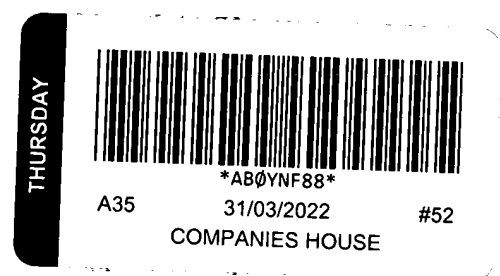


REGISTERED NUMBER: 4659069

CSP HOLDING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021



CSP HOLDING LIMITED

COMPANY INFORMATION

Directors	J C Speers D Stirling R Rupal P J Hayman R M Smith	Managing Director
Company secretary	R Rupal	
Registered number	04659069	
Registered office	St Clare House 30-33 Minories London EC3N 1PE	
Independent auditors	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus London E14 4HD	

CSP HOLDING LIMITED

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CSP HOLDING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the financial statements for the year ended 31 March 2021. These Consolidated Financial Statements include the result of CSP Holding Ltd and its subsidiaries.

A review of the Group's performance, key risk, dividends and future development are set out within the Strategic Report.

Directors

The directors who served during the year were:

K M Davidson (resigned 31 December 2020)
J C Speers
D Stirling
R Rupal
P J Hayman
R M Smith

Qualifying third party indemnity provisions

The Company has provided qualifying third party indemnities for the benefit of the directors.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Employee engagements and Business relationships

Disclosure in respect of this is shown in the Group Strategic Report.

Auditors

The auditors, PKF Littlejohn LLP, have signified their willingness to continue in office as auditors.

This report was approved by the board on 30 March 2022 and signed on its behalf.



R Rupal
Director

CSP HOLDING LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Introduction

The directors present their strategic report for the year ended 31 March 2021.

Principal Activities and Business Review

CSP Holding Limited is the Group holding company, the principal activities of its subsidiary undertakings are the provision of both wholesale and retail insurance and reinsurance.

As advised last year, the Group started the year with a countrywide lockdown with a further lockdown in December 2020. These lockdowns materially affected sales of travel insurance and resulted in an overall loss for the year. This has continued into the current year, but since the start of 2022 travel has slowly returned and sales volumes are improving. The Group has recently found an alternative insurer to replace the insurance capacity for its own travel insurance brands and negotiations are continuing to replace the capacity for "partner" business, which are expected to be concluded shortly.

Financial Performance and Key performance indicators

Key performance indicators for the Group are:-

	2021 £'000	2020 £'000
Commission earned	15,613	44,797
Operating (loss)/profit before goodwill amortisation	(7,189)	9,996
Shareholders' funds	26,421	33,585

Turnover for the year was £15.6M (2020 - £44.8M) which resulted in an Operating Loss before goodwill amortisation of £7.2M (2020 – profit of £10.0M). Shareholders' Funds reduced to £26.4M (£33.6M). The loss was a result of COVID-19.

The trading results and the financial position at the year end is shown in the attached financial statements.

Principal Risks and Uncertainties

The management of the Group's business and the execution of the strategy are managed closely.

The major elements and risks revolve around key clients and markets:

- Clients are broadly distributed across varying classes of business, with around 94% generated from within the United Kingdom.
- Insurance and Reinsurance markets used are generally A-rated, including Lloyd's of London and other international markets.
- No one client directly represent more than 15% of the Group's income.
- FCA requirements and ever changing insurance regulations.

CSP HOLDING LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Statement in respect of section 172 of the Companies Act 2006

The directors have a duty to act in good faith, in a way most likely to promote the success of the Company for the benefit of its members, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

The Group provides of wholesale and retail insurance and reinsurance. The Group acts in its clients best interests, looking after its employees, developing relationships with its suppliers, supporting communities and generating value for its shareholder.

Governance

Certain of the Group's subsidiary companies are regulated by the Financial Conduct Authority (FCA) and adhere to the FCA's principles of business which includes the maintenance of high level standards including treating customers fairly. The Board meet regularly to discuss strategic, financial and operational matters including FCA compliance.

Long Term decision making

The adverse effects of COVID-19 have continued to affect the Group during the next financial year. However since the start of 2022, travel has slowly returned, and sales volumes are improving. Through cash management and its reserves, the Group has managed this difficult period. To ensure the company had sufficient cash reserves, it applied for and obtained a loan of £5M under the Government Coronavirus Interruption Scheme.

The Board meets regularly to discuss strategic, financial and operational matters including FCA Compliance.

Relationship with clients

The Group places the client's best interests in all its decision making and ensures that it treats its clients fairly. Client satisfaction is measured by feedback and client surveys.

Relationship with employees

The directors believe staff to be the most important part of the business and the Group's success. Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests. Staff training and good client service play a big part in the success of the Group and our industry. The Group ensures that all staff attend regular internal courses. Systems are in place to ensure that internal staff weaknesses obtained through client surveys or otherwise are addressed in staff training.

