

HAMMERSMITH MIDCO LIMITED

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2019

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COMPANY NUMBER: 11874092

HAMMERSMITH MIDCO LIMITED
COMPANY INFORMATION

Directors	P W Blanc (appointed 1 February 2020) C W Brown (appointed 1 February 2020) M S Bruun (appointed 11 March 2019 and resigned 8 May 2019) T R Campbell (appointed 11 March 2019) T M Holland (appointed 1 February 2020) S P Rootham (appointed 1 February 2020) M Titi-Cappelli (appointed 8 May 2019)
Registered number	11874092
Registered office	8th Floor Ibex House 42 - 47 Minories London EC3N 1DY
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

HAMMERSMITH MIDCO LIMITED
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HAMMERSMITH MIDCO LIMITED
GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

Introduction

The Directors present the Strategic Report of the Company and the Group for the period since the Company's incorporation as a limited company on 11 March 2019 to 31 December 2019.

Business review

The Company was formed with the intention to acquire the Aston Lark group of companies, via a newly established subsidiary undertaking, Hammersmith Bidco Limited.

On 2 September 2019, following regulatory approval, Hammersmith Bidco Limited acquired the entire ordinary share capital of Aston Lark (Topco) Limited.

The acquisition was financed in part via the utilisation on 2 September 2019 of some of the secured term loan facilities under a Senior Facilities Agreement entered into on 13 August 2019 by Hammersmith Bidco Limited. The Senior Facilities Agreement allows the Group to fulfil its strategic objective of growth by organic means and acquisition of similar trading businesses.

On 2 October 2019, Hammersmith Bidco Limited entered into an interest rate cap for a notional amount of £125,000,000 for the period from 31 October 2019 to 31 October 2023 to mitigate the cost of variable rate borrowings under the Senior Facilities Agreement.

The directors are delighted with the successful completion of the acquisition of Aston Lark, a well regarded insurance intermediary and employee benefits group with Chartered Insurance Broker status and operations based in the UK and Ireland.

Acquisitions

Aston Lark completed four acquisitions in 2019 prior to its acquisition by Hammersmith Bidco Limited with a further two acquisitions made subsequently and three to date in 2020. Aston Lark Group Limited, a wholly owned subsidiary undertaking, acquired the entire share capital of the following companies post acquisition:

- On 28 October 2019, Protean Risk Limited;
- On 5 December 2019, Wright Group Brokers Limited, a company based in Ireland, and regulated by the Central Bank of Ireland;
- On 24 January 2020, Fidelius Corporate Risk Consultants Limited, the holding company of Isca Barum Insurance Brokers Ltd; and
- On 31 July 2020, both Private Healthcare Managers Limited and Incepta Risk Management Ltd.

Group reorganisations

During the period, group reorganisations were undertaken as part of the Group's strategy of integrating acquired businesses into the main trading entities where clear benefits of integration exist.

These group reorganisations constitute a hive up and hive down restructure whereby an acquired entity's business and trading assets and liabilities, aside from the insurance broking balances held at that date and other excluded assets such as the minimum capital requirement, are distributed as a going concern to Aston Lark Group Limited, the holding company for group trading entities, and then immediately transferred to Aston Lark Limited or Aston Lark Employee Benefits Limited, wholly owned subsidiary undertakings and the main UK regulated trading entities of the Group, in exchange for one £1 ordinary share.

The following group reorganisations took place during the period, on 23 September 2019 the sub-brand book of business that remained in Aston Scott Ltd following a transfer to Aston Lark Limited in 2018, and Buckland Harvester Insurance Brokers Limited on 2 December 2019, both to Aston Lark Limited.

These group reorganisations have no impact on the Group as assets and liabilities are the same before and after the reorganisation.

HAMMERSMITH MIDCO LIMITED
GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

Principal Activities and Performance

The Company was incorporated on 11 March 2019 and acts as an intermediate holding company for its directly and indirectly, wholly owned subsidiary undertakings.

The Group's principal activities during the period were that of insurance broking and the provision of employee benefit and private healthcare advisory services. These principal activities are carried out by the Company's wholly owned trading subsidiary undertakings (as listed in the fixed asset investment note within the financial statements) who are authorised and regulated by the Financial Conduct Authority ("FCA") and the Central Bank of Ireland.

The provision of UK financial advice activity is defined by the Retail Distribution Review implemented by the FCA, as restricted financial advice.

The Directors consider that due to the short first accounting period in 2019, any comparisons of the Group results should be made on a full year basis up to 31 December 2019 as if the Group had been in existence from 1 January 2019 together with the 2018 comparatives. The highlights are:

- Revenue increased 25% to £71.6m in 2019
- Organic commission and fee growth of 3.4%. A positive result against a backdrop of a highly competitive market and the economic environment
- EBITDA growth of 30%
- Adjusted EBITDA of £26.9m for 2019 up 40% when adjusted to include a full 12 months of acquisitions made in 2019 along with their associated integration benefits.

The Directors consider that a more reliable performance measure than operating profit is Earnings Before Interest, Taxation, Depreciation and Amortisation or EBITDA.

The Company was dormant for the period from incorporation to 2 September 2019 and therefore the Group had no turnover or operating profit in this period. Turnover and operating loss for the period to 31 December 2019 was £24,721,854 and £7,816,362 respectively. The Directors consider that due to the seasonality of turnover and the impact it has on the Group's results, key performance measures including EBITDA are not relevant in the short period to 31 December 2019.

The Company has a net current asset position of £40,750 at 31 December 2019.

The Group has a net current asset position of £21,340,773 at 31 December 2019.

The Group generated a net cash inflow of £10,912,856 in the period to 31 December 2019 through operating inflows of £4,509,536 and generating net cash inflow of £6,403,320 from financing activities and investing activities.

Non-financial performance

Aston Lark Limited, the Group's main trading entity for insurance broking activities, maintained their awarded Chartered Insurance Broker status and the group continues to invest in, and develop, its people and infrastructure. The Group has continued to make significant investment in upgrading its IT application systems, the benefit of which is expected to be realised in future periods with increased efficiencies.

HAMMERSMITH MIDCO LIMITED
GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

Principal risks and uncertainties including Covid-19

Subsequent to the 31 December 2019 year end, the outbreak of the Covid-19 pandemic across the globe has had a significant economic impact and caused disruption for businesses. The Directors continue to closely monitor the Group's exposures to Covid-19 including the operational, financial and macro-economic impacts whilst being unable to predict the extent or duration of the pandemic at this time.

At the outset, the Group rapidly transitioned to working from home for its employees with its IT capability upgraded ahead of lockdown to enable remote working and the preservation of delivering high standards of client service. Collaboration remains at the core of the business with daily management video calls, structured staff and client communications and a wellness programme implemented for staff whilst remote working.

The Directors have taken steps to introduce appropriate cash and cost management measures arising from Covid-19 including but not limited to improved management information, a focus on client credit risk, cost saving initiatives, delaying or holding planned expenditure initiatives and the drawdown of available cash facilities.

A detailed forecast of the Group's financial position has been undertaken that covers the period to 31 December 2021. The forecast includes a number of assumptions and scenarios to identify and evaluate the financial impacts arising from Covid-19, including but not limited to, a reduction in income levels to those originally budgeted for, which are mitigated to an extent by the implementation of cost saving and efficiency programmes and cash management measures that are not reliant upon Government support schemes, to ensure the Group has sufficient cash reserves to meet obligations as they fall due.

Based on the information available and experience to date, the Group's trading performance supports the forecast's underlying assumptions and the financial covenant test under the Senior Facilities Agreement is forecast to be met with sufficient headroom available. Management have applied sensitivity analysis on the additional headroom and deem the likelihood of a covenant breach to be low even before any further mitigating actions are applied.

