

Company Registration No. 08613882

GLOBAL RISK PARTNERS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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GLOBAL RISK PARTNERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
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GLOBAL RISK PARTNERS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The Directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

This Strategic Report has been prepared for Global Risk Partners Limited and its subsidiaries ('the Group' or 'GRP') as a whole and therefore gives greater emphasis to those matters which are significant to the Group and its subsidiary undertakings when viewed as a whole.

Key achievements and performance indicators

In the year to 31 March 2020, the Group continued its transformational growth.

Key performance indicators		2020	2019	% change
Turnover	£m's	£137.7	£112.1	23%
Operating profit	£m's	£39.6	£27.8	42%

The following are key highlights:

- Turnover in the year has increased by 23% to £137.7m (2019: £112.1m), and Group operating profit (before amortisation and exceptional items) has increased by 42% to £39.6m (2019: £27.8m). This is driven by strong underlying growth in our trading businesses and further acquisitions during the year. 2020/21 turnover and operating profit are expected to increase further as the full year impact of these acquisitions flow through.
- Operating profit is the companies preferred and in the Directors view the most accurate method of assessing the underlying performance of the business. Operating profit is reported before non-cash charges of £32.2m (2019: £27.0m), Interest of £22.4m (2019: £17.6m) and exceptional costs of £8.4m (2019: £1.2m). After accounting for these charges the company reported a pre-tax loss of £23.4m (2019: £18.4m).
- GRP maintained its strategy of acquiring high-quality UK insurance broking businesses and Managing General Agents ("MGAs") with talented, entrepreneurial management teams. This has supported the ongoing development of GRP's local distribution footprint as well as building client led propositions across an increasing number of specialisms.
- Since its establishment on 17 July 2013 GRP has acquired 66 businesses. 18 businesses (2019: 15 businesses) were acquired in the year to 31 March 2020 with 8 further acquisitions made since the end of the financial year.
- The Group has continued to invest in its scalable platform to support its future growth ambitions. An element of this platform has been the significant investment in market leading data led analytics capability which delivers quality management information and insight to inform, support and validate business decisions.
- Employee numbers have grown to more than 1,500 (2019: 1,450) during the financial year.
- High-quality third-party financing remains in place to support GRP's capital base and facilitate further expansion.
- Exceptional items total £8.4m (2019: £1.2m) relate to non-recurring one off items borne during the year that are not day to day costs of running the business. The costs primarily relate to corporate finance services and Group Wide IT system improvements.

As a result of the developments above, the Group is now one of the largest independent commercial brokers in the UK.

GLOBAL RISK PARTNERS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2020

Overview

The Group is focused on a programme of growth through acquisition and integration of carefully selected regional retail and wholesale insurance brokers, MGAs, portfolios and teams. An underlying tenet within the Group's strategy is to ensure that the key individuals in the larger businesses who are responsible for producing business, and who hold crucial broker and client relationships, have an equity stake in the company in which they are employed. The Company considers this to be a powerful tool in ensuring the culture is characterised by an owner-driver philosophy.

Central to GRP's business model is the optimisation of client outcomes. This is delivered through the provision of compelling client focused propositions, specialist and niche products distributed through our local branch network and underwritten by a panel of leading insurer partners.

GRP continues to develop a significant pipeline of acquisitions, and discussions are ongoing with a number of businesses which meet GRP's stringent acquisition criteria. GRP drives a relentless improvement programme to grow the operating margins of the underlying businesses, embedding best practice processes and standards, underpinned by centralised support, oversight and governance.

Searchlight Transaction

During the second half of the year, the Board of GRP decided to seek new investors to bring additional capital and resources to the Group to enable its continued development and to allow the founding shareholders and the holders of minority shareholdings in the subsidiaries a partial return on their investment.

With the help of external advisers, Searchlight Capital Partners were identified as the most suitable partner for the Group and on 12th June 2020 they acquired a controlling interest in GRP. This transaction crystallised the value of the Group itself and attached a significant value to the minority shareholdings retained by the vendors of businesses acquired in prior periods and to the share awards made to individuals as part of those transactions ('Shareholder Employees').

On completion of Searchlight's investment in June 2020, Peter Cullum and David Margrett resigned their positions as Chairman and Chief Executive of GRP and moved to non-executive positions on the board of the ultimate holding company, GRP (Jersey) Holdco Limited. Andrew Homer and Mike Bruce, respectively, filled their roles on the GRP Board.

Non-Controlling Interests ('NCI') are generally reflected in the Consolidated Balance Sheet as the share of assets and liabilities, at entity level, not "owned" by Group. As part of our model, the management of subsidiary businesses typically maintain shareholdings in these companies. The value of these shareholdings in part crystallised through the Searchlight investment. As the Searchlight investment completed and the substantial real value of the shares held by the Shareholder became apparent, we determined that in certain circumstances where share awards were made to individuals outside our original transaction, the increase in value of those shares should in some cases have been characterised as Share Based Compensation. The increased liability this generates versus the original NCI shows the realisation of the real and substantial incremental value created for our Shareholder Employees under our ownership model and is reflected in these accounts. Prior year figures have been adjusted accordingly (Note 32).

GLOBAL RISK PARTNERS LIMITED

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FOR THE YEAR ENDED 31 MARCH 2020

Searchlight Transaction (Continued)

Previously, an acquiring entity within the Group recognised a liability attaching to the Put and Call option agreements that exist over minority shareholdings, representing the expected discounted value of those shares. In the consolidated financial statements, this liability was shown in reserves, with a corresponding asset in Intangible Assets. This treatment has been reversed in these accounts and prior year figures adjusted, to now correctly reflect that there is no liability on the acquiring entity itself for the Put and Call option under FRS102, as it only arises on a corporate transaction at the GRP (Jersey) Holdco Limited level.

Acquisition update

The Group has acquired 66 businesses to date with 18 acquired in the financial year to 31 March 2020 and 8 business acquired after 31 March 2020. The businesses acquired since the last strategic report are as follows:

Professional Insurance Agents (Commercial and personal broker) - May 2019	Professional Insurance Agents is based in Eastbourne and specialises in Professional Indemnity and related products, D&O, Medical Malpractice and Paramedics Insurance.
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Reid Briggs (Commercial and personal lines broker) - May 2019	Reid Briggs is based in Eastbourne and specialises in and offers a range of personal and commercial insurance products.
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Clifton Morley (Commercial lines broker) - May 2019	Clifton Morley is based in Dartford and specialises in and offers a range of commercial insurance products.
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The Insurance Group (Commercial lines broker) - May 2019	The Insurance Group is based in Plymouth and specialises in and offers a range of personal & commercial insurance products.
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Meadons (Commercial lines broker) - June 2019	Meadons is based in Market Drayton and specialises in and offers a range of commercial insurance products.
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Thomas Cook & Son (Commercial lines broker) - June 2019	Thomas Cook & Son is based in Burnley and specialises in and offers a range of commercial insurance products.
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Eric Rawlins & Co (Commercial lines broker) - June 2019	Eric Rawlins & Co is based in Newcastle-under-Lyme and specialises in and offers a range of commercial insurance products.
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3XD (Niche MGA) - July 2019	3XD is based in Preston and provides specialist insurance products to clients through a range of distribution channels.
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Health & Safety Click - August 2019	Health & Safety Click is an online risk management business and offers a one stop solution for business risk management based in Essex.
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Millards Insurance (Commercial lines broker) - October 2019	Millards is an established insurance broker based in Kent which transacts a range of commercial and personal lines products.
--	--

Gauntlet Insurance Services (Commercial lines broker) - November 2019	Gauntlet is a specialist private client insurance broker based in London that specialises in fine art collections, jewellery and historic houses.
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Barpax Associates (Commercial lines broker) - December 2019	Barpax is an agricultural focused insurance broker and will be merged into GRP's agricultural specialist CCIB.
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GLOBAL RISK PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

Acquisition update (continued)

Birrell Group (Commercial lines broker) - January 2020 The Birrell Group is based in Leicestershire and offers a wide range of commercial insurance products and will continue as a stand alone brand.

Trimulgherry (Southend) Group (Commercial lines broker) - January 2020 The Trimulgherry Investments (Southend) Group is based in Essex specialising in business insurance products.

Anderson Ashcroft Insurance Brokers (Commercial lines broker) - February 2020 Anderson Ashcroft is based in Preston and offers a range of commercial and private insurance products along with having a specialist marine/logistical division.

Manor Insurance Services (Commercial lines brokers) - March 2020 Manor Insurance is based in Hastings, focusing on individuals and small business customers.

NIB Insurance (Commercial lines broker) - March 2020 Based in Brighton, NIB insurance offers a range of commercial and personal policies.

R T Williams Insurance (Commercial lines broker) - March 2020 Based in Brighton R T Williams offers a range of commercial and personal policies with a separate specialist property division.

Transactions completed since 31 March 2020:

Premier Choice Group (Healthcare broker) - July 2020 Based in Towchester, Premier Choice offers a wide range of Healthcare products.

Britannia (Commercial lines broker) - August 2020 Based in Cheshire, Britannia offers a wide range of commercial lines products

CJN (Commercial lines broker) - August 2020 Based in Tenbury Wells, CJN offers a wide range of commercial lines products

Home Counties (Commercial lines broker) - August 2020 Based in Bedford, Home Counties offers a wide range of commercial lines products

Managed Risk Solutions (Commercial lines broker) - August 2020 Based in Northampton, Managed Risk Solutions offers a wide range of commercial and private lines products

Crotty (Commercial lines broker) - September 2020 Based in Dublin, Crotty specialises in professional indemnity and renewable energy.

Broadley (Commercial lines broker) - October 2020 Based in Masham, Broadley offers a wide range of commercial and private lines products

RIB Group (Commercial lines broker) - November 2020 Based in Rotherham, RIB Group specialises in professional indemnity and renewable energy.