Applications for employment by disabled persons are fully considered, bearing in mind their respective aptitudes and abilities. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Group continues. Training, career development and promotion are the same for all staff irrespective of any disability.

Relationship with shareholders, regulators and other stakeholders

The majority of the shareholders are represented on the Board, consequently the financial and other information is available at all times.

The FCA is another important stakeholder. The Group has a strong compliance function and has an open and transparent dialogue with the FCA in all communications. The group companies have provided timely returns to the FCA as required.

Suppliers are also stakeholders in the company. Management maintains close relationships with all suppliers. The Group ensures that suppliers are paid within credit terms.

CSP HOLDING LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

The Community and Environment

The Group recognises the importance of serving the communities in which the staff live and work and supports local charities.

The Board is committed to a responsible approach to its impact in the environment through a number of initiatives such as recycling, saving on print and paper and waste.

Subsequent Events

In July 2021 the Group completed the £5 million drawdown of a Coronavirus Business Interruption Loan.

This report was approved by the board on 30 March 2022 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'Raj Rupal', with a horizontal line underneath.

R Rupal
Director

CSP HOLDING LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the Directors' Report, Group Strategic 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 Group and Company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent 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 Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CSP HOLDING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CSP HOLDING LIMITED

Opinion

We have audited the financial statements of CSP Holding Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statements of Changes in Equity, the Consolidated Cash Flow Statement 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the parent company financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2021 and of the group's loss 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 group and parent 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

In auditing the financial statements, we have concluded that the director's 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 or 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.

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 contained within the annual report. Our opinion on the group and parent company 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.

CSP HOLDING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CSP HOLDING LIMITED

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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the group and parent company 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 group and parent company financial statements, the directors are responsible for assessing 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 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.

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 obtained an understanding of the group and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and through our own audit experience.
- We determined the principal laws and regulations relevant to the group in this regard to be those arising from FCA regulations, employment law as well as those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and UK tax legislation.

CSP HOLDING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CSP HOLDING LIMITED

Auditor's responsibilities for the audit of the financial statements (continued)

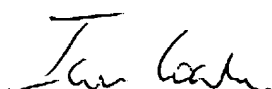
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to:
 - Enquiries of management,
 - Review of minutes
 - Review of any legal and professional fees
 - Review of any legal and regulatory correspondence
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, the risk of material misstatement arising due to fraud related revenue recognition.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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.



Ian Cowan (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

Date: 30 March 2022

CSP HOLDING LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Turnover	4	15,612,926	44,797,384
Administration expenses		(26,180,772)	(34,801,758)
Other operating income	4(i)	3,378,565	-
		<hr/>	<hr/>
Operating (loss)/profit before goodwill amortisation	5	(7,189,281)	9,995,626
Goodwill Amortisation		(2,842,409)	(2,816,349)
		<hr/>	<hr/>
Operating (loss)/profit after goodwill amortisation		(10,031,690)	7,179,277
Income from interests in associated undertakings		1,409,000	229,238
		<hr/>	<hr/>
		(8,622,690)	7,408,515
Interest receivable	7	67,150	92,925
		<hr/>	<hr/>
(Loss)/Profit before tax		(8,555,540)	7,501,440
Tax on (loss)/profit	8	1,472,384	(2,147,926)
		<hr/>	<hr/>
(Loss)/Profit for the year		(£7,083,156)	£5,353,514
		<hr/>	<hr/>
(Loss)/Profit attributable to:			
Non-controlling interests		21,880	30,394
Owners of the Parent Company		(7,105,036)	5,323,120
		<hr/>	<hr/>
		(£7,083,156)	£5,353,514
		<hr/>	<hr/>

The Group has no comprehensive income other than amounts recognised in the Consolidated Statement of Comprehensive Income accordingly a separate statement of other comprehensive income has not been presented.

The notes on pages 15 to 33 form part of these financial statements.

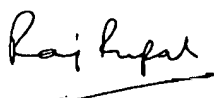
CSP HOLDING LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021**

REGISTERED NUMBER: 04659069

	Note	2021	2020
Fixed Assets			
Intangible assets	10	8,553,290	11,265,395
Tangible assets	11	806,750	1,118,297
Investments in Associates	12	5,389,346	3,804,538
		<hr/>	<hr/>
		14,749,386	16,188,230
Current Assets			
Debtors: amounts falling due within one year	13	24,776,336	34,647,869
Cash at bank and in hand	14	20,515,787	40,367,114
		<hr/>	<hr/>
		45,292,123	75,014,983
Creditors: amounts falling due within one year	15	(32,229,196)	(56,300,597)
		<hr/>	<hr/>
Net Current Assets		13,062,927	18,714,386
		<hr/>	<hr/>
Total assets less current liabilities		27,812,313	34,902,616
Provisions for liabilities			
Other Provisions	16	(1,390,958)	(1,317,977)
		<hr/>	<hr/>
Net Assets		£26,421,355	£33,584,639
		<hr/>	<hr/>
Capital and Reserves			
Called-up share capital	18	448,874	448,874
Other reserves	19	612,437	612,437
Profit and loss account	19	25,387,730	32,492,766
		<hr/>	<hr/>
Equity Shareholders' Funds		26,449,041	33,554,077
Minority interest		(27,686)	30,562
		<hr/>	<hr/>
		£26,421,355	£33,584,639
		<hr/>	<hr/>