The directors have considered the risks faced by the Group and the associated controls in place to address those risks including those arising from the Covid-19 outbreak. The principal categories of risk and an overview of the controls in place within the Group to mitigate those risks are shown below.

Risk category Mitigation

Strategic	Experienced and qualified Executive Board and senior management allowing the business to pursue appropriate strategies.
Acquisition	Due diligence procedures undertaken. Retention of key staff. Adequate protection measures incorporated into sale and purchase agreements.
Liquidity	Regular forecasting and monitoring of group cash flow position and covenants to meet obligations under the loan facilities agreement and ensure sufficient availability of funds for ongoing operations and future developments. Compliance with Regulatory capital requirements.
Interest rate	The risk of an increase in the cost of variable rate borrowings is mitigated to an extent by hedging instruments in place. In response to the Covid-19 pandemic, the Bank of England reduced the base rate of interest in the UK from 0.75% to 0.1% in March 2020.
Client	Diversified client base with no undue reliance on any one client or group of clients. Limited exposure to specific industry sectors where the effects of Covid-19 are existential.
Market	Diversified business across variety of classes provides resilience against soft market conditions in any one class and any fall in retention levels across sectors most impacted by Covid-19.

HAMMERSMITH MIDCO LIMITED
GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

Principal risks and uncertainties including Covid-19 (continued)

Risk category Mitigation

Financial	Regular forecasting and monitoring of the Group's financial position. Appropriate insurance covers in place. Segregation of duties and authorisation controls in place.
Currency	Limited exposure restricted to AUD, CAD, EURO and USD commissions and fees as general insurance premiums are collected and settled in same currency and revaluation of assets and liabilities of foreign subsidiary undertakings with any borrowings to fund the acquisitions drawn in the same currency.
Counterparty	Cash at bank and money market deposits held with FCA regulated banks in the UK. Client credit risk exposure is spread over a large number of clients with individual client exposures subject to regular and heightened review processes during Covid-19.
Premises and IT	Transitioned to remote working for staff as a result of Covid-19 with increased deployment and upgrade in capability of IT. Disaster recovery plan in place.
Staff	Formal organisation structure with no undue reliance on any one individual. Structured staff communication and wellness programme implemented for staff whilst remote working.
Compliance	Formal compliance structure in place at a senior level. The Board recognises that the business is sensitive to regulatory changes implemented by the Regulators which are to an extent outside of the group's direct control.

Brexit

The Directors continue to monitor Group performance and plan accordingly, in so far as possible, to mitigate any strategic and operational risks that may arise as a result of the United Kingdom's exit from the European Union on 31 December 2020.

The Group has two subsidiary undertakings, Robertson Low Insurances Limited and Wright Group Brokers Limited, insurance brokers based in Ireland and regulated by the Central Bank of Ireland.

These subsidiary undertakings will enable the Group to continue to trade with clients based in the European Union after Brexit.

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GROUP STRATEGIC REPORT
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Statement in respect of Section 172 of the Companies Act 2006

The Directors have a duty to act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole, having regard to the stakeholders and matters set out in Section 172(1) of the Companies Act 2006.

This statement relates to Aston Lark Limited, the subsidiary that meets the qualifying criteria to report under Section 172. References to Aston Lark within this statement refer to Aston Lark Limited with wider references to the Group where relevant.

Aston Lark is a leading UK Chartered insurance broker and provides Commercial, Specialist Schemes, Private Client solutions to its diversified client base. The Group also provides Employee Benefit and Private Healthcare Advisory Services. Aston Lark aims to become the UK's most trusted Chartered Insurance Broker and seeks to place care at the heart of its activities whether that is reputation, acting in its clients best interests, looking after its employees, developing relationships with its suppliers, supporting communities or generating value for its ultimate parent company shareholders.

Governance and Board

The Board consists of experienced and qualified management, with many years in the insurance broking industry. This enables the Board to pursue appropriate strategies to deliver its objectives of promoting the Group's long term success and creating benefits for its stakeholders.

Aston Lark is regulated by the FCA and must adhere by the FCA's principles of business which provide high level standards, including the management and control to organise and control its affairs, responsibly and effectively with adequate risk management systems.

Aston Lark operates an organisational structure with clear allocation and appropriate segregation of responsibilities amongst the Board members.

At the top Group level, certain Aston Lark Directors are members of the Group Executive Team who sit on the Main Board, alongside the Group Chief Risk Officer ('CRO'), Non-Executive and Investor Directors, creating a balance to ensure appropriate performance of duties and governance for decision making across the Group entities as a whole, that includes the interests of stakeholders and the long term consequences.

The Group operates a Risk, Audit and Finance Committee ('RAF') and a Remuneration Committee that are run as a subset of the Main Board and chaired by a Non-Executive Director of the ultimate parent company.

The Directors are also represented on the Management Board of Aston Lark (and those of subsidiary undertakings) that deal with significant operational matters, meeting monthly or quarterly to discuss ongoing day to day matters, ranging from financial performance, trading, risk and compliance, marketing. IT and employee considerations.

Aston Lark also operates various Committees where certain Directors are represented according to their areas of responsibility. These include a Risk, Compliance and Conduct Committee and a Health and Safety Committee amongst others who meet at least quarterly and report into the Management Boards.

The Main Board, Management Boards and the Group's senior management team meet regularly to discuss strategic, financial, budgetary, liquidity and operational matters. Peter Blanc, as Chief Executive Officer ('CEO') is responsible for delivering the plans, strategy and investment decisions agreed by the Board, with authority delegated to directors. The Group's culture is one of openness with a clear Governance structure for decision making. Decisions are documented in Board minutes that are subject to being made through Board papers and presentations from the Director with responsibility for the relevant area of the Group. The papers are reviewed and discussed at the appropriate Board and Committee meetings.

HAMMERSMITH MIDCO LIMITED
GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

Statement in respect of Section 172 of the Companies Act 2006 (continued)

Governance and Board (continued)

The Board, supported by its CRO and RAF has created a robust, open risk culture where risks are identified, mitigated and monitored against a risk appetite according to probability and likelihood. The Board places emphasis on the appropriate conduct policies in place across the Group and ensuring that these are applied, including Money Laundering, Sanctions Checks, Anti-Bribery, Modern Slavery, Whistleblowing and Corporate Social Responsibility.

Long-term decision making

In 2019, following a successful period of ownership and growth, the Aston Lark Board in conjunction with their majority shareholder, Bowmark LLP, reviewed the Group's long term strategy and undertook a process to seek a new investor for the Group. On 2 September 2019, following regulatory approval, Goldman Sachs Merchant Banking Division acquired a majority stake in the Aston Lark business with Bowmark LLP also re-investing into the newly created Group.

The business as a result is well positioned to progress over the coming years with a continued focus on its growth plans, via organic means and considering further selective strategic acquisitions.

A 5 year business plan was developed during the process that formed the basis for the future strategic direction of the Group, including its financing requirements to enable it to pursue its strategy. The Board has consistently monitored its financial performance against the plan as revised for budget and forecasts, for changes such as the Group's accelerated acquisition activity.

The Board meets regularly to discuss matters and continuously keeps the strategy under review as well as arranging dedicated strategic sessions focussing on the Group's trading divisions.

Relationships with Clients

The Board places significant emphasis on its clients with client care and best interests at the heart of the Aston Lark brand and culture. Aston Lark has a diverse client base with many long term relationships, reflecting the client centric approach of an advice led offering provided via high service levels and complemented by in-house claims teams, with an overarching focus on client care.

The robust governance framework in place ensures that there is strong oversight of client outcomes to support Aston Lark's objectives, through regular, meaningful and timely management information provided to the Boards and Committees, including Treating Customers Fairly, to ensure compliant and measurable client information is monitored.

Client satisfaction is measured by feedback forms on service and surveys to ensure Aston Lark is providing clients with high levels of service and making improvements where needed.