GLOBAL RISK PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

Business Review

The directors consider the outlook for the Group to be positive with an extensive pipeline of target business acquisitions coupled with steady growth projections for existing Group companies. The Group has a strong management team with extensive industry experience.

On 12 June 2020 GRP UK Bidco Limited, an entity ultimately controlled by funds managed by Searchlight Capital Partners, LP (collectively "Searchlight") purchased a majority shareholding in the Group. Searchlight intends to further accelerate the Group's growth, profitability and value – and share in our well-established strategic vision.

Principal Risks and Uncertainties

Management records the ongoing identification of risks and mitigating controls through its risk register, which is considered and updated at the regular Group Governance, Audit, Risk and Compliance Committee meetings. Mitigating controls are structured to bring risks within the Board's agreed risk appetite.

The Group is primarily exposed to the following risks:

Regulatory and Compliance Risk

There is the risk of financial loss or reputational impact through non-compliance with the relevant laws and regulations of the insurance intermediary sector. The Group manages this through an established control framework based on documented policies and procedures, compliance function monitoring and reporting, and ongoing monitoring at Board and Group Governance, Audit, Risk and Compliance Committee meetings.

As a result of the investment by Searchlight on 12 June 2020 there have been a number of changes to the Board composite which is reported in the Director's Report on page 11.

Cashflow and Liquidity Risk

The Group is dependent on cash flows generated by its trading operations, which are in turn reliant on the premiums written by its subsidiaries and the commissions earned thereon. In addition, profit commissions are earned based on the underwriting results of the business written. The Group is therefore exposed to the cyclical nature of the insurance industry, both in terms of the size and performance of the market and in the lines which it writes.

The Group mitigates this risk by operating in niche, profitable lines, which are less subject to the cyclical nature of the wider market. The Group manages its business plans and cash flow forecasting to ensure that payments can be met when they fall due. In addition, the Group's activities expose it to the financial risks of changes in foreign currency exchange rates on insurance balances denominated in Euros and US Dollars and through changes in interest rates. To minimise the risk, foreign currency transactions are matched utilising foreign currency bank accounts. The Group regularly assesses foreign currency exposure and, where material, will endeavour to hedge as appropriate.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit Risks

The Group's principal financial assets are bank balances and cash, trade and other receivables with credit risk primarily attributable to its trade receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by International credit-rating agencies. There is no significant concentration of credit risk as the risks are spread over a number of customers.

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STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2020

Principal Risks and Uncertainties (continued)

Underwriting Capacity Risk

The Group and its operations are exposed to potential changes of underwriting procedures and policy by its capacity providers, *as the Group does not hold any capital risk. In addition, the underwriting performance does determine the value of profit commission received.*

Litigation Risk

There is the risk of litigation or legal action as a result of ongoing trading in subsidiaries. The Group manages this through a robust programme of controls across the Group commensurate to the size and nature of the business, based on the documented policies and procedures, combined with insurance.

Errors and Omissions Exposures

As a consequence of the business sector the Group operates in, claims alleging professional negligence may be made against the Group. Some of these may have a material adverse impact on the Group's profitability, cash and capital. The Group mitigates this risk by ensuring that it has in place robust and risk-based governance and operational policies and procedures, and that staff are competent for the roles they perform and have access to appropriate training and development. In addition, the Group has taken out Errors & Omissions insurance cover.

Brexit Risk/Political Risk

From 31 January 2020, after the UK Government had previously triggered Article 50 of the Treaty of Lisbon the UK was no longer a member of the EU but continued to be subject to EU rules and remained a member of the single market and customs union during the transition period which ends on 31 December 2020.

At this time, we are not able to predict the impact that Article 50 will have on the UK. The implications of the exit from the EU are not clear but present both risks and opportunities. Whilst this may impact GRP's ability to operate in some European markets, *with potential adverse impacts on company profitability and cash flow, there are also extensive growth opportunities.*

The Group continues to assess options to ensure it has appropriate business model post-Brexit, however, potential adverse impacts are likely to be realised over a period of years following an exit result and it is not anticipated that there will be any immediate regulatory or policy change.

Human Rights and Modern Slavery

The Group endorses the implementation and promotion of ethical business practices to protect workers from being abused and exploited. We are committed to preventing slavery and human trafficking in our corporate activities and to ensuring that our supply chains are free from slavery and human trafficking.

The Group performs an important role in the insurance distribution chain dealing with its end customers, brokers, underwriting agents, insurers and other insurance market participants. However, we believe that we are at low risk of human trafficking and slavery occurring within our business or supply chain as we do not have a supply chain that is reliant on factories or other entities that would normally be associated with slavery or forced labour. As a general rule, contractors and suppliers used by us are also not considered likely to be susceptible to this risk. However, employees responsible for managing suppliers and others involved with the Group are responsible for ensuring that our values and ideals are upheld. We continue to ensure that our contracts include appropriate protections and serious violations by suppliers would lead to the termination of the business relationship.

GLOBAL RISK PARTNERS LIMITED

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FOR THE YEAR ENDED 31 MARCH 2020

Covid 19

The Group has considered the consequences of the Covid-19 pandemic. The Group continuity plan was put in place across the Group as a result of the government lockdown with home working implemented within two weeks for all employees. A Covid-19 Executive meeting was called daily for 2 months and continues biweekly to discuss operational functionality.

The insurance industry is a segment of the UK economics which has been proven resilient in previous financial crises. The Group has sufficient liquidity to withstand a period of potential weak trading resulting from a sustained impact of Covid-19. More details of the going concern assessment can be found in the Directors' Report to these financial statements including stress testing and scenario planning.

Section 172

The Board considers the long term consequences of its decisions and these are guided by the Group strategy which seeks to ensure this is executed with due regard to our stakeholders and maintaining high standards of business conduct. Having shareholders represented on the Board means that shareholder engagement is robust. The strength of the Board and governance structure is further enhanced by the presence of independent directors. Key stakeholders also include our employees, customers, insurers and regulators. We engage with each of these as follows:

Employees

The Board recognises that employees are our biggest asset and through development and remuneration structures we reward performance at the individual business level. We seek to focus on our employees to promote an open and honest culture where every employee feels valued and trusted to do the right thing.

Customers

Positive customer relationships are key to the performance of the Group and we endeavour to achieve and maintain a high standard of customer satisfaction. We review our product offerings and services to ensure these continue to meet the high standards set and meet customer needs.

Insurers

Strong relationships with Insurers is central to the future success of the Group. Regular meetings are held with key insurance partners to discuss performance and ways in which we can enhance the customer experience. With regular insurer engagement GRP is able to continue the high standards of service to customers.

Regulators

The Group's principal regulator is the FCA and the board operates an open and transparent relationship. The Group believes that having a strong, positive and open relationship with the FCA is essential for future strategy and growth.

Community and sustainability

The Group's commitment to minimising our impact on the environment is evidenced through encouraging recycling internally, using motion sensitive lighting in offices where available and encouraging employee home working, reducing emissions. The Group operates a car fleet in one of the divisions and approximately 268,000 business miles were undertaken in the financial year with a CO₂ output of 44 tonnes. The Group has 100 operational premises which used 1.8 Gwh of electricity and 1.2 Gwh of gas which equates to an annual CO₂ of 430 & 216 tonnes respectively. The data has been calculated by obtaining the electricity and gas consumption, across the Group property portfolio. Emissions for the Group's car fleet has been calculated by obtaining the annual business mileage and average CO₂ emissions per mile for each vehicle and calculating an annual CO₂ output. The total annual CO₂ of 690 tonnes produced by the Group equates to 5 tonnes per million pounds of revenue.

GLOBAL RISK PARTNERS LIMITED

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FOR THE YEAR ENDED 31 MARCH 2020

Future Developments and Events after the Balance Sheet Date

On 12 June 2020 GRP UK Bidco Limited, an entity ultimately controlled by funds managed by Searchlight Capital Partners, LP (collectively "Searchlight") acquired a majority stake in the Group, following regulatory approval. As part of the transaction, the Group completed a refinancing of its debt and now has a £100m undrawn acquisition facility and a revolving credit of £40m.

On 7 August 2020 the Group purchased 100% of CJN Insurance Services Limited, a company incorporated in the United Kingdom.

On 7 August 2020 the Group purchased 100% of Britannia Consultants Services Limited, a company incorporated in the United Kingdom.

On 11 August 2020 the Group purchased 85% of The Premier Choice Healthcare Group Limited, a company incorporated in the United Kingdom.

On 14 September 2020 the Group purchased the renewal rights from Messrs. R F Broadley.

On 17 September 2020 the Group purchased 87.55% of Crotty Insurance Services Limited, a company incorporated in the Republic of Ireland.

On 23 September 2020 the Group purchased 100% of Managed Risk Solutions Limited, a company incorporated in the United Kingdom.

On 24 September 2020 the Group purchased 100% of Home Counties Insurance Services Limited, a company incorporated in the United Kingdom.

On 2 November 2020 the Group purchased 100% of The RIB Group, a company incorporated in the United Kingdom.

Approved and authorised for issue by the Board of Directors and signed on its behalf by:



Date: 1 December 2020

M Bruce

Director

GLOBAL RISK PARTNERS LIMITED

2nd Floor

50 Fenchurch Street

London

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GLOBAL RISK PARTNERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The Directors' present their annual report on the affairs of Global Risk Partners Limited together with the financial statements and auditor's report, for the year ended 31 March 2020.

Review of the business, future developments, events after the balance sheet date and principal risks and uncertainties

GRP has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the Company's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch.7 to be contained in the directors' report. It has done so in respect of business activities, risks and future developments.

Results and dividends

The Group has reported a loss after taxation for the year of £27,247,766 (2019: loss of £18,376,291).