The Financial Statements were approved and authorised for issue by the Board of Directors on 30 March 2022, and were signed on its behalf by:



R Rupal
Director

The notes on pages 15 to 33 form part of these financial statements.

CSP HOLDING LIMITED

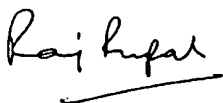
**COMPANY BALANCE SHEET
AS AT 31 MARCH 2021**

REGISTERED NUMBER: 04659069

	Note	2021	2020
Fixed Assets			
Tangible assets	11	37,366	26,959
Investments in subsidiary undertakings	12	20,576,309	20,576,309
Investments in Associates	12	3,750,343	3,575,300
		<hr/>	<hr/>
		24,364,018	24,178,568
Current Assets			
Debtors	13	4,137,856	1,940,970
Cash at bank and in hand		606,400	543,778
		<hr/>	<hr/>
		4,744,256	2,484,748
Creditors: amounts falling due within one year	15	(3,244,601)	(5,004,364)
		<hr/>	<hr/>
Net Current Assets/(Liabilities)		1,499,655	(2,519,616)
		<hr/>	<hr/>
Total assets less current liabilities		25,863,673	21,658,952
Provisions for liabilities			
Other Provisions	16	(192,980)	(120,000)
		<hr/>	<hr/>
Net Assets		£25,670,693	£21,538,952
		<hr/>	<hr/>
Capital and Reserves			
Called-up share capital	18	448,874	448,874
Share Premium Account	19	250,365	250,365
Capital Redemption Reserve	19	142,113	142,113
Profit and loss account	19	24,829,341	20,697,600
		<hr/>	<hr/>
Equity Shareholders' Funds		£25,670,693	£21,538,952
		<hr/>	<hr/>

The Company made a profit after tax of £4.1M (2020: £11.6M profit)

The Financial Statements were approved and authorised for issue by the Board of Directors on 30 March 2022, and were signed on its behalf by:



R Rupal
Director

The notes on pages 15 to 33 form part of these financial statements.

CSP HOLDING LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021 AND 31 MARCH 2020**

	Called up share capital	Share premium account	Capital redemption reserve	Merger reserve	Profit and Loss account	Minority Interest	Total Equity
At 1 April 2020	448,874	250,365	142,113	219,959	32,492,766	30,562	33,584,639
Result for the year	-	-	-	-	(7,105,036)	21,880	(7,083,156)
Dividends paid to minority	-	-	-	-	-	(10,000)	(10,000)
Addition in the year					-	(70,128)	(70,128)
At 31 March 2021	<u>£448,874</u>	<u>£250,365</u>	<u>£142,113</u>	<u>£219,959</u>	<u>£25,387,730</u>	<u>(£27,686)</u>	<u>£26,421,355</u>
	Called up share capital	Share premium account	Capital redemption reserve	Merger reserve	Profit and Loss account	Minority Interest	Total Equity
At 1 April 2019	448,874	250,365	142,113	219,959	27,169,646	168	28,231,125
Profit for the year	-	-	-	-	5,323,120	30,394	5,353,514
At 31 March 2020	<u>£448,874</u>	<u>£250,365</u>	<u>£142,113</u>	<u>£219,959</u>	<u>£32,492,766</u>	<u>£30,562</u>	<u>£33,584,639</u>

The Accounting Policies and Notes on pages 15 to 33 form part of these Financial Statements.

CSP HOLDING LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021 AND 31 MARCH 2020**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and Loss account	Total Equity
At 1 April 2020	448,874	250,365	142,113	20,697,600	21,538,952
Profit for the year	-	-	-	4,131,741	4,131,741
At 31 March 2021	<u>£448,874</u>	<u>£250,365</u>	<u>£142,113</u>	<u>£24,829,341</u>	<u>£25,670,693</u>

	Called up share capital	Share premium account	Capital redemption reserve	Profit and Loss account	Total Equity
At 1 April 2019	448,874	250,365	142,113	9,057,922	9,899,274
Profit for the year	-	-	-	11,639,678	11,639,678
At 31 March 2020	<u>£448,874</u>	<u>£250,365</u>	<u>£142,113</u>	<u>£20,697,600</u>	<u>£21,538,952</u>

The Accounting Policies and Notes on pages 15 to 33 form part of these Financial Statements.