Relationships with Employees

Aston Lark places great emphasis on its largest asset, its staff, who are a credit to the way they represent the Group. Aston Lark prides itself on the service provided by, and the high calibre of, its staff as recognised within the industry via the awards Aston Lark has won in 2019, including the prestigious Insurance Broker of Year and the High Net Worth Broker Awards.

On an individual basis, Peter Blanc, was awarded Broker CEO's CEO of the Year and two staff members were recognised in Awards for Young Ambassador of the Year and Young Achiever of the Year, reflecting the breadth of talent that exists within the employee base.

HAMMERSMITH MIDCO LIMITED
GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

Statement in respect of Section 172 of the Companies Act 2006 (continued)

Relationships with Employees (continued)

The Group embraces diversity with the aim to attract and retain talented staff with a wide range of skills and experiences to deliver long term success. The Group operates an open and engaging culture and recognises the value that diversity brings, including but not limited to differences of race, gender, age, nationality and social, professional and personal backgrounds. The Group is unreservedly opposed to any form of discrimination being practised against its employees or potential employees on the grounds of their race, sex, marital status, age, physical or mental disability, religious belief or sexual orientation.

The Group is committed to providing equal opportunities for all of its employees and potential employees with career development based on the ability to perform each role. The Group places great emphasis on the training and career development needs of its employees and empowers staff to shape their career path and reach their full potential that is reflected in the number of staff holding relevant Chartered Insurance Institute and other professional qualifications to support its Chartered Insurance Broker status.

The Learning and Development team within Human Resources provide support through on-line training and development modules, running aspiring leadership development programmes, training courses and ensure that each new employee has a corporate induction session including a presentation from a member of the Executive team. The Board at each meeting receives management information and statistics on employee matters and engagement with staff is via regular consultation, communication on the Group's financial performance and staff engagement surveys with high participation levels and resultant action plans to reinforce the working environment operated in.

Specific Committees are in place to focus on staff related matters, including a Remuneration Committee that is independent of the Board and considers staff remuneration at all levels and gender pay gap with the objective to consistently work towards a more balanced approach that focusses on individual capability. Recent measures introduced include the aligning of job titles to review pay brackets across titles and locations and bonuses based on employee performance reviews for consistency.

Other Committees include; a Mental Health and Wellbeing Committee for communicating and overseeing those initiatives, a Charity Committee (see below), Pride in Aston Lark to ensure that LGBT+ staff feel supported and engaged and a Health and Safety Committee. In addition, a dedicated and confidential staff helpline is provided for any staff member to talk about their personal or business concerns or complaints.

Aston Lark is especially proud that a significant number of the Group's employees are shareholders, allowing them to participate in the Group's success and align to its longer term aims.

Relationships with Shareholders, Regulators and Other Stakeholders

The Group's shareholders are an important stakeholder. The Board places significant value on regular engagement with the Investors nominated directors via active participation at Board and Committee meetings where clear, timely financial and other information is provided, weekly and ad-hoc conference calls, strategic meetings and regular one on one contact.

The Group shareholder base is wide amongst the Group's staff and an Annual Shareholder Conference takes place to provide and present updates on the Group's financial performance, strategic and topical matters and Q&A sessions.

The FCA and Central Bank of Ireland, as regulators, are important stakeholders. The Group has a strong compliance culture and aims to have an open, transparent and constructive dialogue with the regulators in any communications it has, alongside provision of timely reporting information as required by the regulators for firms under their rules.

**HAMMERSMITH MIDCO LIMITED
GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019**

Statement in respect of Section 172 of the Companies Act 2006 (continued)

Relationships with Shareholders, Regulators and Other Stakeholders (continued)

The Board aims to have an open and transparent relationship with HMRC and Irish Revenue Commissioners and be a responsible tax payer. Tax position and activities are regularly reported to the Board.

Suppliers are also stakeholders in the Group and the Board manages, develops and maintains relationships with its key suppliers working closely at senior management level to foster strong and long term business relationships. This includes regular review meetings to monitor performance and service levels, the use of economies of scale, membership of Industry bodies and attending Industry events and ensuring suppliers are paid within credit terms.

The Community and Environment

The Group recognises the importance of serving the communities in which staff live and work and its responsibility to support community projects. Staff volunteer and participate in local community projects, support businesses, and look for opportunities to share their expertise and skills with others.

The Group has a charity committee to select chosen charities each year, currently the Alzheimer's Society and Alzheimer's Research UK. Each office also has a charity champion to support local and national charities of choice such as Macmillan nurses, The Not Forgotten Association and Hospices. The Group operates a policy to match fund staff fundraising events up to certain levels depending upon the nature of the event.

The Group is also proud to partner with Smart Works, a charity that supports unemployed women in preparation for their upcoming job interviews with a dressing and coaching service.

The Board is committed to its responsibility to achieve good environmental practice. Key areas of focus include reducing print and paper, managing energy consumption and waste and increasing the use of technology to hold video and call conferencing to reduce travel. Aston Lark undertakes participation in the Energy Saving Opportunity Scheme (ESOS), a mandatory assessment to measure total energy consumption, and carry out energy audits to identify cost effective energy savings opportunities. The Group operates within office and home environments and takes steps to implement appropriate measures across the areas that are within its direct control, and seeks to influence other parties over whom it has indirect control over, such as Property Landlords.

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



**C W Brown
Director**

27 August 2020

HAMMERSMITH MIDCO LIMITED
DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

The Directors present their report and the audited financial statements of the Company and the consolidated financial statements of the Group for the period since the Company's incorporation as a limited company on 11 March 2019 to 31 December 2019.

The Directors have chosen, in accordance with s414c(11) of the Companies Act, to disclose the information relating to principal risks and uncertainties, review of the business and key performance indicators in the Strategic Report.

In the case of each of the persons who are directors at the time this report is approved, the following applies:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have 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 auditor is aware of that information.

Directors' responsibilities statement

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. 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 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's financial statements 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 Group will continue in business.

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

Results and dividends

The loss after taxation for the period amounted to £12,067,399.

No dividends were paid in the period to 31 December 2019.

HAMMERSMITH MIDCO LIMITED
DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

Directors

The Directors who held office during the period and up to the date of signature of the financial statements were as follows:

P W Blanc (appointed 1 February 2020)
C W Brown (appointed 1 February 2020)
M S Bruun (appointed 11 March 2019 and resigned 8 May 2019)
T R Campbell (appointed 11 March 2019)
T M Holland (appointed 1 February 2020)
S P Rootham (appointed 1 February 2020)
M Titi-Cappelli (appointed 8 May 2019)

A Group subsidiary undertaking has purchased and maintained directors' and officers liability insurance from 2 September 2019 to 31 December 2019.

Future developments

The Company is committed to the Group strategy of growth by organic means and acquisition of similar trading businesses.

Acquisitions

On 24 January 2020, Aston Lark Group Limited acquired the entire share capital of Fidelius Corporate Risk Consultants Limited, the holding company of Isca Barum Insurance Brokers Ltd.

On 31 July 2020, Aston Lark Group Limited acquired the entire share capital of both Private Healthcare Managers Limited and Incepta Risk Management Ltd.

Group reorganisations

As part of the Group reorganisation strategy referred to in the Strategic Report, the following group reorganisations took place after the year end, Jobson James Insurance Brokers Limited on 2 March 2020 and Isca Barum Insurance Brokers Ltd on 1 June 2020, both to Aston Lark Limited and Jobson James Consulting Limited on 2 March 2020, to Aston Lark Employee Benefits Limited.

These group reorganisations have no impact on the Group as assets and liabilities are the same before and after the reorganisation.