The directors do not recommend the payment of a dividend (2019: £nil).

Directors

The directors, who served during the year and to the date of this report, were as follows:

A Hunter (Company Secretary)

P Cullum	Resigned on 12 June 2020
D Margrett	Resigned on 12 June 2020
S Ross	
S Scott	
C Schrager Von Altshofen	Resigned on 12 June 2020
M Bruce	
A Hunter	Appointed on 12 June 2020
A Homer	Appointed on 12 June 2020
Lord D Hunt	Appointed on 12 June 2020
G McCallum	Appointed on 12 June 2020
C Nathan	Appointed on 12 June 2020
H Ramos De Freitas	Appointed on 12 June 2020
P Rock	Appointed on 12 June 2020

Directors' Indemnities

The Group and Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report. Additional cover for the Directors against personal financial exposure has been made under a directors' and officers' liability insurance policy.

Political Contributions

The Company made no political contributions during the current or prior years.

Employees

Disabilities

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

GLOBAL RISK PARTNERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

Employees (continued)

Part Time and Fixed Term Work

Part time and fixed-term employees are treated the same as comparable full-time or permanent employees and enjoy no less favourable terms and conditions (on a pro-rata basis where appropriate), unless different treatment is justified.

Discrimination

Employees must not unlawfully discriminate against or harass other people including current and former employees, job applicants, clients, customers, suppliers and visitors. This applies in the workplace, outside the workplace (when dealing with customers, suppliers or other work-related contacts), and on work-related trips or events including social events.

The following forms of discrimination are prohibited under this policy and are unlawful:

- Direct discrimination: treating someone less favourably because of a Protected Characteristic. For example, rejecting a job applicant because of their religious views or because they might be gay.
- Indirect discrimination: a provision, criterion or practice that applies to everyone but adversely affects people with a particular Protected Characteristic more than others, and is not justified. For example, requiring a job to be done full-time rather than part-time would adversely affect women because they generally have greater childcare commitments than men. Such a requirement would be discriminatory unless it can be justified.
- Indirect discrimination: a provision, criterion or practice that applies to everyone but adversely affects people with a particular Protected Characteristic more than others, and is not justified. For example, requiring a job to be done full-time rather than part-time would adversely affect women because they generally have greater childcare commitments than men. Such a requirement would be discriminatory unless it can be justified.
- Victimisation: retaliation against someone who has complained or has supported someone else's complaint about discrimination or harassment.
- Disability discrimination: this includes direct and indirect discrimination, any unjustified less favourable treatment because of the effects of a disability, and failure to make reasonable adjustments to alleviate disadvantages caused by a disability.

Recruitment and Selection

Recruitment, promotion and other selection exercises such as redundancy selection are conducted on the basis of merit, against objective criteria that avoid discrimination. Shortlisting is done by more than one person if possible.

Vacancies are advertised to a diverse section of the labour market. Advertisements avoid stereotyping or using wording that may discourage particular groups from applying.

Job applicants are not asked questions which might suggest an intention to discriminate on grounds of a Protected Characteristic. For example, applicants are not asked whether they are pregnant or planning to have children.

Job applicants are not asked about health or disability before a job offer is made, except in the very limited circumstances allowed by law: for example, to check that the applicant could perform an intrinsic part of the job (taking account of any reasonable adjustments), or to see if any adjustments might be needed at interview because of a disability. Where necessary, job offers can be made conditional on a satisfactory medical check. Health or disability questions may be included in equal opportunities monitoring forms, and are not used for selection or decision-making purposes.

GLOBAL RISK PARTNERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

Employees (continued)

Breaches of this Policy

The Group takes a strict approach to breaches of this policy, which will be dealt with in accordance with our Disciplinary Procedure. Serious cases of deliberate discrimination may amount to gross misconduct resulting in dismissal.

If any employee believes that they have suffered discrimination, then they can raise the matter through our Grievance Procedure or Anti-harassment and Bullying Policy. Complaints are treated in confidence and investigated as appropriate.

Employees must not be victimised or retaliated against for complaining about discrimination. However, making a false allegation deliberately and in bad faith will be treated as misconduct and dealt with under our Disciplinary Procedure.

Employee Participation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. The group-wide intranet informs employees about all material developments within the Group.

Employee are consulted regularly on a wide range of matters affecting their current and future interests. If required we arrange the election of employee representatives who we then consult with as appropriate.

In addition, employees receive an annual bonus which is dependent on business and personal performance. The Group introduced a new performance management system which ensures employees understand how their performance links to business performance and to their remuneration.

Going Concern

The financial statements of the Group set out on pages 19 to 72 have been prepared on a going concern basis. At the 31 March 2020, the Group made an operating loss of £27.2m (2019: £18.4m) largely as a result of the goodwill and intangible amortisation charged of £27.0m (2019: £23.5m) which do not impact the cash flow of the business and the ability of the Group to meet its liabilities. The Group reported an operating profit of £39.6m (2019: £27.8m) for the year, prior to exceptional costs associated with the Searchlight transaction. The net liabilities of the Group as at 31 March 2020 are £90.9m (2019: £63.4m) as a result of the cumulative goodwill and intangible amortisation resulting from the acquisitions of insurance intermediaries.

- The current capital structure and liquidity of the group, following the transaction with Searchlight.
- The results of a cashflow forecast performed on the group for the period to November 2021 and a "stress-test" of that forecast.
- The principal risks facing the Group, including the potential financial and operational impacts of Covid-19, and its systems of risk management and internal control.
- The business trajectory of organic growth and continued execution of the M&A strategy.

GLOBAL RISK PARTNERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

Going Concern (continued)

Key assumptions that the Directors have made in preparing the base case cash flow forecasts are that:

- GRP has access to its recently agreed £140m Revolving Credit Facility and Acquisition Facility.
- GRP has sufficient cashflow and expense levers to generate further savings to offset any material deterioration beyond that anticipated.
- A peak reduction in income across the planning horizon of more than 20%.
- Mitigating actions including delayed capital expenditure, a reduction in discretionary spend and some reduction in employee headcount and remuneration.

Our stress testing further indicates that revenues would need to decline by more than 20% compared to FY20 to reach our covenants limits. The Directors consider these stress conditions to be a remote scenario.

The Directors have also considered the wider operational consequences and ramifications of the Covid-19 pandemic and have successfully implemented Business Continuity Plans and "Working from Home" practices across the Group.

In summary, the Directors are not aware of any material uncertainties that cast significant doubt on GRP's ability to continue as a going concern.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with provisions of s.418 of the Companies Act 2006.

Deloitte LLP has indicated its willingness to be reappointed for another term and appropriate arrangements have been put in place for Deloitte LLP to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Future developments and events after the balance sheet date

Future developments and events after the balance sheet date have been disclosed in the Strategic Report and note 28.

Approved and authorised for issue by the Board of Directors and signed on its behalf by:



..... Date: 1 December 2020

M Bruce

Director

GLOBAL RISK PARTNERS LIMITED

2nd Floor, 50 Fenchurch Street

London

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GLOBAL RISK PARTNERS LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that GRP will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the GRP's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

GLOBAL RISK PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL RISK PARTNERS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Global Risk Partners Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated profit and loss account;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 33.

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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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 or the parent company'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.

We have nothing to report in respect of these matters.

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.

GLOBAL RISK PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL RISK PARTNERS LIMITED

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 respect of these matters.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

GLOBAL RISK PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL RISK PARTNERS LIMITED

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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.



Claire Clough, ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
1 December 2020

GLOBAL RISK PARTNERS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

		2020	2019 (Restated)
	Notes	£	£
Turnover	3	137,713,199	112,086,309
Other operating income	4	1,035,932	2,039,038
Administrative expenses before amortisation and impairment		(99,158,148)	(86,353,338)
Operating profit before amortisation and impairment of customer relationships and goodwill		39,590,983	27,772,009
Customer relationships amortisation		(16,815,912)	(12,572,438)
Goodwill amortisation and impairment		(10,141,142)	(10,939,249)
Operating profit		12,633,929	4,260,322
Fair value movement on forward exchange contracts		(55,244)	(315,101)
Interest payable and similar expenses	5	(22,416,728)	(17,586,177)
Share Based Remuneration charge	11	(5,233,032)	(3,505,300)
Exceptional items	6	(8,363,627)	(1,221,952)
Loss before taxation	7	(23,434,702)	(18,368,208)
Taxation	10	(3,813,064)	(8,083)
Loss for the financial year		(27,247,766)	(18,376,291)
Loss for the year attributable to:			
Non-controlling interest		5,598,732	5,202,523
Equity shareholders of the company		(32,846,498)	(23,578,814)
		(27,247,766)	(18,376,291)

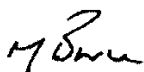
The Group has no comprehensive income other than the amounts recognised in the Profit and Loss account above. Accordingly no Statement of Comprehensive Income has been presented. All amounts arise from continuing operations.