CSP HOLDING LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021	2020
Cash from operating activities	21	(19,169,728)	5,947,594
Taxation paid		(320,032)	(2,444,244)
Net cash generated from operating activities		(£19,489,760)	£3,503,350
Cash flow from investing activities			
Purchase of tangible assets		(258,653)	(511,031)
Purchase of subsidiary undertakings		(65)	(14,634,861)
Cash acquired with acquisition of subsidiary undertakings		15,044	5,494,591
Investment in associate company		(175,043)	(3,575,300)
Interest received		67,150	92,925
Net cash used in investing activities		(£351,567)	(£13,133,676)
Cash flow from financing activities			
Dividends paid to minority interest		(10,000)	-
Net cash from financing activities		(£10,000)	-
Net decrease in cash and cash equivalents		(£19,851,327)	(£9,630,326)
Cash and cash equivalents at the beginning of the year		£40,367,114	£49,997,440
Cash and cash equivalents at the end of the year		£20,515,787	£40,367,114
Cash at bank and in hand	14	£20,515,787	£40,367,114

The Accounting Policies and Notes on pages 15 to 33 form part of these Financial Statements.

CSP HOLDING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

The Company is a private company limited by shares and is incorporated and domiciled in England & Wales. The principal place of business is the same as the registered office.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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 Group's accounting policies (see note 3).

No Profit and Loss Account is presented for the Company as permitted by Section 408 of the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Basis of consolidation of subsidiaries and associates

The Group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings together with the Group's share of the results of associates made up to 31 March 2021.

A subsidiary is an entity controlled by the Group. Control is 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 total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Group holds a long-term interest and where the Group has significant influence. The Group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are recognised initially in the consolidated statement of financial position at the transaction price and subsequently adjusted to reflect the group's share of total comprehensive income and equity of the associate, less any impairment. Any excess of the cost of acquisition over the group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition, although treated as goodwill, is presented as part of the investment in the associate.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on transactions with associates to the extent of the Group's interest in the entity.

2.3 Going concern

The Directors believe the Group has adequate resources to continue in operational existence for the foreseeable future and therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The directors have prepared group forecasts to March 2023 and considered the continued impact of COVID-19 as part of making the going concern assessment. In making this assessment the Directors have also considered the continued impact of COVID-19 on the Group's results, its clients and insurers and other suppliers and do not believe a material uncertainty exists in respect of going

CSP HOLDING LIMITED

concern and the impact of COVID-19.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Revenue

Turnover represents commissions, profit commission and fee income arising on the handling of insurance contracts and associated services by the Group.

Commissions are recognised when the Group's contractual right to income is established, and to the extent that the Group's relevant obligations under the contracts concerned have been performed. For most of the Group's broking activities, this means that commission is recognised at the inception of the underlying contract of insurance concerned, subject to any deferral of commission in respect of post placement services that constitute obligations of the Group under those contracts. Alterations in brokerage arising from premium adjustments are taken into account as and when such adjustments are made. For the associated services provided by the Group this means revenue is recognised as the services are provided and the revenue can be measured reliably.

Profit commission arising from the placement of insurance contracts or the exercise of an underwriting agency by the Group is recognised when the right to such profit commission is established through a contract, but only to the extent that a reliable estimate of the amount due can be made. Such estimates are made on a prudent basis that reflects the level of uncertainty involved.

Fee income is recognised when the Group's contractual right to income is established, and to the extent that the Group's relevant obligations under the contracts concerned have been performed.

2.5 Intangible assets

Goodwill

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Positive goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

Positive goodwill is amortised over its expected useful life of 5 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. Reversals of impairment are recognised when the reasons for the impairment no longer apply.

Negative goodwill is recognised when the consideration is less than the fair value of net assets acquired. Such negative goodwill is amortised over the periods expected to benefit as assessed by the directors.

Brand websites and purchased brands

Brand websites and purchased brands are stated at cost and amortised over their useful economic lives of four years. Amortisation is charged to administration expenses in the consolidated statement of comprehensive income. The Directors review the asset each year for any impairment that maybe required.

CSP HOLDING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.6 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.

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:

Short leasehold property	- 20-25% per annum
Leasehold improvements	- 25% per annum
Computer hardware	- 25% per annum
Furniture and equipment	- 25% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is 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 Consolidated Statement of Comprehensive Income.

2.7 Valuation of investments

In the Parent Company's financial statements investments in subsidiaries and associates are measured at cost less accumulated impairment losses, if any.

2.8 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Any impairment in financial assets is the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an estimate of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CSP HOLDING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses are presented in administration expenses in the Consolidated Statement of Comprehensive Income.

2.10 Dividends

Equity dividends are recognised when they become payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

2.11 Operating leases

Rentals paid under operating leases are charged to profit and loss on a straight line basis over the lease term.