Employee involvement

The Group is committed to providing equal opportunity for all of its employees or potential employees. The Group is unreservedly opposed to any form of discrimination being practised against its employees or potential employees on the grounds of their race, sex, marital status, age, physical or mental disability, religious belief or sexual orientation. The Group ensures that the principles of the policy, including training and personal career development are communicated and implemented accordingly.

The Group is committed to ensuring that its employees are provided with information on matters of concern to them as employees, including regular communication of the Group's financial performance.

The Directors have approved a charity policy for the coming year that continues to support specific charities chosen by the Group's employees. A charity committee has been formed to co ordinate the Group's fundraising in relation to its chosen charities.

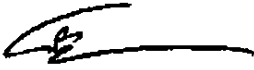
The Group has an established Wellness Committee as it recognises its duty of care to ensure the mental and physical wellbeing of its employees. Further information on relationships with employees is referred to in the Strategic Report.

**HAMMERSMITH MIDCO LIMITED
DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019**

Auditor

The auditors are deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report was approved by the Board and signed on its behalf.

A handwritten signature in black ink, appearing to be 'C W Brown', written over a horizontal line.

**C W Brown
Director**

27 August 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMMERSMITH MIDCO LIMITED

Opinion

We have audited the consolidated financial statements of Hammersmith Midco Limited for the period ended 31 December 2019, set out on pages 15 to 42. The financial reporting framework that has been applied in their preparation 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).

In our opinion the 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 December 2019 and of the Group's loss for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMMERSMITH MIDCO LIMITED

Opinion 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 Group Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Group 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 the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group's Strategic Report and 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 on page 9, 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.

Auditors' responsibilities for the audit of the financial statements

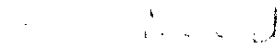
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMMERSMITH MIDCO LIMITED

Use of our report

This report is made solely to the Company's member, 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 member 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.



Thomas Reed (Senior Statutory Auditor)
for and on behalf of

BDO LLP
Statutory Auditor
London, UK

27 August 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

HAMMERSMITH MIDCO LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2019

	Note	Period from incorporation on 11 March 2019 to 31 December 2019 £
Turnover	4	24,721,854
Administrative expenses		(32,566,198)
Other operating income		27,982
OPERATING LOSS	5	<u>(7,816,362)</u>
Interest receivable and similar income	8	50,769
Interest payable and expenses	9	(4,199,533)
LOSS BEFORE TAXATION		<u>(11,965,126)</u>
Tax on loss	10	(25,217)
LOSS FOR THE FINANCIAL PERIOD		<u>(11,990,343)</u>
OTHER COMPREHENSIVE INCOME		
Currency translation differences		(77,056)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>(12,067,399)</u></u>

The notes on pages 20 to 42 form part of these financial statements.

HAMMERSMITH MIDCO LIMITED
REGISTERED NUMBER: 11874092
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £
Fixed assets		
Intangible assets	11	352,406,884
Tangible assets	12	<u>6,332,993</u>
		358,739,877
Current assets		
Debtors: amounts falling due within one year	14	18,417,087
Investments	15	13,204
Cash at bank and in hand		<u>10,912,856</u>
		29,343,147
Creditors: amounts falling due within one year	16	<u>(8,002,374)</u>
Net current assets		21,340,773
Total assets less current liabilities		<u>380,080,650</u>
Creditors: amounts falling due after more than one year	17	(158,705,545)
Provisions for liabilities	19	(30,919,693)
Net assets		<u><u>190,455,412</u></u>
Capital and reserves		
Called up share capital	21	3
Share premium	21	202,522,808
Profit and loss account		(12,067,399)
Shareholders' funds		<u><u>190,455,412</u></u>

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



C W Brown
Director
27 August 2020

The notes on pages 20 to 42 form part of these financial statements.

HAMMERSMITH MIDCO LIMITED
REGISTERED NUMBER: 11874092
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £
Fixed assets		
Investments in subsidiary undertakings	13	202,482,061
		<u>202,482,061</u>
Current assets		
Cash at bank and in hand		<u>40,750</u>
Net current assets		40,750
Total assets less current liabilities		<u>202,522,811</u>
Net assets		<u><u>202,522,811</u></u>
Capital and reserves		
Called up share capital	21	3
Share premium	21	202,522,808
Shareholders' funds		<u><u>202,522,811</u></u>

The company has taken advantage of the exemption in section 408 of the Companies Act 2006 from presenting its own Statement of Comprehensive Income and related notes as it prepares consolidated accounts. The company has not traded since its incorporation on 11 March 2019. During the period, the company received no income and incurred no expenditure and therefore made neither profit or loss.

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



C W Brown
Director
27 August 2020

The notes on pages 20 to 42 form part of these financial statements.

HAMMERSMITH MIDCO LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 11 March 2019 (incorporation)	-	-	-	-
Total comprehensive income for the period	-	-	(12,067,399)	(12,067,399)
Shares issued during the period	3	202,522,808	-	202,522,811
At 31 December 2019	3	202,522,808	(12,067,399)	190,455,412

HAMMERSMITH MIDCO LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 11 March 2019 (incorporation)	-	-	-	-
Total comprehensive income for the period	-	-	-	-
Shares issued during the period	3	202,522,808	-	202,522,811
At 31 December 2019	3	202,522,808	-	202,522,811

HAMMERSMITH MIDCO LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2019

**Period from
incorporation
on 11 March
2019 to 31
December 2019
2019
£**

Cash flows from operating activities

Loss for the period (12,067,399)

Adjustments for:

Amortisation of intangible assets 11,751,754

Depreciation of tangible assets 662,086

Interest payable 4,193,150

Interest receivable (50,769)

Taxation charge 25,217

Increase in debtors (430,347)

Increase in creditors 1,010,086

Movement in fair value of financial instruments 6,383

Corporation tax paid (492,354)

Provisions paid (98,271)

Net cash generated from operating activities 4,509,536

Cash flows from investing activities

Fixed assets additions (1,323,242)

Interest received 43,081

Purchase of subsidiary undertakings (234,460,839)

Payment of deferred consideration by subsidiary undertakings (866,174)

Cash acquired on purchase of subsidiary undertakings 11,952,584

Repayment of loans on purchase of subsidiary undertakings (107,288,293)

Net cash from investing activities (331,942,883)

Cash flows from financing activities

Issue of ordinary shares 184,701,590

Drawdown of secured bank loans 163,693,339

Bank interest paid (3,745,701)

Payment of bank loan financing costs (5,218,025)

Payment of financial instrument costs (1,085,000)

Net cash used in financing activities 338,346,203

Cash and cash equivalents at the beginning of period -

Net increase in cash and cash equivalents 10,912,856

Cash and cash equivalents at the end of period 10,912,856

Cash and cash equivalents at the end of period comprise:

Cash at bank and in hand 10,912,856

10,912,856

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

1. General information

Hammersmith Midco Limited ("the Company") was incorporated on 11 March 2019 and is a private company limited by shares, registered in England and Wales under the company number 11874092. The registered office is 8th Floor, Ibex House, 42-47 Minories, London, EC3N 1DY.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Pounds Sterling which is the functional currency of the group.

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings made up for the period since incorporation on 11 March 2019 to 31 December 2019. Transactions between and balances with, group companies are eliminated on consolidation. The company has taken advantage of the exemption in section 408 of the Companies Act 2006 from presenting its own Statement of Comprehensive Income.

Acquisitions are included in the financial statements using the acquisition method of accounting. Accordingly, the group Statement of Comprehensive Income includes the results of undertakings for the period from their acquisition to the group's financial period end date. The purchase consideration has been allocated to assets and liabilities on the basis of fair value at the date of acquisition.