GLOBAL RISK PARTNERS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2020

	Notes	2020 £	2019 (Restated) £
Fixed assets			
Goodwill	12	78,556,550	67,115,100
Other intangible assets	13	171,339,065	136,176,482
Total intangible assets		249,895,614	203,291,582
 Tangible assets	14	3,069,814	3,140,157
Investments	16	38,000	38,000
		253,003,428	206,469,739
Current assets			
Debtors due within one year	18	30,531,168	26,339,395
Debtors due after one year	18	5,497,416	4,516,544
Total debtors		36,028,584	30,855,939
Cash at bank and in hand	19	102,146,282	101,729,856
		138,174,866	132,585,795
 Creditors: amounts falling due within one year	20	(101,599,090)	(91,699,091)
Net current assets		36,575,776	40,886,704
Total assets less current liabilities		289,579,205	247,356,443
 Creditors: amounts due after one year	21	(303,122,863)	(244,489,801)
Provisions for liabilities	22	(77,354,394)	(66,243,734)
Net liabilities		(90,898,052)	(63,377,093)
Capital and reserves			
Called-up share capital	26	15,632	15,632
Share premium account		1,207,368	1,207,368
Profit and loss account		(96,758,492)	(63,911,994)
Shareholders' funds		(95,535,492)	(62,688,994)
 Non-controlling interest		4,637,440	(688,099)
Total equity		(90,898,052)	(63,377,093)

The financial statements of Global Risk Partners Limited, registered number 08613882, were approved by the Board of Directors and authorised for issue on 1 December 2020. They were signed on its behalf by:



M Bruce
Director

GLOBAL RISK PARTNERS LIMITED

COMPANY BALANCE SHEET AS AT 31 MARCH 2020

		2020	2019
	Notes	£	£
Fixed assets			
Intangible assets	15	2,845,017	2,074,552
Tangible assets	15	74,103	43,243
Shares in group undertakings	16	1,173,000	1,173,000
		<u>4,092,120</u>	<u>3,290,795</u>
Current assets			
Debtors due within one year	18	78,922,796	30,839,927
Debtors due after one year	18	54,085	52,330
Cash at bank and in hand	19	8,682,562	18,230,985
		<u>87,659,443</u>	<u>49,123,242</u>
Creditors: amounts falling due within one year	20	(111,127,419)	(63,819,584)
Net current liabilities		<u>(23,467,976)</u>	<u>(14,696,343)</u>
Total assets less current liabilities		<u>(19,375,856)</u>	<u>(11,405,548)</u>
Net liabilities		<u>(19,375,856)</u>	<u>(11,405,548)</u>
Capital and reserves			
Called-up share capital	26	15,632	15,632
Share premium account		1,207,368	1,207,368
Profit and loss account		<u>(20,598,856)</u>	<u>(12,628,548)</u>
Shareholders' funds		<u>(19,375,856)</u>	<u>(11,405,548)</u>

The parent entity, Global Risk Partners Limited has taken exemption from presenting its unconsolidated profit and loss account under section 408 of the Companies Act 2006.

The Company made a loss of £7,970,308 for the year ended 31 March 2020 (2019: £1,156,987). The Company had no other comprehensive income

The financial statements of Global Risk Partners Limited, registered number 08613882, were approved by the Board of Directors and authorised for issue on 1 December 2020. They were signed on its behalf by:



.....
M Bruce
Director

GLOBAL RISK PARTNERS LIMITED

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

	Called-up share capital	Share premium account	Other reserves	Non- controlling interest	Put and call option	Profit and loss account	Total
	£	£	£	£	£	£	£
Balance at 1 April 2018 (as stated)	15,632	1,207,368	1,592,690	2,510,896	30,022,431	(45,719,842)	(10,370,825)
Adjustments:							
Put and call					(30,022,431)	3,195,682	(26,826,749)
Share based remuneration			(1,592,690)	(7,413,717)		3,334,580	(5,671,827)
As at 31 March 2018 (restated)	15,632	1,207,368	-	(4,902,821)	-	(39,189,579)	(42,869,400)
Balance at 1 April 2018 (as stated)							
As stated:							
Loss and total comprehensive income for the year	-	-	-	5,999,650	-	(23,916,438)	(17,916,788)
Non-controlling interest: distribution to former shareholders	-	-	-	2,496,487	-	-	2,496,487
Non-controlling interest: other distribution	-	-	-	(1,341,984)	-	(1,143,601)	(2,485,585)
Dividends	-	-	-	(2,142,304)	-	-	(2,142,304)
Put and call option					9,316,636		9,316,636
Adjustments:							
Put and call					(9,316,636)	2,835,259	(6,481,377)
Share based remuneration				(797,127)		(2,497,635)	(3,294,762)
As at 31 March 2019 (Restated)	15,632	1,207,368	-	(688,099)	-	(63,911,994)	(63,377,093)
Loss and total comprehensive income for the year	-	-	-	5,598,732	-	(32,846,498)	(27,247,766)
Non-controlling interest from acquisitions	-	-	-	2,589,686	-	-	2,589,686
Dividends	-	-	-	(2,862,879)	-	-	(2,862,879)
As at 31 March 2020	15,632	1,207,368	-	4,637,440	-	(96,758,492)	(90,898,052)

GLOBAL RISK PARTNERS LIMITED

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

	Called-up share capital	Share premium account	Profit and loss account	Total
	£	£	£	£
Balance at 1 April 2018	15,632	1,207,368	(11,471,561)	(10,248,561)
Loss and total comprehensive expense for the year	-	-	(1,156,987)	(1,156,987)
As at 31 March 2019 (Restated)	15,632	1,207,368	(12,628,548)	(11,405,548)
Loss and total comprehensive expense for the year	-	-	(7,970,308)	(7,970,308)
As at 31 March 2020	15,632	1,207,368	(20,598,856)	(19,375,856)

GLOBAL RISK PARTNERS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

		2020	2019
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	27	32,415,511	29,338,521
Income tax paid		(4,506,927)	(3,941,690)
Net cash inflow from operating activities		27,908,584	25,396,831
Cash flows from investing activities			
Purchase of intangible assets		(1,598,403)	(1,394,092)
Purchase of tangible assets	14	(710,679)	(437,141)
Proceeds on disposal of tangible assets		222,296	6,934
Acquisition of subsidiaries, net of cash acquired		(44,459,150)	(12,181,492)
Payment of deferred consideration and contingent liability	22	(16,354,500)	(21,043,280)
Interest received		182,770	162,080
Net cash outflow from investing activities		(62,717,666)	(34,886,991)
Cash flows from financing activities			
Dividends paid to non-controlling interest		(2,862,879)	(2,142,304)
Loan received		52,711,880	55,878,613
Acquisition of non-controlling interest		2,771,337	2,496,486
Sale/(purchase) of derivatives		16,608	(110,753)
Interest paid		(16,040,046)	(17,748,257)
Loan fees		(1,371,393)	-
Net cash inflows from financing activities		35,225,507	38,373,785
Net increase in cash and cash equivalents		416,425	28,883,625
Cash and cash equivalents at beginning of year		101,729,857	72,846,232
Cash and cash equivalents at end of year	19	102,146,282	101,729,857

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

a. General information and basis of accounting

Global Risk Partners Limited ("the Company") is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The registered office address is 2nd Floor, 50 Fenchurch Street, London, United Kingdom, EC3M 3JY. The registered company number is 08613882. The nature of the Group's operations and its principal activities are set out in the strategic report on pages 3 to 10.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council.

The functional currency of the Group is considered to be pounds sterling because that is the currency of the primary economic environment in which the Group operates. The consolidated financial statements are also presented in pounds sterling and are rounded to the nearest whole £, except where otherwise indicated.

No profit and loss account is presented for the Company as permitted by section 408 of the Companies Act 2006. The Company's loss for the year is disclosed in the balance sheet.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of certain disclosure exemptions available to it in respect of its financial statements.

In accordance with FRS 102, the Company in its individual financial statements has taken advantage of the exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.
-

b. Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 March each year.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Significant accounting policies (continued)

b. Basis of consolidation (continued)

Contingent consideration

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably and is adjusted for changes in contingent consideration after the acquisition date.

c. Going concern

The financial statements of the Group set out on pages 19 to 72 have been prepared on a going concern basis. At 31 March 2020, prior to exceptional costs associated with the Searchlight transaction, the Group reported an operating profit of £39.5m for the year.

The Directors consider the going concern basis to be appropriate following their assessment of the Group's financial position and its ability to meet its obligations as and when they fall due. In making the going concern assessment the Directors have taken into account the following:

- The current capital structure and liquidity of the group, following the transaction with Searchlight.
- The results of a cashflow forecast performed on the group for the period to November 2021 and a "stress-test" of that forecast.
- The principal risks facing the Group, including the potential financial and operational impacts of Covid-19, and its systems of risk management and internal control.
- The business trajectory of organic growth and continued execution of the M&A strategy.

Key assumptions that the Directors have made in preparing the base case cash flow forecasts are that:

- The Group has access to its recently agreed £140m Revolving Credit Facility and Acquisition Facility
- The group has sufficient cashflow and expense levers to generate further savings to offset any material deterioration beyond that anticipated
- A peak reduction in income across the planning horizon of more than 20%
- Mitigating actions including delayed capital expenditure, a reduction in discretionary spend and some reduction in employee headcount and remuneration.

Our stress testing further indicates that revenues would need to decline by more than 20% compared to FY20 to reach our covenants limits. The Directors consider these stress conditions to be a remote scenario.

The Directors have also considered the wider operational consequences and ramifications of the Covid-19 pandemic and have successfully implemented Business Continuity Plans and "Working from Home" practices across the Group.

In summary, the Directors are not aware of any material uncertainties that cast significant doubt on the Group's ability to continue as a going concern.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Significant accounting policies (continued)

d. Intangible assets - goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight-line basis over its useful economic life, which has been estimated to be 10 years. Provision is made for any impairment.

e. Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

f. Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, which are not considered to be in development, on a straight-line basis over its expected useful life, as follows:

Computer hardware:	4 years
Office equipment:	4 years
Furniture and fixtures:	4 years
Motor vehicles:	4 years
Leasehold improvements:	3 years
Freehold property:	2% straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

g. Intangible fixed assets

Intangible fixed assets are shown at purchase cost and amortised through the profit and loss account in equal instalments over the estimated useful life of the asset as follows:

Computer software:	4 years
Intellectual property:	6 years
Research and design:	3-5 years
Software licenses:	4 years
Website:	4 years
Customer relationships:	10 years

Cost associated with assets under construction are held within tangible fixed assets as they are incurred and qualify for depreciation at such time that they are complete.