2.12 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.13 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.14 Provisions and contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income or added to the cost of an asset and depreciated in accordance with the relevant accounting policy in the year that the Group becomes aware of the obligation, and 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.

2.15 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income. The current income tax charge is calculated on the basis of UK tax rates and laws that have been enacted at the balance sheet date.

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

- (a) 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
- (b) any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

2.16 Insurance assets and liabilities

Insurance brokers usually act as agents in placing the insurable risk of their clients and, as such, generally are not liable as principals for amounts arising from such transactions. Notwithstanding the legal relationships with clients and insurers, insurance brokers are entitled to retain investment income on any cash flows arising from insurance broking transactions.

Debtor and creditor balances arising from insurance broking transactions are reported as separate assets or liabilities unless such balances are due to or from the same party and the offset would survive the insolvency of that party, in which case they are aggregated into a single net balance.

Underwriting agencies act as an agent placing the insurable risks of its clients with insurers and as such are not liable as principal for the amounts arising from such transactions. In recognition of this relationship, debtors from insurance transactions are not included as assets of the Group.

Cash at bank relating to insurance activities are held in a number of trust accounts.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

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.

(a) Critical judgements in applying the entities accounting policies

No judgements have been made in applying the entity's accounting policies that would have a significant effect on the amounts recognised in these financial statements.

(b) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates, will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Dilapidation provision

The Group has made provisions for the cost of returning the leased property to its original state. Management believe that the provision made is adequate, but this estimate is based upon information available at the reporting date, and is subject to change as further information becomes available.

Post placement activities provision

The Group has an obligation to provide services following the placement of insurance policies under certain contracts, including the handling of claims arising on these contracts. The costs of these services depend on a number of factors, including the number, nature and complexity of claims received and anticipated cost base for handling such claims. In order to recognise the post placement obligation an amount of income is deferred. The amount of income deferred is estimated by management after taking into account the factors noted previously. The assumptions reflect historical experience, current trends and management's best estimate.

Accrued profit commission receivable

The Group is entitled to profit commission arising from the placement of insurance under certain contracts. The profit commission earned by the Group is dependent upon underlying profitability of the book of business written, which given the tail of claims arising may not be payable to the Group for a period of time following completion of the contract on which profit commission is earned. In arriving at any estimate of future profit commission receivable, the Directors take into account unexpired risk on those contracts, the uncertain assessment of any final losses, including an assessment of IBNR, and the impact of any loss deficit clauses. Having taken into account these factors an amount is only recognised if in the opinion of the Directors a reliable estimate can be made.

Impairment of goodwill

The Group considers whether intangible assets and/or goodwill are impaired. Where an indication of impairment is identified the estimation of recoverable value requires the estimation of the recoverable value of the cash generating units. This requires estimation of the future cash flows from the cash generating units and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

CSP HOLDING LIMITED**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021****3. Judgments in applying accounting policies and key sources of estimation uncertainty (continued)****Valuation of investments in subsidiary Companies**

The Parent Company makes an estimate of the value in use or the recoverable amount of its investment in subsidiaries in order to determine whether any provision for impairment is required. When assessing these values management considers the current net asset position of each subsidiary, its recent and budgeted trading results and any Group strategic plans that may impact on the subsidiary. See note 12 for the net carrying amount of the investment in subsidiary Companies.

4. Turnover

Turnover is wholly attributable to the Group's principal activity and arose as follows:

	2021 %	2020 %
United Kingdom	94	97
North America	2	1
Europe	3	2
Rest of the World	1	-
	<hr/> 100	<hr/> 100
	<hr/> <hr/>	<hr/> <hr/>

4 (i) Other operating income

Other operating income of £3,378,565 (2020: £nil) reflects the amount received under the government furlough arrangements introduced in response to the COVID-19 coronavirus pandemic.

5. Operating (Loss)/Profit before goodwill amortisation

The operating profit before goodwill amortisation is stated after charging/(crediting):

	2021	2020
Depreciation of tangible fixed assets	572,880	960,917
Amortisation of intangible fixed assets	2,842,409	2,816,349
Increase/(Decrease) in provisions	72,981	(420,931)
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	108,304	80,115
Exchange differences	(2,170)	7,420
Operating lease rentals - land and buildings	1,751,252	1,716,671
Defined contribution pension cost	<u>678,297</u>	<u>708,157</u>

CSP HOLDING LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

6. Employees	2021	2020
Staff Costs (including Directors)		
Wages and salaries	13,486,059	17,770,346
Social security costs	1,200,731	1,782,946
Defined contribution pension cost	678,297	708,157
	<u>£15,365,087</u>	<u>£20,261,448</u>

Average number of employees during the year	No.	No.
Office management and administration	387	419
Broking and production	86	111
	<u>—</u>	<u>—</u>
	473	530
	<u>—</u>	<u>—</u>

Directors' Emoluments	2021	2020
Emoluments for qualifying services (including benefits)	424,642	491,195
Defined contribution pension cost	24,750	24,750
	<u>£449,392</u>	<u>£515,945</u>

The number of Directors for whom retirement benefits are accruing under pension schemes amounted to 1 (2020: 1).