2.3 Going Concern

As referred to in the Strategic Report and despite the current economic outlook arising from the Covid-19 pandemic, the Group is well placed to manage its business risks. The Directors have a reasonable expectation that the Company and the Group as a whole have adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.4 Revenue

Turnover consists of brokerage, commission and fees for the arrangement of insurance and fees for consultancy services. Turnover also consists of commissions and fees for financial advice and services less amounts identified or likely to be identified as repayable under the contractual obligations with the financial service product provider in respect of cancelled and reduced insurance or investment contracts.

Commission and fees arising from insurance broking activities are recognised upon the later of the effective date that the insurance policy commences and the debit date. An appropriate proportion of turnover is deferred to recognise post placement contractual obligations.

Fees for consultancy arrangements are recognised on an accruals basis over the life of the consultancy agreement.

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.4 Revenue (continued)

Other income from insurance broking activities is recognised when it can be measured with reasonable certainty.

Turnover derived from the provision of financial advice is recognised at the completion of placement of the policy with the financial service product provider with the exception of regular ongoing turnover, which is recognised following entitlement under the contractual obligations with the financial service product provider.

Fees for financial advice services are recognised on an accruals basis over the life of the service agreement.

2.5 Intangible assets

Intangible fixed assets are recognised as the fair value of consideration for subsidiary undertakings and businesses purchased less the fair value of the net assets acquired. The intangible fixed asset arising on acquisition is written off evenly over its useful economic life depending upon the subsidiary undertaking or business purchased.

Intangible fixed assets will be subject to an impairment review at any date if there is an indication of impairment.

2.6 Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation.

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.

The depreciation rates of the principal categories are:

Leasehold improvements	Over the remaining term of the lease
Motor vehicles	4 years
Fixtures and fittings	4 years
Computer equipment	4 years

2.7 Valuation of investments

Investments in subsidiaries are accounted for at cost less impairment. Investments in subsidiaries will be subject to an impairment review if there is an indication of impairment.

2.8 Financial instruments

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

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.8 Financial instruments (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Group does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.9 Foreign currency translation

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rate of exchange ruling at the period end date. All differences are taken to the statement of comprehensive income.

2.10 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.11 Insurance broking assets and liabilities

The Group, in the course of carrying on insurance broking activities, handles client money in accordance with the Financial Conduct Authority Client Asset Sourcebook rules. Under these rules, the Group co-mingles monies defined as belonging to clients and monies defined as belonging to insurers (known as risk transfer monies) in segregated bank accounts that are subject to either a non statutory trust or statutory trust. The Group also handles risk transfer monies solely belonging to insurers in a segregated bank account that is subject to a non statutory trust.

The group's terms of business with its clients and insurers state that the group is entitled to retain the investment income earned on any cash flows arising from insurance broking transactions.

In addition to economic benefit derived from the retention of investment income, the group also has control over the operation of the bank accounts in relation to the settlement of accounts with other intermediaries, clients, insurers and market settlement bureaux.

Given the nature of the trust arrangements under which monies are held and the control that the Group exerts over the operation of the segregated bank accounts, the directors consider it appropriate to disclose only the net balance of insurance broking assets and liabilities as an asset of the Group itself, representing income due and payable to the Group for its own bank account to be transferred from the segregated bank accounts at the appropriate time in accordance with FCA Client Asset Sourcebook rules.

2.12 Leasing and hire purchase commitments

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

The aggregate benefit of lease incentives are recognised as a reduction to the cost over the lease term on a straight line basis.

2.13 Pensions and employee benefits

The Group operates defined contribution pension schemes for its employees. The assets of the schemes are held separately from the Group in independently administered funds for individual members of staff who have elected to participate in the schemes. The pension charge represents contributions payable by the Group for the period. The group's liability is limited to the amount of the contributions.

Short term employee benefits are recognised as an expense in the period in which they are incurred.

2.14 Investment income and interest

Investment income and interest on deposits are credited on the accruals basis. Interest is calculated using the effective interest method.

2.15 Provisions for liabilities

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

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.15 Provisions for liabilities (continued)

Provisions are either charged as an expense to the Statement of Comprehensive Income or capitalised in the Statement of Financial Position within intangible assets as a cost of acquisition, in the period that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position 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 Statement of Financial Position.

2.16 Current and deferred taxation

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences arising from the different bases of determining results for accounting and taxation purposes at the reporting date. Timing differences are taxable items, allowances or reliefs which have an effect in taxation periods different from those in which they have effect in the financial statements. Deferred tax is calculated using the tax rates enacted by the reporting date that are expected to apply to the reversal of timing differences. Deferred tax assets and liabilities are not discounted.

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

As referred to under the Statement of Directors' Responsibilities, the directors are responsible for preparing the financial statements and are required to make judgements and estimates that are reasonable and prudent. In preparing these financial statements, the directors have considered the assumptions used in making the following significant estimates and judgements in applying the group's accounting policies:

Determination as to whether there are indicators of impairment of intangible fixed assets and consideration of their useful lives. Factors taken into consideration include the expected future financial performance of the asset.

Determination of the amount of accrued income included within debtors as a reasonable estimate of the amount that the group expects to receive in the future.

Determination of the amount of the deferred consideration included within provisions as a reasonable estimate of the amounts that the group intends to pay to vendors in the future. The calculation of deferred consideration is dependent on future income or EBITDA of the acquired entities or businesses and therefore there is inherent estimation in these future forecasts.

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

4. Turnover

All of the group's turnover is derived from activities in the United Kingdom and the Republic of Ireland. Consolidated turnover for the period was derived from the following classes of business:

			Period ended 31 December 2019 £ Total
	£ UK	£ ROI	
Insurance Broking	21,630,509	1,626,776	23,257,285
Financial services	1,382,982	81,587	1,464,569
	<u>23,013,491</u>	<u>1,708,363</u>	<u>24,721,854</u>

5. Operating profit

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

	Period ended 31 December 2019 £
Auditors remuneration - audit	116,633
- taxation compliance and advice	21,000
- other services	8,333
Depreciation of owned fixed assets	662,086
Amortisation of intangible assets	11,751,754
Foreign exchange profit	126,018
Operating lease rentals - land & buildings	582,439
Operating lease rentals recharged under sub-letting	(28,309)
Operating lease rentals - other	<u>222,763</u>

6. Directors' remuneration

	Period ended 31 December 2019 £
Directors' emoluments	239,467
Company contributions to defined contribution pension schemes	3,200
	<u>242,667</u>

During the period retirement benefits were accruing to one director in respect of defined contribution pension schemes.

The highest paid director received remuneration of £69,280. The value of the group's contributions paid to money purchase schemes in respect of the highest paid director amounted to £3,200.

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Period ended 31 December 2019 £
Wages and salaries	11,179,805
Social security costs	1,269,710
Company contributions to defined contribution pension schemes	622,460
	<u>13,071,975</u>

The average monthly number of employees, including the directors, during the period from 2 September to 31 December 2019 was as follows:

	Period ended 31 December 2019 No.
Insurance Broking	724
Administration	136
Employee Benefit Advisors	34
	<u>894</u>

8. Interest receivable and similar income

	Period ended 31 December 2019 £
Bank interest receivable	48,715
Other interest receivable	2,054
	<u>50,769</u>

9. Interest payable and similar charges

	Period ended 31 December 2019 £
Bank loans interest payable and finance costs	4,193,150
Change in fair value of financial instruments	6,383
	<u>4,199,533</u>

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

10. Taxation

**Period
ended 31
December
2019
£**

Corporation tax

Current tax on loss for the period

244,559

Overseas taxation

25,217

Total current tax

269,776

Deferred tax

Origination and reversal of timing differences

(244,559)

Total deferred tax

(244,559)

Taxation on loss on ordinary activities

25,217

Factors affecting tax charge for the period

The tax assessed for the period is higher than the applicable rate of corporation tax in the UK of 19%.