A provision is made for any impairment.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Significant accounting policies (continued)

h. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

(i) Financial instruments

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The debt instruments held by the Group provide a fixed rate of return to the holder over the life of the instruments and there are no contractual provisions that could, by their terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods. These instruments are subsequently measured at *amortised cost using the effective interest method*.

(ii) Investments in subsidiaries

Investments in subsidiaries are measured at cost less provision for impairment. A subsidiary is an entity in which the Group has an interest of more than one-half of the voting rights or otherwise is able to demonstrate the power to exercise control over its operations. Investments in subsidiaries are recognised from the date at which control over their operations is transferred to the Group and will be derecognised at the date at which control ceases.

(iii) Cash and equivalents

Cash and equivalents comprise cash in hand and deposits which are readily available and which are subject to insignificant risks of changes in value and have an original maturity of three months or less at acquisition. The carrying amount of assets is approximately equal to fair value.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Significant accounting policies (continued)

i. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Group is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

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

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Significant accounting policies (continued)

j. Turnover

Turnover represents brokerage, profit commission and fees net of any commission payable to third parties. It arises on the placement of insurance contracts by the Company.

Brokerage is recognised when the company's contractual right to such income is established and to the extent that the Company's relevant obligations under the contracts concerned have been performed. For most of the Company's broking activities, this means that brokerage is recognised at the inception of the underlying contract of insurance concerned, subject to a deferral of brokerage in respect of post-placement services that constitutes obligations of the company under those contracts.

Where the amount of brokerage is dependent on the achievement of contractual targets, the minimum amounts under the contract are recognised on inception, and the incremental amounts arising are recognised when their targets concerned are achieved.

Where the amount of brokerage is dependent on the results of the business placed, the minimum amounts under the contract are recognised at inception, and any incremental amounts are recognised only to the extent that a reliable estimate of the amounts concerned can be made. Such estimates are made on a prudent basis that reflects the level of uncertainty involved.

Profit commission arising from the placement of insurance contracts or the exercise of an underwriting agency by the Company 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.

Revenue that has been credited in the Company's books, but not yet recognised as income in accordance with the policies described above, is credited to the deferred income account within accruals and deferred income in the Company's balance sheet.

Revenue that is recognised in accordance with this policy before it has been credited in the Company's books is included in insurance debtors in the Company's balance sheet.

In the case of proportional treaty insurance business and binding authorities, brokerage is recognised when the accounts are received. Fees are credited to the profit and loss account when invoiced to the client.

k. Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. *Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.*

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Significant accounting policies (continued)

l. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Other exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

m. Insurance intermediary assets and liabilities

Some of the group subsidiaries act as underwriting agents and as such are insurance intermediaries. Insurance intermediaries, generally, are not liable as principals for the amounts arising from such transactions. As such, insurance liability balances are shown net of the related insurance debtors to the extent to which the Group bears no risk.

n. Exceptional items

Exceptional items are material items possessing a high degree of abnormality which arise from events or transactions that fall outside the ordinary activities of the reporting entity and which are not expected to recur. An ongoing priority for the Group continues to be the integration of certain back office functions within each of the GRP businesses. As a result, the Company is subjected to one-off, non-recurring expenses which have been deemed exceptional and have been reported separately.

o. Share based payments

The fair value of the provision is measured at grant date and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. The provision vests upon a future realisation event if the award holder is still employed by Group at that date. Fair value is determined using an internally developed valuation model that discounts the expected future payment to the award holder. This amount was estimated by projecting the future performance and position of the group and discounted using an appropriate discount rate.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement of the vesting conditions. The movement in cumulative expense since the previous balance sheet date is recognised in the consolidated profit and loss account, with a corresponding adjustment to provisions.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

2 Critical accounting judgement and estimates and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Critical judgements and estimates in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

(i) Discount Factor (Estimate)

The discount factor has been used to determine the present value of goodwill and intangible assets when looking at possible impairments. As at 31 March 2020, the goodwill have been valued at £78,556,550 (2019: £67,115,000) and intangible assets at £171,339,065 (2019: £136,176,482).

The discount factor expresses the time value of money to calculate the present value of the expected future cash flows of the deferred consideration and goodwill and intangible asset impairment testing and can differ from periods, therefore, is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the affected goodwill.

(ii) Deferral of revenue (Judgement)

The Group defers revenue to reflect its obligation to provide claims handling services on policies placed prior to the period end date. The revenue deferred is set based on claims projections, which included judgements on the future profile of claims that will arise on income recognised in the period and utilising historic claims experience to set the underlying trend. Future costs to the Group to handle claims is based on existing directly attributable expenses plus an apportionment of overheads and management time.

(iii) Goodwill (Estimate)

The Group has assessed the useful life of goodwill arising on acquisition, taking into account a number of key factors including:

- a) projected cash flows;
- b) profit margins;
- c) renewal book retention giving rise to an accurate assessment of the number of years the existing business will remain in force;
- d) market conditions and how this impacts the business model;
- e) business reputation; and
- f) operational infrastructure mixed with the experience and knowledge retention of the key staff.

As a result of this assessment, the Group has determined that the useful life of goodwill is ten years and has calculated amortisation on this basis unless there is an indication of impairment, in which case a provision is made as required.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

3 Turnover

An analysis of the Group's turnover by geographical market is set out below.

	2020 £	2019 £
United Kingdom	121,875,578	95,059,779
United States of America	3,807,451	5,130,596
Europe	6,424,646	6,923,169
Rest of the World	5,605,524	4,972,765
	<u>137,713,199</u>	<u>112,086,309</u>

4 Other operating income

	2020 £	2019 £
Other operating income	841,016	1,857,141
Bank interest receivable	194,916	181,897
	<u>1,035,932</u>	<u>2,039,038</u>

Other operating income includes miscellaneous income receivable from across Group subsidiaries.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

5 Interest payable and similar expenses

	2020 £	2019 £
Interest payable and similar expenses	22,601,253	19,526,043
Less: Other interest receivable and similar income	(184,525)	(162,082)
	<u>22,416,728</u>	<u>19,363,961</u>

Interest payable and similar expense comprises interest charges payable on loans at fixed interest rate of 9% plus LIBOR and a variable rate up to 4.25% plus LIBOR.

6 Exceptional items

An analysis of the Group's exceptional items recorded after operating loss is set out below.

	2020 £	2019 £
Change program	7,935,590	911,049
Other exceptional items	428,037	310,903
	<u>8,363,627</u>	<u>1,221,952</u>

Exceptional items are for non-recurring one-off items borne during the year that are not day to day costs of running the business. Change program includes restructuring costs such as the cost of redundancies, (£1.1m), the implementation of Group wide IT systems, (£0.7m), and corporate finance services, (£5m). Other exceptional items include costs relating to setting up an entity in Ireland.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

7 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets (note 14)	1,001,566	1,286,296
Amortisation of intangible fixed assets (note 13)	17,479,477	15,172,983
Amortisation of goodwill (note 12)	9,474,152	12,238,173
Restructuring cost	8,342,258	1,221,952
Foreign exchange losses	55,244	315,101
Profit on sale of fixed assets	(98,884)	7,431,983
Operating lease charges	2,684,478	3,404,329

The analysis of the auditor's remuneration is as follows:

	2020 £	2019 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	306,750	100,833
The audit of the company's subsidiaries	193,250	259,167
Total audit fees	500,000	360,000
Taxation advisory services	57,000	36,000
Corporate finance services	2,331,000	400,000
Total non-audit fees	2,388,000	436,000

The Group incurred fees for non-audit services relating to advisory and due diligence services commissioned for completed acquisitions and prospective target acquisitions during the year.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

8 Staff numbers and costs

The average monthly number of employees (including executive directors) was:

	Group 2020 Number	Group 2019 Number	Company 2020 Number	Company 2019 Number
Directors and Managers	229	225	25	23
Underwriters	70	70	2	2
Brokers	377	306	-	-
Administration	303	276	72	41
Sales and distribution	554	567	-	-
	<u>1,533</u>	<u>1,445</u>	<u>99</u>	<u>66</u>

Their aggregate remuneration comprised:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	61,852,374	53,079,875	9,562,410	7,875,115
Social security costs	5,803,205	5,043,688	897,027	725,000
Other pension costs	2,793,260	2,430,390	291,660	251,223
	<u>70,448,839</u>	<u>60,553,953</u>	<u>10,751,097</u>	<u>8,851,338</u>

'Other pension costs' includes only those items included within operating costs. Items reported elsewhere have been excluded.

Pension contributions of £2,793,260 (2019: £2,430,390) were paid into defined contribution schemes during the year.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

9 Directors' remuneration and transactions

	2020 £	2019 £
Group directors' remuneration		
Emoluments	2,187,207	2,564,081
Company contributions to money purchase pension schemes	27,000	27,776
	<u>2,214,207</u>	<u>2,591,857</u>

	2020 Number	2019 Number
The number of group directors who:		
Are members of a money purchase pension scheme	1	1
Had awards receivable in the form of shares under a long-term incentive scheme	-	-

	2020 £	2019 £
Remuneration of the highest paid director:		
Emoluments	657,396	788,680
Company contributions to money purchase pension schemes	-	-
	<u>657,396</u>	<u>788,680</u>

The highest paid director did not exercise any share options in the year.