Highest Paid Director	2021	2020
Emoluments for qualifying services (including benefits)	168,275	182,615
Defined contribution pension cost	-	-
	<u>£168,275</u>	<u>£182,615</u>

7. Interest Receivable	2021	2020
Bank interest receivable	<u>£67,150</u>	<u>£92,925</u>

CSP HOLDING LIMITED**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021****8. Taxation**

	2021	2020
Current tax on (losses)/profits of the year	(1,469,778)	2,007,797
Adjustments in respect of prior year	(2,606)	140,129
	<u> </u>	<u> </u>
Total current tax	(£1,472,384)	£2,147,926
	<u> </u>	<u> </u>

Factors affecting tax charge for year

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

(Loss)/Profit on ordinary activities before tax	(£8,555,540)	£7,501,440
	<u> </u>	<u> </u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(1,625,553)	1,425,274
Effects of:		
Expenses not deductible for tax purposes (including goodwill amortisation)	535,106	634,944
Other tax adjustments	(111,622)	(8,866)
Adjustments in respect of prior year	(2,606)	140,129
Company's share of post-tax income of associate	(267,710)	(43,555)
	<u> </u>	<u> </u>
Total tax (credit)/charge for the year	(£1,472,384)	£2,147,926
	<u> </u>	<u> </u>

Factors that may affect future tax charges

On 3 March 2021, the UK government announced that it intended to increase the main rate of corporation tax to 25% for financial years beginning 1 April 2023. This rate was enacted on 10 June 2021.

9. Dividends

	2021	2020
Dividend paid	£10,000	£-
	<u> </u>	<u> </u>

CSP HOLDING LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. Intangible Fixed Assets

Group

Cost	Goodwill	Brand websites	Purchased Brand	Total
At 1 April 2020	16,058,040	110,888	150,000	16,318,928
Additions	130,304	-	-	130,304
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	16,188,344	110,888	150,000	16,449,232
	<hr/>	<hr/>	<hr/>	<hr/>
Amortisation				
At 1 April 2020	4,792,646	110,888	150,000	5,053,534
Charged during the year	2,842,409	-	-	2,842,409
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	7,635,055	110,888	150,000	7,895,943
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value				
At 31 March 2021	£8,553,289	£ -	£ -	£8,553,289
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	£11,265,395	£ -	£ -	£11,265,395
	<hr/>	<hr/>	<hr/>	<hr/>

CSP HOLDING LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. Tangible Fixed Assets

Group	Short Leasehold property	Leasehold improvements	Computer hardware	Furniture and equipment	Total
Cost					
At 1 April 2020	1,771,477	49,599	2,803,029	1,838,715	6,462,820
Additions	-	-	179,929	78,724	258,653
Disposals	-	-	(143,089)	(117,239)	(260,328)
Transfer In	-	-	1,000	2,630	3,630
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	1,771,477	49,599	2,840,869	1,802,830	6,464,775
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 April 2020	1,533,653	43,885	2,076,057	1,690,928	5,344,523
Charged during the year	91,504	5,714	357,143	118,519	572,880
Disposals	-	-	(143,089)	(117,239)	(260,328)
Transfer In	-	-	315	635	950
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	1,625,157	49,599	2,290,426	1,692,843	5,658,025
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value					
At 31 March 2021	£146,320	£-	£550,443	£109,987	£806,750
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	£237,824	£5,714	£726,972	£147,787	£1,118,297
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Company	Short Leasehold property	Leasehold improvements	Computer hardware	Furniture and equipment	Total
Cost					
At 1 April 2020	120,000	49,599	231,242	435,589	836,430
Additions	-	-	46,533	680	47,213
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	120,000	49,599	277,775	436,269	883,643
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 April 2020	120,000	43,885	212,748	432,838	809,471
Charged during the year	-	5,714	27,661	3,431	33,246
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	120,000	49,599	240,409	436,269	846,277
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value					
At 31 March 2021	£ -	£ -	£37,366	£-	£37,366
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	£ -	£5,714	£18,494	£2,751	£26,959
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

CSP HOLDING LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Fixed Asset Investments

Company

Cost

**Subsidiary
undertaking**

At 1 April 2020
Additions

20,576,309
-

At 31 March 2021

20,576,309

Impairment

At 1 April 2020
Impairment

-
-

At 31 March 2021

-

Net Book Value

At 31 March 2021

£20,576,309

At 31 March 2020

£20,576,309

CSP HOLDING LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Fixed Asset Investments (continued)

Associate Undertakings

The carrying value of the Group's investment in associated undertakings was as follows:

