability	8	-	176,017	-	-
Deferred income		<u>29,215,795</u>	<u>26,996,444</u>	<u>-</u>	<u>-</u>
		<u>36,562,081</u>	<u>31,064,742</u>	<u>6,658,604</u>	<u>3,176,749</u>

14 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>10,608</u>	<u>10,608</u>	<u>10,608</u>	<u>10,608</u>

Thomas Miller (UK) Holdings Company Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

15 Dividends

	2020 £	2019 £
Final dividend of £237 (2019 - £153) per ordinary share	<u>2,516,000</u>	<u>1,618,000</u>

16 Related party transactions

Group

The Company is exempt, under Financial Reporting Standard 102 (FRS 102) para 33.1A, from disclosing related party transactions as they are with other Companies that are wholly owned within the Group.

17 Parent and ultimate parent undertaking

Thomas Miller Holdings Ltd. is the parent undertaking of the smallest and largest group in which the company is consolidated.

The company's immediate parent is Thomas Miller Holdings Ltd., incorporated in Bermuda.

These financial statements are available upon request from the Company Secretary, 90 Fenchurch Street, London, EC3M 4ST.