Directors' advances, credits and guarantees

Details of transactions with directors during the year are disclosed in note 30.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

10 Taxation

The tax charge/(credit) comprises:

	2020 £	2019 £
Current tax		
UK corporation tax	3,852,610	3,610,757
Adjustments in respect of prior year	(339,916)	(206,489)
Total current tax	<u>3,512,694</u>	<u>3,404,268</u>
Deferred tax		
Origination and reversal of timing differences	(3,476,650)	(1,922,589)
Adjustments in respect of prior year	1,116,497	(1,473,596)
Effect on change of tax rate on opening balance	2,660,523	-
Total deferred tax (see note 23)	<u>300,370</u>	<u>(3,396,185)</u>
Total tax charge/(credit)	<u><u>3,813,064</u></u>	<u><u>8,083</u></u>

Deferred tax at 31 March 2020 has been calculated based at 19%, the rate substantially enacted at the date of the Balance Sheet.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

10 Taxation (continued)

The differences between the total tax charge/(credit) shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	2020 £	2019 (Restated) £
Group loss on ordinary activities before tax	(23,434,702)	(18,368,208)
Tax on Group loss on ordinary activities at standard UK corporation tax rate of 19% (2019: 19%)	(4,452,593)	(3,489,960)
Effects of:		
Expenses not deductible for tax purposes	4,547,037	2,831,207
Movement in unrecognised deferred tax	106	49,363
Adjustments to tax charge in respect of previous year	751,899	(1,468,957)
Amounts relating to change in tax rates	2,662,372	1,363
Income not taxable	(523,674)	945,067
Non-deductible interest	1,327,168	1,140,000
Tax losses brought forward	(499,250)	-
Group total tax charge/(credit) for year	3,813,064	8,083

11 Share based payments

As part of certain business combinations, ordinary shares were issued by the acquiring intermediate holding company with service conditions attached. These conditions include that if a holder of these shares leaves employment from the Group before a realisation event, the Group has the opportunity to buy back the shares at the lower of the fair value or the price paid by the shareholders for the original shares.

The issue of shares with service conditions are treated as a cash-settled share based payment as the Group is obliged to buy the shares back. The share-based payment liability is calculated using a discounted cash flow model. The shares are assumed to vest on a realisation event.

The following amounts have been recognised in relation to share based payments:

	2020 £	2019 (Restated) £
Share Based Remuneration charge	5,233,032	3,505,300

GLOBAL RISK PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

12 Goodwill

		Group Goodwill £
Cost	Note	
At 31 March 2019 (Restated)	32	85,196,482
Acquisitions of subsidiaries	17	19,409,980
Additions		2,172,612
Disposal		(1,190,671)
At 31 March 2020		<u>105,588,403</u>
Amortisation		
At 31 March 2019 (Restated)		18,081,382
Charge for the year		9,474,152
Disposal		(1,190,671)
Impairment		666,990
At 31 March 2020		<u>27,031,853</u>
Net book value		
At 31 March 2019 (Restated)		<u>67,115,100</u>
At 31 March 2020		<u><u>78,556,550</u></u>

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

13 Other intangible assets	Computer software	Intellectual property	Research and design	Software licenses	Website	Customer relationships	Total
	£	£	£	£	£	£	£
Cost							
At 31 March 2019 (Restated)	4,415,343	153,088	802,349	151,016	899,435	167,041,746	173,462,977
Additions	1,333,365	-	138,866	893	125,282	15,994,831	17,593,237
Acquisitions of subsidiaries	11,866	-	-	-	358,431	35,858,249	36,228,546
Write-off of asset	-	-	-	(893)	(30,172)	(3,111)	(34,176)
At 31 March 2020	5,760,574	153,088	941,215	151,016	1,352,976	218,891,715	227,250,584
Amortisation							
At 31 March 2019 (Restated)	1,839,727	153,088	647,023	145,486	792,437	33,708,734	37,286,495
Accumulated amortisation	-	-	-	-	201,797	977,927	1,179,724
Charge for the year	478,095	-	111,259	3,683	70,528	16,815,912	17,479,477
Write-off of asset	-	-	-	(893)	(30,172)	(3,111)	(34,176)
At 31 March 2020	2,317,822	153,088	758,282	148,276	1,034,590	51,499,462	55,911,520
Net book value							
At 31 March 2019 (Restated)	2,575,616	-	155,326	5,530	106,998	133,333,012	136,176,482
At 31 March 2020	3,442,752	-	182,933	2,740	318,386	167,392,254	171,339,065

GLOBAL RISK PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

14 Tangible fixed assets	Computer hardware	Office equipment	Furniture and fixtures	Motor Vehicles	Freehold property	Leasehold improvement	Total
	£	£	£	£	£	£	£
Cost							
At 31 March 2019	4,265,385	3,196,758	1,002,583	770,792	861,979	2,473,125	12,570,622
Additions	496,419	79,953	61,506	-	-	72,813	710,691
Acquisitions of subsidiaries	482,089	639,665	609,316	27,000	-	96,936	1,855,006
Reclassification	-	-	315,318	-	-	-	315,318
Disposals / write off	(282,774)	(438,705)	(2,874)	(233,119)	-	(217)	(957,689)
At 31 March 2020	4,961,119	3,477,671	1,985,849	564,673	861,979	2,642,657	14,493,948
Depreciation							
At 31 March 2019	3,830,759	2,879,528	654,444	404,924	148,726	1,512,084	9,430,465
Accumulated depreciation acquired	353,307	529,273	527,400	8,434	-	92,647	1,511,061
Charge for the year	295,188	160,605	134,463	91,347	19,521	300,442	1,001,566
Reclassification	-	-	315,318	-	-	-	315,318
Disposals / write off	(276,005)	(378,230)	2,874	(182,698)	-	(217)	(834,276)
At 31 March 2020	4,203,249	3,191,176	1,634,499	322,007	168,247	1,904,956	11,424,134
Net book value							
At 31 March 2019	434,626	317,230	348,139	365,868	713,253	961,041	3,140,157
At 31 March 2020	757,870	286,495	351,350	242,666	693,732	737,701	3,069,814

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

15 Company fixed assets						
	Intangible			Tangible		
	Computer software	Website	Total	Computer hardware	Fixtures and fittings	Total
	£	£	£	£	£	£
Cost						
At 31 March 2019	2,070,137	102,500	2,172,637	66,802	57,564	124,366
Additions	875,061	53,910	928,971	48,043	7,075	55,118
Reclassification	-	-	-	-	-	-
At 31 March 2020	2,945,198	156,410	3,101,608	114,845	64,639	179,484
Amortisation/Depreciation						
At 31 March 2019	98,085	-	98,085	37,268	43,855	81,123
Charge for the year	158,506	-	158,506	16,979	7,279	24,258
At 31 March 2020	256,591	-	256,591	54,247	51,134	105,381
Net book value						
At 31 March 2019	1,972,052	102,500	2,074,552	29,534	13,709	43,243
At 31 March 2020	2,688,607	156,410	2,845,017	60,598	13,505	74,103
16 Fixed asset investment						
	Group 2020	Group 2019	Company 2020	Company 2019		
	£	£	£	£		
Subsidiary undertakings at 31 March 2020	-	-	1,173,000	1,173,000		
Non-trade investment	38,000	38,000	-	-		
Total	38,000	38,000	1,173,000	1,173,000		

GLC GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

17 Acquisition of subsidiary undertaking

On 1 May 2019, the Group acquired 100% of the issued share capital of Professional Insurance Agents Limited, a company incorporated in the United Kingdom.

On 1 May 2019, the Group acquired 100% of the issued share capital of Reid Briggs (Holdings) Limited, a company incorporated in the United Kingdom. Reid Briggs (Holdings) Limited acts as an intermediary holding company in the Group and controls 100% of 1 subsidiary within the Group that is incorporated in the United Kingdom.

On 1 May 2019, the Group acquired 100% of the issued share capital of Clifton Morley Associates Limited, a company incorporated in the United Kingdom.

On 9 May 2019, the Group acquired 100% of the issued share capital of The Insurance Group Limited, a company incorporated in the United Kingdom.

On 5 June 2019, the Group acquired 100% of the issued share capital of Meadons Holdings 1 Limited, a company incorporated in the United Kingdom. Meadons Holdings 1 Limited acts as an intermediary holding company in the Group and controls 100% of 1 subsidiary within the Group that is incorporated in the United Kingdom.

On 19 June 2019, the Group acquired 100% of the issued share capital of Tapco Limited, a company incorporated in the United Kingdom. Tapco Limited acts as an intermediary holding company in the Group and controls 75% of 1 subsidiary within the Group that is incorporated in the United Kingdom.

On 21 June 2019, the Group acquired 100% of the issued share capital of Rawlins Holdings Limited, a company incorporated in the United Kingdom. Rawlins Holdings Limited acts as an intermediary holding company in the Group and controls 100% of 1 subsidiary within the Group that is incorporated in the United Kingdom.

On 14 June 2019, the Group acquired 91.05% of the issued share capital of 3XD Limited, a company incorporated in the United Kingdom.

On 16 August 2019, the Group acquired 100% of the issued share capital of Health & Safety Click Limited, a company incorporated in the United Kingdom.

On 3 October 2019, the Group acquired 100% of the issued share capital of Millard Insurance Services Limited, a company incorporated in the United Kingdom.

On 14 November 2019, the Group acquired 89.94% of the issued share capital of Gauntlet Insurance Services Limited, a company incorporated in the United Kingdom.

On 2 December 2019, the Group acquired 100% of the issued share capital of Barpax Associates Limited, a company incorporated in the United Kingdom.

On 9 January 2020, the Group acquired 100% of the issued share capital of Minority Venture Partners 3 Limited, a company incorporated in the United Kingdom. Minority Venture Partners 3 Limited acts as an intermediary holding company in the Group and controls 80% of 1 subsidiary and 84% of 3 subsidiaries within the Group. All the subsidiaries are incorporated in the United Kingdom.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

17 Acquisition of subsidiary undertaking (continued)

On 23 January 2020, the Group acquired 100% of the issued share capital of Trimulgherry Investments (Southend) Limited, a company incorporated in the United Kingdom. Trimulgherry Investments (Southend) Limited acts as an intermediary holding company in the Group and controls 100% of 3 subsidiaries within the Group all of which are incorporated in the United Kingdom.