Group

	£
At 1 April 2020	£3,804,538
Share of amortisation of negative goodwill	226,000
Share of result for the period	1,183,765
Share of increase to acquisition costs	175,043
	<hr/>
At 31 March 2021	£5,389,346
	<hr/>

Cost	Shares in Associate	Loan to Associate	Total
At 1 April 2020	8,036	3,567,264	3,575,300
Additions	-	175,043	175,043
	<hr/>	<hr/>	<hr/>
At 31 March 2020	8,036	3,742,307	3,750,343
	<hr/>	<hr/>	<hr/>
Impairment			
At 1 April 2020	-	-	-
Impairment	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2021	-	-	-
	<hr/>	<hr/>	<hr/>
Net Book Value			
At 31 March 2021	8,036	3,742,307	£3,750,343
	<hr/>	<hr/>	<hr/>
At 31 March 2020	8,036	3,567,264	£3,575,300
	<hr/>	<hr/>	<hr/>

CSP HOLDING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

12. Fixed Asset Investments (continued)

Acquisition of Subsidiary Undertakings

On 31 July 2020, the Group acquired 65% of the issued share capital of Squaricle Group Limited and its subsidiary TED Learning Limited, both companies are incorporated in England & Wales.

	£
Fixed Assets	
Tangible	2,680
Current Assets	
Debtors	2,891
Cash	23,145
Current Liabilities	
Creditors	(229,082)
	<hr/>
Net Liabilities	(£200,366)
Net Liabilities @ 65%	(£130,239)
Goodwill	£130,304
	<hr/>
	£65
	<hr/>
Satisfied by:	
Cash	65
	<hr/>
	£65
	<hr/>

At the time of acquisition the above book values of the assets acquired were equal to their Fair Value.

For the year ending 31 March 2021, the acquisition contributed £0.6M to Group turnover.

CSP HOLDING LIMITED**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021****12. Fixed Asset Investments (continued)**

The Company's subsidiaries at 31 March 2021 are:

Name	Nature of business	Class	Shares held %	
			Indirectly	Directly
Crispin Speers & Partners Ltd	Lloyd's Insurance Broker	Ordinary	-	100
P J Hayman & Company Ltd	Insurance Broker	Ordinary	-	100
Apex Insurance Services Ltd	Lloyd's Insurance Broker	Ordinary	-	100
Travel Insurance Facilities Plc	Underwriting Agent	Ordinary	-	100
Infinity Insurance Solutions Ltd	Dormant	Ordinary	100	-
St Clare Underwriting Agency Ltd	Underwriting Agent	Ordinary	-	80
Rothwell & Towler Ltd	Insurance Broker	Ordinary	-	100
Acumen Insurance Services Ltd	Intermediary	Ordinary	-	80
Maintenance Assist Ltd	Intermediary	Ordinary	-	100
Citybond Holdings Ltd	Intermediary	Ordinary	-	100
DogTag Ltd	Dormant	Ordinary	-	100
Affinity Insurance Services Co Ltd	Intermediary	Ordinary	62	-
Holiday Insurance Club Ltd	Dormant	Ordinary	100	-
Free Spirit Insurance Services Co Ltd	Dormant	Ordinary	100	-
P J Hayman Insurance Services Ltd	Dormant	Ordinary	100	-
Protect & Serve Ltd	Dormant	Ordinary	100	-
Crispin Speers and Partners (Ireland) Ltd	Dormant	Ordinary	-	100
Travellers Healthcheck Ltd	Dormant	Ordinary	100	-
Travel Claims Facilities Ltd	Dormant	Ordinary	100	-
Travel Administration Facilities Ltd	Dormant	Ordinary	100	-
Emergency Assistance Facilities Ltd	Dormant	Ordinary	100	-
Travel Insurance Facilities UK Ltd	Dormant	Ordinary	100	-
Squaricle Group Ltd	Training	Ordinary	65	-
TED Learning Limited	Training	Ordinary	65	-

CSP HOLDING LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Fixed Asset Investments (continued)

The Company's associates, all of which are registered in Ireland, at 31 March 2021 are:

Name	Nature of business	Class	Shares held %	
			Indirectly	Directly
CSPIM Ltd	Holding Company	Ordinary	-	50
White Horse Insurance Ireland dac	Insurance Company	Ordinary	50	-
White Horse Administration Services Ltd	Intermediary	Ordinary	50	-

All fixed asset investments are registered in England and Wales unless otherwise stated.

13. Debtors	2021		2020	
	Group		Company	
Insurance debtors	19,275,216	29,689,683	-	-
Other debtors	3,759,552	4,018,044	1,286,499	1,413,454
Prepayments and accrued income	513,902	940,142	156,897	69,683
Corporation tax refund	1,227,666	-	-	-
Amounts owed by group undertakings	-	-	2,694,460	457,833
	<u>£24,776,336</u>	<u>£34,647,869</u>	<u>£4,137,856</u>	<u>£1,940,970</u>

Amounts owed by group undertakings are unsecured, interest-free and are repayable on demand.