The differences are explained below:

**2019
£**

Loss on ordinary activities before tax

(11,965,126)

Loss on ordinary activities multiplied by standard rate of corporation tax
in the UK of 19%

(2,273,374)

Effects of:

Amortisation of intangibles not deductible for tax purposes

2,224,433

Changes in fair value of financial instruments not deductible for tax purposes

1,213

Disallowable expenses

86,058

Overseas tax differences

(13,113)

Total tax for the period

25,217

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

11. Intangible assets

Group	Client renewal rights £
Cost	
Acquired on purchase of subsidiary undertakings (refer to note 22)	2,183,891
Additions (refer to note 22)	<u>361,974,747</u>
At 31 December 2019	<u>364,158,638</u>
Amortisation	
Charge for the period	<u>11,751,754</u>
At 31 December 2019	<u>11,751,754</u>
Net book value	
At 31 December 2019	<u>352,406,884</u>

Included within the cost of intangible fixed assets is £31,448,449 of deferred consideration which is based on estimates of future amounts payable at 31 December 2019. Accordingly, the cost of intangible fixed assets may change when the deferred consideration is paid.

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

12. Tangible fixed assets

Group	Leasehold improvements and fixtures & fittings £	Motor vehicles £	Computer equipment £	Total £
Cost				
Acquired on purchase of subsidiary undertakings (refer to note 22)				
Additions	1,553,906	100,987	4,016,944	5,671,837
At 31 December 2019	<u>93,015</u>	<u>-</u>	<u>1,230,227</u>	<u>1,323,242</u>
	<u>1,646,921</u>	<u>100,987</u>	<u>5,247,171</u>	<u>6,995,079</u>
Depreciation				
Charge for the period	165,413	16,649	480,024	662,086
At 31 December 2019	<u>165,413</u>	<u>16,649</u>	<u>480,024</u>	<u>662,086</u>
Net book value				
At 31 December 2019	<u><u>1,481,508</u></u>	<u><u>84,338</u></u>	<u><u>4,767,147</u></u>	<u><u>6,332,993</u></u>

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

13. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
Additions	<u>202,482,061</u>
At 31 December 2019	<u>202,482,061</u>

Hammersmith Midco Limited was formed with the intention to acquire the Aston Lark group of companies, via a newly established subsidiary undertaking, Hammersmith Bidco Limited.

Hammersmith Bidco Limited was incorporated on 11 March 2019 and the company subscribed for the entire ordinary share capital of one £1 ordinary share for consideration of £1.

On 29 August 2019, the company subscribed for one £1 ordinary share in Hammersmith Bidco Limited for consideration of £184,660,839.

On 2 September 2019, certain shareholders in Aston Lark (Topco) Limited exchanged their loan notes of £17,820,221 issued by Hammersmith Bidco Limited for loan notes of £17,821,221 in the company and then ultimately exchanged their loan notes in the company for preference shares and ordinary shares in Hammersmith Topco Limited. On the same date the company contributed its intercompany amount owed by Hammersmith Bidco Limited to Hammersmith Bidco Limited in exchange for one £1 ordinary share in Hammersmith Bidco Limited for consideration of £17,821,221.

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

13. Fixed asset investments (continued)

The following is a direct subsidiary undertaking of the Company:

Name	Class of share	Holding	Principal activity
Hammersmith Bidco Limited	Ordinary	100%	Holding Company

Indirect subsidiary undertakings

The following are indirect subsidiary undertakings of the Company:

Name	Class of share	Holding	Principal activity
A.H. Bell & Co (Insurance Brokers) Limited	Ordinary	100%	Non-Trading
Aston Lark (AB) Limited	Ordinary	100%	Holding Company
Aston Lark (AM) Limited	Ordinary	100%	Holding Company
Aston Lark (AT) Limited	Ordinary	100%	Holding Company
Aston Lark (Bidco) Limited	Ordinary	100%	Holding Company
Aston Lark (Midco) Limited	Ordinary	100%	Holding Company
Aston Lark (Topco) Limited	Ordinary	100%	Holding Company
Aston Lark Dormant Holding Co Ltd	Ordinary	100%	Dormant
Aston Lark Employee Benefits Limited	Ordinary	100%	Employee Benefits
Aston Lark Group (Holdings) Limited	Ordinary	100%	Holding Company
Aston Lark Group Limited	Ordinary	100%	Holding Company
Aston Lark Limited	Ordinary	100%	Insurance broking
Aston Lark (Trustees) Limited	Ordinary	100%	Trustee Company
Aston Scott Ltd.	Ordinary	100%	Insurance broking
Buckland Harvester Insurance Brokers Limited	Ordinary	100%	Insurance broking
Euromarine Insurance Services Limited	Ordinary	100%	Non-Trading
First Commercial Insurance Brokers Limited	Ordinary	100%	Non-Trading
Highworth Insurance Limited	Ordinary	100%	Insurance broking
Ingram, Hawkins & Nock Limited	Ordinary	100%	Insurance broking
Jobson James Consulting Limited	Ordinary	100%	Employee Benefits
Jobson James Holdings Limited	Ordinary	100%	Holding Company
Jobson James Insurance Brokers Limited	Ordinary	100%	Insurance broking
Lark (2012) Limited	Ordinary	100%	Holding Company
Lark Group (Holdings) Limited	Ordinary	100%	Non-trading
Lark Midco Limited	Ordinary	100%	Holding Company
Michael James Insurance and Property Services LLP	Member	100%	Holding Company
Pharos Holdings Limited	Ordinary	100%	Non-Trading
			Holding Company

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

13. Fixed asset investments (continued)

Name	Class of share	Holding	Principal activity
Pharos Insurance Brokers (Kent) Limited	Ordinary	100%	Dormant
Pharos Insurance Brokers Limited	Ordinary	100%	Insurance broking
Protean Risk Limited	Ordinary	100%	Insurance broking
Robertson Low Insurances Limited	Ordinary	100%	Insurance broking
Robertson Low Limited	Ordinary	100%	Dormant
Salt Risk Management Ltd	Ordinary	100%	Non-Trading
Silex Group Limited	Ordinary	100%	Holding Company
Wright Insurance Brokers Limited	Ordinary	100%	Insurance broking

Having satisfied their obligations for the insurance broking balances held at their respective business transfer dates to Aston Lark Limited, Michael James Insurance and Property Services LLP applied to cancel its authorisation with the FCA with the cancellation effective 8 November 2019 and Ingram, Hawkins and Nock Limited, Pharos Insurance Brokers Limited and Buckland Harvester Insurance Brokers Limited will be applying to cancel their authorisations with the FCA.

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

13. Fixed asset investments (continued)

The net assets / (liabilities) as at 31 December 2019 and the profit / (loss) for the period ended on that date for the subsidiary undertakings were as follows:

	Net Assets / (Liabilities) £	Profit / (Loss) £
A.H. Bell & Co (Insurance Brokers) Limited	140,095	-
Aston Lark (AB) Limited	74,511,474	(1,442,432)
Aston Lark (AM) Limited	72,230,571	(244,942)
Aston Lark (AT) Limited	80,746,466	3,186
Aston Lark (Bidco) Limited	(33,261,866)	(14,822,513)
Aston Lark (Midco) Limited	(8,466)	(245)
Aston Lark (Topco) Limited	114,427,709	1,838,641
Aston Lark Dormant Holding Co Ltd	-	-
Aston Lark Employee Benefits Limited	2,377,410	1,371,546
Aston Lark Group (Holdings) Limited	83,113,906	(31,714)
Aston Lark Group Limited	72,495,738	(1,327,969)
Aston Lark Limited	39,443,443	7,771,086
Aston Lark (Trustees) Limited	52,622	52,621
Aston Scott Ltd	4,016,595	1,536,987
Buckland Harvester Insurance Brokers Limited	148,270	(32,870)
Euromarine Insurance Services Limited	85,265	-
First Commercial Insurance Brokers Limited	100,933	(31)
Hammersmith Bidco Limited	198,406,282	(4,075,779)
Highworth Insurance Limited	3,236,277	1,722,701
Ingram, Hawkins & Nock Limited	123,280	98,957
Jobson James Consulting Limited	325,667	139,627
Jobson James Holdings Limited	126,585	(3,415)
Jobson James Insurance Brokers Limited	2,537,530	938,209
Lark (2012) Limited	26,824	785
Lark Group (Holdings) Limited	(104,894)	(135,627)
Lark Midco Limited	44,246	1,287
Michael James Insurance and Property Services LLP	137,446	-
Pharos Holdings Limited	2,021,263	-
Pharos Insurance Brokers (Kent) Limited	1,570	-
Pharos Insurance Brokers Limited	284,495	546,583
Protean Risk Limited	2,003,570	1,175,478
Robertson Low Insurances Limited*	2,164,312	475,771
Robertson Low Limited	100	-
Salt Risk Management Ltd	111	-
Silex Group Limited*	685,825	(28,760)
Wright Insurance Brokers Limited**	5,486,911	536,440
	728,127,565	(3,936,392)