On 4 February 2020, the Group acquired 100% of the issued share capital of Anderson Ashcroft Limited, a company incorporated in the United Kingdom. Anderson Ashcroft Limited acts as an intermediary holding company in the Group and controls 100% of 1 subsidiary within the Group that is incorporated in the United Kingdom.

On 2 March 2020, the Group acquired 100% of the issued share capital of Manor Insurance Services Limited, a company incorporated in the United Kingdom.

On 11 March 2020, the Group acquired 100% of the issued share capital of R.T. Williams Insurance Brokers Limited, a company incorporated in the United Kingdom.

On 11 March 2020, the Group acquired 100% of the issued share capital of NIBL Holdings Limited, a company incorporated in the United Kingdom. NIBL Holdings Limited acts as an intermediary holding company in the Group and controls 95% of 1 subsidiary within the Group that is incorporated in the United Kingdom

	Fair value to group on acquisition
Intangibles	736,130
Tangibles	343,945
Debtors	6,001,439
Cash	10,382,797
Creditors < 1 year	(11,738,910)
Creditors >1 year	(397,394)
Net assets	5,328,007
Goodwill	19,409,980
Intangibles	35,858,249
Non Controlling interest	(1,316,509)
	59,279,727
Satisfied by:	
Cash	44,647,667
Deferred consideration	14,632,060
	59,279,727
Revenue	8,953,581
Profit	787,059

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

18 Debtors				
	Group 2020	Group 2019	Company 2020	Company 2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	16,650,953	14,668,002	-	-
Amounts owed by Group undertakings	-	-	73,363,844	29,956,874
Deferred tax	-	156,621	10,531	-
Current tax	-	-	3,492,608	-
Prepayments and accrued income	8,345,669	5,514,002	1,825,899	836,045
Other debtors	5,534,546	5,973,520	229,914	47,008
Foreign currency forward contracts	-	27,250	-	-
	<u>30,531,168</u>	<u>26,339,395</u>	<u>78,922,796</u>	<u>30,839,927</u>
Amounts falling due after one year:				
Directors' loan	5,497,416	4,516,544	54,085	52,330
	<u>5,497,416</u>	<u>4,516,544</u>	<u>54,085</u>	<u>52,330</u>

Details of directors loans for the directors across the Group are disclosed in note 30.

The amounts owed by Group undertakings are unsecured, non-interest bearing and will be settled in cash.

19 Cash at bank and in hand				
	Group 2020	Group 2019	Company 2020	Company 2019
	£	£	£	£
Insurance related & restricted	73,447,726	69,442,986	1,760,994	1,894,631
Own Cash	28,698,556	32,286,870	6,921,568	16,336,354
	<u>102,146,282</u>	<u>101,729,856</u>	<u>8,682,562</u>	<u>18,230,985</u>

Insurance related cash balances represent amounts held by the Group arising from the Group's insurance broking operations. Restricted cash balances consist of amounts held by the Group on behalf of insurers for the purposes of more efficiently discharging the Group's responsibilities for claims handling. A corresponding liability in respect of this amount is included within Trade creditors (see note 20).

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

20	Creditors: amounts falling due within one year				
		Group	Group	Company	Company
		2020	2019	2020	2019
		£	£	£	£
	Trade creditors	71,727,536	67,172,559	-	-
	Amounts owed to Group undertakings	-	-	102,023,931	62,602,504
	Corporation tax payable	1,174,344	2,209,373	-	(2,048,581)
	Other taxation and social security	1,812,553	1,841,214	370,192	277,552
	Other creditors	8,419,747	6,963,896	1,929,190	786,348
	Accruals and deferred income	16,054,960	11,543,006	6,804,106	2,201,761
	Foreign currency forward contracts	59,874	15,272	-	-
	Loans	2,350,076	1,953,771	-	-
		<u>101,599,090</u>	<u>91,699,091</u>	<u>111,127,419</u>	<u>63,819,584</u>

The amounts owed to Group undertakings are unsecured, non-interest bearing and will be settled in cash.

21	Creditors: amounts falling due after one year				
		Group	Group	Company	Company
		2020	2019	2020	2019
		£	£	£	£
	Loans	303,122,863	244,489,801	-	-
		<u>303,122,863</u>	<u>244,489,801</u>	<u>-</u>	<u>-</u>

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

21 Creditors: amounts falling due after one year (continued)

Borrowings are repayable as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Loans				
Between one and five years	123,189,530	99,556,468	-	-
Over five years	179,933,333	144,933,333	-	-
	<u>303,122,863</u>	<u>244,489,801</u>	<u>-</u>	<u>-</u>

Loans comprise loan notes issued by the Company and held by a noteholder at the year end, net of any directly attributable expenses incurred by the Company. As at 31 March 2020, £77,838,028 (2019: £73,556,668) loan notes were held by noteholders, and are shown net of attributable expenses.

On 31 October 2013, the Company created an Investor Loan Note Instrument comprising £80,000,000 secured loan notes of £1.00 each. Interest is payable on these loan notes issued and held by a noteholder at a rate of 9.0% per annum on the principal amount of each loan note together with the interest accrued in any prior periods which has not been paid.

In addition, on 31 October 2013, the Company entered into a composite debenture agreement with the noteholders, the effect of which was to grant a charge, by way of legal mortgage, fixed charge and floating charge, of full title guarantee over the Company's assets and capital, including those of the Company's direct and indirect subsidiary undertakings, as security for the issuance of the loan notes.

On 30 November 2017 the Company entered into a loan facility with Ares Management Limited and HSBC Bank Plc comprising £268,500,000 of committed funds. Interest is payable on committed and drawn funds at a variable rate of up to 7.5% plus LIBOR.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

22 Provisions for liabilities					
Group	Contingent consideration £	Deferred consideration £	Deferred taxation £	Share Based Payment Liability £	Total £
At 31 March 2019 (Restated)	39,032,811	2,012,440	18,093,166	7,105,317	66,243,734
Adjustment	4,994,654	844,381	8,119,037	-	13,958,072
Acquisition of subsidiaries	10,403,123	4,228,935	84,349	-	14,716,407
P&L Movement	-	-	(510,895)	5,233,032	4,722,137
Reclassification	3,875,516	(3,875,516)	-	-	-
Utilisation of provision	(20,016,714)	(2,269,242)	-	-	(22,285,956)
At 31 March 2020	38,289,390	940,998	25,785,657	12,338,349	77,354,394

The provision for deferred consideration is measured at fair value through profit and loss and after applying an appropriate discount rate. Changes in fair value attributable to changes to the Group's own credit risk are not considered material.

The provision for contingent consideration is recognised when the payment is probable and can be measured reliably. Changes in the value of the liability are adjusted to the cost of the combination.

The provision for share based payments relates to the expected future payout to shareholders who obtained shares outside of the original business combination.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

23	Deferred taxation		
	Group	2020 £	2019 (Restated) £
	Decelerated capital allowances	374,472	156,621
	Deferred tax asset	374,472	156,621
	Other short term timing differences	67,595	275,042
	Intangible timing differences	26,092,534	17,818,124
	Deferred tax liability	26,160,129	18,093,166

Deferred tax assets and liabilities are offset only where the Group has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the group.

Deferred tax balances have been provided at 19% (2019: 17%) being the substantively enacted rate the Balance Sheet date.

A deferred tax asset totalling £1,167,775 (2019: £760,872) has not been recognised in respect of timing difference relating to tax losses, fixed assets, and trading and non trading timing difference as it is not probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

24	Derivative financial instruments		
		2020 £	2019 £
	Assets		
	Foreign exchange forward contracts	-	27,250
	Liabilities		
	Foreign exchange forward contracts	59,874	15,272

Forward foreign currency contracts are valued using quotes forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

25	Financial instruments		
	Group	2020 £	2019 £
	Financial assets		
	Measured at undiscounted amount receivable:		
	Trade and other debtors (see note 18)	36,028,584	30,672,068
	Cash at bank and in hand (see note 19)	102,146,282	101,729,856
		<u>138,174,866</u>	<u>132,401,924</u>
	Instruments measured at fair value through profit and loss:		
	Foreign exchange forward contracts (See note 24)	-	27,250
	Non trade investments (see note 16)	38,000	38,000
		<u>38,000</u>	<u>65,250</u>
	Financial liabilities		
	Measured at fair value through profit and loss:		
	Deferred consideration liability (see note 22)	940,998	2,012,440
	Contingent consideration liability (see note 22)	38,289,390	39,032,811
	Foreign exchange forward contracts (See note 24)	59,874	15,272
		<u>39,290,262</u>	<u>41,060,523</u>
	Measured at amortised cost:		
	Loans payable (see notes 20 & 21)	305,472,939	246,443,572
	Trade creditors (see note 20)	71,727,536	67,172,559
		<u>377,200,475</u>	<u>313,616,131</u>
	Measured at undiscounted amount payable:		
	Other creditors (see note 20)	26,287,260	20,348,116
		<u>26,287,260</u>	<u>20,348,116</u>

Deferred consideration is measured at fair value through the profit and loss (see note 1).

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

25 Financial instruments (continued)

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	2020	2019
Group	£	£
Interest expense		
Total interest payable	(22,601,253)	17,748,257
	<u>(22,601,253)</u>	<u>17,748,257</u>

26 Called-up share capital and reserves

	Group Allotted		Company Called up and fully paid	
	2020	2019	2020	2019
	£	£	£	£
A ordinary shares of 1p each	6,000	6,000	6,000	6,000
B ordinary shares of 1p each	3,630	3,630	3,630	3,630
C ordinary shares of 1p each	2,182	2,182	2,182	2,182
D ordinary shares of £1 each	3,820	3,820	3,820	3,820
	<u>15,632</u>	<u>15,632</u>	<u>15,632</u>	<u>15,632</u>

Ordinary share rights

Any profits which the directors determine to distribute in respect of any financial year shall be distributed amongst the holders of the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares pro rata to the number of A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares held by each such holder.