14. Cash and cash equivalents

	2021	2020
	Group	
Cash at bank and in hand	<u>£20,515,787</u>	<u>£40,367,114</u>

Cash at bank and in hand includes £10,708,118 (2020 - 22,357,713) held in bank accounts which are not available to the Group for working capital purposes as it is held on behalf of insurers and used to pay premiums to insurers and settle claims to policyholders.

CSP HOLDING LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

**15. Creditors: amounts falling due within
one year**

	2021	2020	2021	2020
	Group		Company	
Insurance creditors	27,397,232	46,569,835	-	-
Corporation tax	6,284	352,178	-	-
Amounts owed to group undertakings	-	-	1,768,340	-
Other taxes and social security	291,173	441,776	107,203	119,776
Accruals and deferred income	1,438,243	4,094,356	485,425	806,657
Other creditors	3,096,264	4,842,452	883,633	4,077,931
	<u>£32,229,196</u>	<u>£56,300,597</u>	<u>£3,244,601</u>	<u>£5,004,364</u>

16. Provisions

	2021	2020	2021	2020
	Group		Company	
Dilapidations				
As at 1 April	1,317,977	1,317,977	120,000	120,000
Additions	72,981	-	72,980	-
	<u>£1,390,958</u>	<u>£1,317,977</u>	<u>£192,980</u>	<u>£120,000</u>

17. Financial instruments

	2021	2020	2021	2020
	Group		Company	
Financial assets				
Financial assets measured at amortised cost	43,550,553	74,074,842	3,980,959	1,871,287
	<u>£43,550,553</u>	<u>£74,074,842</u>	<u>£3,980,959</u>	<u>£1,871,287</u>
	2021	2020	2021	2020
	Group		Company	
Financial liabilities				
Financial liabilities measured at amortised cost	30,493,496	51,412,287	2,651,973	4,077,931
	<u>£30,493,496</u>	<u>£51,412,287</u>	<u>£2,651,973</u>	<u>£4,077,931</u>

CSP HOLDING LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

18. Share Capital	2021	2020	2021	2020
	Number		Allotted, called-up and fully paid	
Ordinary shares of £1 each	448,874	448,874	£448,874	£448,874

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

19. Reserves

Share premium

The Share Premium account includes any premium received on the issue of share capital net of any transaction costs associated with the issuing of those shares.

Capital redemption reserve

The capital redemption reserve records the nominal value of shares repurchased and cancelled by the Company.

Merger reserve

The merger reserve records the difference between the aggregate of consideration and nominal value of the shares issued during a merger, and the fair value of the assets.

Profit and loss account

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

20. Operating Lease Commitments

The Group had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Group	2021	2020
Payments due:	Land and buildings	
Not later than 1 year	1,498,962	768,526
Later than 1 year and not later than 5 years	4,743,459	5,417,975
Later than 5 years	446,964	1,283,339
	<u>£6,689,385</u>	<u>£7,469,840</u>

CSP HOLDING LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

20. Operating Lease Commitments (continued)

Company	2021	2020
Payments due:	Land and buildings	
Not later than 1 year	766,244	-
Later than 1 year and not later than 5 years	3,064,896	3,064,896
Later than 5 years	446,964	1,213,188
	<hr/>	<hr/>
	£4,278,084	£4,278,084
	<hr/>	<hr/>

**21. Reconciliation of Operating Profit to Net Cash
Inflow from Operating Activities**

	2021	2020
Operating (loss)/profit	(10,031,690)	7,179,277
Depreciation charges	572,880	540,172
Amortisation of intangible assets	2,842,409	2,816,349
(Increase) / decrease in debtors	11,099,200	13,777,726
Increase / (decrease) in creditors	(23,652,527)	9,189,522
	<hr/>	<hr/>
Net Cash (Outflow)/Inflow from Operating Activities	(£19,169,728)	£5,947,594
	<hr/>	<hr/>

22. Related Parties and Transactions with Directors

The Davidson Partnership Limited provided consultancy services to Group companies during the year at a cost of £nil (2020: £30,000), the amount owed to The Davidson Partnership Limited at the year-end is £nil (2020: £6,250). Mr K M Davidson is a Director of The Davidson Partnership Limited.

St Clare Underwriting Agency Limited owed to Crispin Speers and Partners Limited at the year-end £25,000 (2020: £108,326).

Acumen Insurance Services Limited owed to Crispin Speers and Partners Limited at the year-end £13,301 (2020: £10,641).

Squaricle Group Limited owed to Travel Insurance Facilities PLC at the year-end £719,943.

23. Controlling Party

In the opinion of the Board, there is no ultimate controlling party.

24. Post Balance Sheet Events

In July 2021 the Group completed the £5 million drawdown of a Coronavirus Business Interruption Loan.