The registered office for the above subsidiary undertakings is 8th Floor Ibex House, Minories, London, England, EC3N 1DY with the exception of those marked:

* Registered Office - No. 10 The Courtyard, Kilcarberry Park, Nangor Road, Dublin 22

** Registered Office - The Bushels, Cornmarket, Wexford

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13. Fixed asset investments (continued)

The following subsidiary companies have taken the exemption in Section 479A of the Companies Act 2006 ("the Act") from the requirements in the Act for their individual accounts to be audited.

Subsidiary	Registered No.
A.H. Bell & Co. (Insurance Brokers) Limited	01381575
Aston Lark (AB) Limited	09442341
Aston Lark (AM) Limited	09442321
Aston Lark (AT) Limited	09442289
Aston Lark (Bidco) Limited	10821487
Aston Lark (Midco) Limited	10821469
Aston Lark (Topco) Limited	10820826
Aston Lark Dormant Holding Co Ltd	10784386
Aston Lark Group (Holdings) Limited	05639290
Aston Lark (Trustees) Limited	11026750
Buckland Harvester Insurance Brokers Limited	05402834
Euromarine Insurance Services Limited	02869815
First Commercial Insurance Brokers Limited	04630911
Ingram, Hawkins & Nock Limited	01185094
Jobson James Consulting Limited	09559852
Jobson James Holdings Limited	07674271
Jobson James Insurance Brokers Limited	07117949
Lark 2012 Limited	08043688
Lark Group (Holdings) Limited	04171039
Lark Midco Limited	08043698
Michael James Insurance and Property Services LLP	OC334048
Pharos Holdings Limited	06380711
Pharos Insurance Brokers (Kent) Limited	02392471
Pharos Insurance Brokers Limited	00716939
Robertson Low Limited	11283312
Salt Risk Management Ltd	06911316

14. Debtors

	Group 2019 £
Trade debtors	310,145
Surplus insurance assets	9,668,631
Corporation tax	743,316
Other debtors	473,702
Prepayments and accrued income	6,142,676
Financial instruments	1,078,617
	<u>18,417,087</u>

On 2 October 2019, Hammersmith Bidco Limited entered into an interest rate cap arrangement for a notional amount of £125,000,000 for the period from 31 October 2019 until 31 October 2023. The contract is measured at fair value through the profit and loss.

At 31 December 2019 the group held the following gross amounts in respect of insurance broking assets and liabilities.

	2019 £
Insurance broking trade debtors	30,440,568
Segregated bank accounts relating to insurance broking	30,638,570
Insurance broking trade creditors	(51,410,507)
	<u>9,668,631</u>

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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14. Debtors (continued)

The surplus insurance assets held at 31 December 2019 represent income that is due and payable to the Group for its own bank account to be transferred from the segregated bank accounts at the appropriate time in accordance with the Regulator's rules such as the FCA Client Asset Sourcebook rules. Of the £9,668,631, an amount of £1,481,532 (which includes £152,547 of sterling equivalent amounts) was transferred to the Group's own bank accounts following the FCA client money calculations undertaken in the first week of January 2020 and the remaining £8,187,099 held as client or insurer money until it becomes due to the company for its own bank account in accordance with the Regulator's rules.

15. Current asset investments

	2019
	£
Unlisted investments	13,204
	<u>13,204</u>

16. Creditors: Amounts falling due within one year

	Group
	2019
	£
Trade creditors	1,636,692
Other taxation and social security	1,167,192
Other creditors	247,278
Accruals and deferred income	3,994,228
Deferred consideration	956,984
	<u>8,002,374</u>

17. Creditors: Amounts falling due after one year

	Group
	2019
	£
Bank loans	158,705,545
	<u>158,705,545</u>

Bank loans are falling due in more than five years.

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

17. Creditors: Amounts falling due after one period (continued)

On 13 August 2019, Hammersmith Bidco Limited entered into a Senior Facilities Agreement with various parties as Arrangers, Agent and Security Agent, subsequently amended and restated on 10 October 2019, pursuant to which secured loan facilities were made available to Hammersmith Bidco Limited subject to certain conditions. On 2 September 2019, Hammersmith Bidco Limited having met those conditions utilised £147,000,000 of the Senior Term Facilities.

The bank loans provided by the Arrangers as at 31 December 2019 comprise of a Facility B loan of £117,600,000, a Super Senior Term Facility loan of £29,400,000, Acquisition and Capex Facility loans of £4,895,601, a Super Senior Acquisition and Capex Facility loan of £11,797,738 and a Revolving Credit Facility loan of £nil.

The Facilities are repayable in September 2026 or earlier subject to certain conditions. The Facility B and Acquisition and Capex Facility loans bear interest at a variable rate ranging from 6.625% to 7.75% above the relevant LIBOR rate for an Interest Period, with a LIBOR floor of 0.5% and 1% for USD denominated loans. The Super Senior Term Facility, Super Senior Acquisition and Capex Facility and the Revolving Credit Facility loans bear interest at a variable rate ranging from 2.25% to 2.75% above the relevant LIBOR rate for an Interest Period.

18. Financial instruments

	Group 2019 £	Company 2019 £
Financial assets		
Measured at fair value through profit and loss	11,991,473	40,750
Debt instruments measured at amortised costs	16,608,358	-
	28,599,831	40,750
Financial liabilities		
Measured at amortised cost	165,750,935	-
	165,750,935	-

Financial assets measured at fair value comprise cash at bank and in hand and financial instruments.

Financial assets measured at amortised cost comprise trade debtors, other debtors, unlisted investments and prepayments and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, other creditors and other financial liabilities.

HAMMERSMITH MIDCO LIMITED
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19. Provisions

Group	Deferred Consideration	Professional Indemnity & Other Claims	Dilapidations	Deferred Tax	Total
	£	£	£	£	£
Acquired on purchase of subsidiary undertakings (refer to note 22)	18,211,818	163,950	131,573	394,659	18,902,000
Provided / (credit) in period	13,017,704	74,209	6,667	(165,493)	12,933,087
Transferred to Creditors	(109,721)	-	-	-	(109,721)
Released in period	-	-	-	(79,066)	(79,066)
Provisions paid	(628,336)	(79,159)	(19,112)	-	(726,607)
As at 31 December 2019	30,491,465	159,000	119,128	150,100	30,919,693

Deferred consideration is based on estimates of future amounts payable as cash or non-cash consideration to the respective vendors of acquired businesses as at 31 December 2019. The estimates are dependent upon the future Revenue or EBITDA performance of each respective acquisition and therefore can increase or decrease during the earn out period. Accordingly, the deferred consideration amount may change when when final agreement of amounts payable is reached.

A subsidiary undertaking has been notified of a potential claim by a client in the period, which is covered under the group's professional indemnity insurance policy. The directors consider, in accordance with FRS102, that a contingent liability is not required to be provided for in these financial statements in respect of notified claims under the group's professional indemnity insurance policy, aside from the group's own responsibility for the excess of £50,000 for each claim after the deduction of any legal costs incurred. Other potential claims notified to the group that fall under the £50,000 excess and amount to £9,000 have been provided for under other claims.

The Group has made a provision for dilapidations in respect of its potential future obligation under its property leases.

The Group has made a provision for deferred tax liabilities (refer to note 20).

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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20. Deferred taxation

Group	2019
	£
Acquired on purchase of subsidiary undertakings (refer to note 22)	394,659
Credit for the period	(244,559)
As at 31 December 2019	<u><u>150,100</u></u>

The provision for deferred taxation is made up as follows:

	2019
	£
Short term and other timing differences	(127,188)
Depreciation in excess of capital allowances	277,288
	<u><u>150,100</u></u>

21. Share capital

Shares classified as equity	2019
Allotted, called up and fully paid	£
Shares issued on incorporation - 1 Ordinary Share of £1 each	1
Shares issued during the period - 2 Ordinary Shares of £1 each	2
As at 31 December	<u><u>3</u></u>

On incorporation on 11 March 2019, the company issued 1 Ordinary Share of £1 for consideration of £1.

On 29 August 2019, the company issued 1 Ordinary Share of £1 for consideration of £184,701,589

On 2 September 2019, the company issued 1 Ordinary Share of £1 for consideration of £17,821,221.

Share Premium

Consideration received for shares issued above their nominal value net of transaction costs.

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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22. Business combinations

Acquisition of Aston Lark (Topco) Limited

On 2 September 2019, Hammersmith Bidco Limited acquired the whole of the ordinary share capital of Aston Lark (Topco) Limited, the former ultimate parent company for the Aston Lark group of companies. There were no differences between the book value and the fair value of the net assets acquired, which represent the consolidated position of the Aston Lark (Topco) Limited group, as shown below.

	Book value £
Intangible assets	2,183,891
Tangible assets	4,590,444
	<u>6,774,335</u>
Debtors	15,118,708
Current investments	13,342
Cash at bank and in hand	6,151,156
Total assets	<u>28,057,541</u>
Creditors: due within one year	(5,063,698)
Creditors: due within greater than one year	(107,288,293)
Provisions	(18,876,976)
Fair value of net assets acquired	<u>(103,171,426)</u>
Client renewal rights	335,873,891
Total purchase consideration	<u><u>232,702,465</u></u>
Satisfied by:	
Cash	214,881,244
Loan notes	17,821,221
Total purchase consideration	<u><u>232,702,465</u></u>

HAMMERSMITH MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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22. Business combinations (continued)

Acquisition of Protean Risk Limited

On 28 October 2019, Aston Lark Group Limited acquired the whole of the ordinary share capital of Protean Risk Limited. There were no differences between the book value and the fair value of the net assets acquired as shown below.

	Book value £
Tangible assets	163,333
	163,333
Debtors	319,439
Cash at bank and in hand	1,594,733
Total assets	2,077,505
Creditors: due within one year	(270,212)
Provisions	(25,024)
Fair value of net assets acquired	1,782,269
Client renewal rights	11,630,379
Total purchase consideration	13,412,648
Satisfied by:	
Cash	5,100,654
Deferred consideration	8,311,994
Total purchase consideration	13,412,648

Acquisition of Wright Group Brokers Limited

On the 5 December 2019, Aston Lark Group Limited acquired the entire ordinary share capital of Wright Group Brokers Limited. There were no differences between the book value and the fair value of the net assets acquired as shown below.

	Book value £
Tangible assets	918,060
	918,060
Debtors	783,222
Cash at bank and in hand	4,206,695
Total assets	5,907,977
Creditors: due within one year	(346,538)
Fair value of net assets acquired	5,561,439
Client renewal rights	14,470,477
Total purchase consideration	20,031,916
Satisfied by:	
Cash	14,478,941
Deferred consideration	5,552,975
Total purchase consideration	20,031,916

HAMMERSMITH MIDCO LIMITED
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23. Other financial commitments

The Group as lessee:

At 31 December 2019, the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Other 2019	Land and buildings 2019
Amounts due:		
Within one year	609,586	2,723,059
Between one and five years	1,554,728	6,374,219
After five years	123	2,909,595
	<u>2,164,437</u>	<u>12,006,873</u>

On 22 October 2019, a subsidiary undertaking entered into a property lease for a 1 year term commencing on 7 September 2019 at an annual rent of £65,000.

On 4 November 2019, a subsidiary undertaking entered into a property lease for an 8 year term commencing on 4 November 2019 at an annual rent of £25,952 with a mutual break clause after 3 years.

The Group as lessor:

At the year end, the Group had contracted with tenants, under non-cancellable operating leases, for the following future minimum lease payments:

	Land and buildings 2019
Amounts due:	
Within one year	92,049
Between one and five years	55,734
	<u>147,783</u>

The operating lease represents the sublet of one floor of a property to a third party. The lease is subject to a break date of August 2021, and a lease negotiation in October 2021.

24. Charges and guarantees

On 13 August 2019, Hammersmith Bidco Limited entered into a Senior Facilities Agreement, subsequently amended and restated on 10 October 2019, and provided a guarantee and charged their assets by way of fixed and floating charges as security for the obligations under the Senior Facilities Agreement. The outstanding amount of the loans under the Senior Facilities Agreement as at 31 December 2019 was £163,693,339.

On 20 December 2019, certain group undertakings acceded to the Senior Facilities Agreement, and provided a guarantee and charged their assets by way of fixed and floating charges as security for the obligations under the Senior Facilities Agreement.

HAMMERSMITH MIDCO LIMITED
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25. Related party transactions

The company has taken advantage of the exemption conferred by FRS 102 and has not disclosed related party transactions with wholly owned subsidiary undertakings within the group.

Other related party transactions have been disclosed under the relevant note in the financial statements.

26. Post balance sheet events

Acquisitions

On 24 January 2020, Aston Lark Group Limited acquired the entire share capital of Fidelius Corporate Risk Consultants Limited, the holding company of Isca Barum Insurance Brokers Ltd.

On 31 July 2020, Aston Lark Group Limited acquired the entire share capital of both Private Healthcare Managers Limited and Incepta Risk Management Ltd.

Group Reorganisation

As part of the group reorganisation strategy referred to in the Strategic Report, the following group reorganisations took place after the year end, Jobson James Insurance Brokers Limited on 2 March 2020 and Isca Barum Insurance Brokers Ltd on 1 June 2020, both to Aston Lark Limited and Jobson James Consulting Limited on 2 March 2020, to Aston Lark Employee Benefits Limited.

These group reorganisations have no impact on the Group as assets and liabilities are the same before and after the reorganisation.

Covid-19

In light of the information that was available as at the 31 December 2019 period-end, the Covid-19 outbreak is a non-adjusting event in the financial statements. As such, its impacts have not resulted in adjustments being made to the measurements of assets and liabilities within the financial statements for the period ended 31 December 2019 and relevant additional disclosures as to its impact have been made in these financial statements given the emergence of more information in 2020 as referred to within the Strategic Report under Principal risks and uncertainties and the Accounting Policies under note 2.3 Going Concern.

27. Controlling party

The company's immediate parent undertaking and the ultimate parent undertaking of the group is Hammersmith Topco Limited, a company registered in Jersey and controlled by West Street Capital LLP, which is the ultimate controlling party of the group.

Hammersmith Topco Limited whose registered office is 22 Grenville Street, St Helier, Jersey JE4 8PX, head the largest group for which consolidated accounts are drawn up and of which the company is a member.