The capital and assets of the Company on a winding-up or other return of capital available for distribution to the members of the Company shall be distributed amongst the holders of the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares pro rata to the number of A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares held by each such holder.

On a show of hands every holder of A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares who (being an individual) is present or (being a corporation) is present by a duly authorised representative (not being himself a member entitled to vote) shall have one vote and on a poll every member shall have the following votes: Five votes for each A Ordinary Share of which he is a holder; Four votes for each B Ordinary Share of which he is a holder; Five votes for each C Ordinary Share of which he is a holder; and One hundred votes for each D Ordinary Share of which he is a holder.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

26 Called-up share capital and reserves (continued)

Ordinary share rights (continued)

In the event that and for so long as an Event of Default subsists each Employee Member hereby undertakes to exercise all and any voting rights attaching to shares held by him as directed in writing by the Investor Director or, if there is no Investor Director, by shareholders holding not less than 50 per cent of the shares.

The provisions shall have effect in relation to any proposed payments to the holders of each class of A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares such that the respective values attributable to or payments to be made in respect of the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares shall be as are calculated in accordance with that Schedule.

Reserves

Reserves of the Company represent the following:

Share capital

Nominal value of share capital subscribed for.

Share premium account

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

Profit and loss account

Cumulative profit and loss net of distributions to owners.

Other reserves

The cumulative share-based payment expense.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

27 Cash flow statement

Reconciliation of total loss to cash generated by operations

	Notes	2020 £	2019 (Restated) £
Loss for the year		(27,247,766)	(18,376,291)
Adjustment for:			
Finance costs	5	21,587,925	17,748,257
Investment income	5	(184,525)	(162,080)
Loan amortisation	5	1,013,328	1,176,600
(Gain)/ loss on disposal of tangible asset	7	(98,884)	(6,934)
Fair value losses on foreign exchange contracts	7	55,244	315,101
Depreciation and amortisation	12, 13, 14	28,622,185	25,293,861
Share Based Remuneration		5,233,032	3,505,300
Corporation tax	10	3,813,064	8,083
Operating cash flow before movement in working capital		32,793,603	29,501,898
Movement in debtors		1,796,132	(1,124,664)
Movement in creditors		(2,174,224)	961,287
Cash (absorbed) / generated by operations		32,415,511	29,338,521
		2020	2019 (Restated)
Cash and cash equivalents represent:		£	£
Cash at bank and in hand	19	102,146,282	101,729,856
Bank overdrafts		-	-
Cash and cash equivalents		102,146,282	101,729,856

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

28 Post balance sheet events

On 12 June 2020 GRP UK Bidco Limited, an entity ultimately controlled by funds managed by Searchlight Capital Partners, LP (collectively "Searchlight") acquired a majority stake in the Group, following regulatory approval. As part of the transaction, the Group completed a refinancing of its debt and now has a £100m undrawn acquisition facility and a revolving credit of £40m.

On 7 August 2020 the Group purchased 100% of CJN Insurance Services Limited, a company incorporated in the United Kingdom.

On 7 August 2020 the Group purchased 100% of Britannia Consultants Services Limited, a company incorporated in the United Kingdom.

On 11 August 2020 the Group purchased 85% of The Premier Choice Healthcare Group Limited, a company incorporated in the United Kingdom.

On 14 September 2020 the Group purchased the renewal rights from Messrs. R F Broadley.

On 17 September 2020 the Group purchased 87.55% of Crotty Insurance Services Limited, a company incorporated in the Republic of Ireland.

On 23 September 2020 the Group purchased 100% of Managed Risk Solutions Limited, a company incorporated in the United Kingdom.

On 24 September 2020 the Group purchased 100% of Home Counties Insurance Services Limited, a company incorporated in the United Kingdom.

On 2 November 2020 the Group purchased 100% of The RIB Group, a company incorporated in the United Kingdom.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

29 Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Amounts due:				
Within one year	3,798,585	3,443,760	184,884	184,884
Between one and five years	7,879,503	8,303,317	138,663	325,547
After five years	1,111,050	1,212,202	-	-
	<u>12,789,138</u>	<u>12,959,279</u>	<u>323,547</u>	<u>510,431</u>

30 Related party transactions

Directors' transactions

During the year £5,100,247 was paid to P. Cullum as part of five acquisitions that occurred in the 2017/18, 2018/19 and 2019/20 financial years. During the year £91,711 was paid to D. Margrett as part of three acquisitions that occurred in the 2017/18, 2018/19 and 2019/20 financial years.

Other related party transactions

The Group entered into a 12 month lease with Cullum White Properties LLP, which is related to P. Cullum. A total of £51,265 (2019: £58,065) was paid during the year on behalf of Cullum White Properties LLP during the year.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

30 Related party transactions (continued)

Other related party transactions (continued)

Name of entity	(Due to)/ Receivable at 31 March 2019 £	Net change during the year £	(Due to)/ Receivable at 31 March 2020 £
Centrix Limited	12,000	-	12,000
City of London Underwriting Limited	(1,410,125)	1,393,951	(16,174)
GRP Wholesale Holdco Limited	809,800	741,000	1,550,800
GRP Retail Holdco Limited	7,799,402	3,049,377	10,848,779
Camberford Holdco Limited	327,523	-	327,523
GRP Retail Limited	(335,665)	(353,261)	(688,926)
Abbey Bond Lovis Limited	(4,092,086)	1,550,495	(2,541,591)
GRP Sterling Limited	3,068,655	668,382	3,737,037
ECS Insurance Brokers Limited	(188,197)	(236,810)	(425,007)
Cavendish Munro Professional Risks Limited	165,381	(157,887)	7,494
McGrady Limited	(2,220,347)	(438,539)	(2,658,886)
European Property Underwriting Limited	(5,820,525)	(422,227)	(6,242,752)
Marshall Wooldridge Limited	(2,318,205)	(1,146,553)	(3,464,758)
Ropner Insurance Services Limited	(2,233,329)	24,540	(2,208,789)
Plum Underwriting Limited	(2,343,312)	770,367	(1,572,945)
Lonmar Global Risks Limited	(9,196,960)	(3,245,013)	(12,441,973)
Higos Limited	-	123,391	123,391
Higos Holdings Limited	-	82,460	82,460
Higos Insurance Services Limited	(491,464)	(3,266,655)	(3,758,119)
John Beard & Son Limited	137	-	137

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

30 Related party transactions (continued)

Other related party transactions (continued)

	(Due to)/ Receivable at 31 March 2019 £	Net change during the year £	(Due to)/ Receivable at 31 March 2020 £
Greens Holdco Limited	(3,090,243)	(1,379,092)	(4,469,335)
Greens Holdco 1 Limited	(340,708)	1,030,298	689,590
Green Insurance Brokers Limited	509,421	(1,866,422)	(1,357,001)
Colin Fear Insurance Services Limited	1,299	-	1,299
Alan & Thomas Insurance Brokers Limited	(2,030,689)	(933,786)	(2,964,475)
Alan & Thomas Ins Broker Basingstoke Limited	76,474	-	76,474
Commercial & General Insurance Services Limited	(693,029)	110,284	(582,745)
Anglo Hibernian Bloodstock Insurance Services Limited	(167,082)	(27,514)	(194,596)
Minority Venture Partners 2 Limited	(344,099)	301,161	(42,938)
CICG Limited	(11,455,175)	(17,261,794)	(28,716,969)
County Insurance Consultants Limited	6,540,394	8,134,110	14,674,504
Thompson Brothers Ins Consultants Limited	272,671	(237,531)	35,140
Arthur Marsh & Son (Birmingham) Limited	409,588	269,670	679,258
GWI Limited	157,451	(134,310)	23,141
NMJ Insurance Brokers Limited	646,712	878,278	1,524,990
Inspire Risk Management Limited	484,836	517,895	1,002,731
CCIB Holdings Limited	21,015	4,599	25,614
Country & Commercial Insurance Brokers Limited	126,439	(63,767)	62,672
Camberford Law Limited	(8,009,973)	(2,920,797)	(10,930,770)
Clouddesk Limited	160,217	22,690	182,907

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

30 Related party transactions (continued)

Other related party transactions (continued)

	(Due to)/ Receivable at 31 March 2019 £	Net change during the year £	(Due to)/ Receivable at 31 March 2020 £
Thomas Sagar Insurances Limited	(300,591)	302,516	1,925
DCJ Insurance Services Limited	380	(5,449,408)	(5,449,028)
Digney Grant Limited	(744,607)	(449,411)	(1,194,018)
Guardian IB Limited	192,369	1,397,711	1,590,080
U-Sure Insurance Services Limited	77,181	(108,165)	(30,984)
Allcover Insurance Brokers Limited	-	(843,358)	(843,358)
PremierCare Insurance Brokers (UK) Limited	-	3,160	3,160
Cherish Insurance Brokers Limited	167	(829,142)	(828,975)
Lexicon Property Limited	167	(1,357,849)	(1,357,682)
Oasis Property Insurance Services Limited	-	(567,196)	(567,196)
KMGC Limited	-	(1,636,077)	(1,636,077)
RK Shipman Limited	-	(697,292)	(697,292)
Professional & Medical Insurance Solutions Limited	-	(531,356)	(531,356)
Trimulgherry Investments Limited	-	(166,647)	(166,647)
Swinford Insurance Consultants Limited	-	268,407	268,407
Douglas Insurance Brokers Limited	-	345,478	345,478
Key Insurance Group Limited	10,519	27,462	37,981
Shearwater Insurance Services Limited	-	299,375	299,375
Meadons Insurance Brokers Limited	-	253,581	253,581
The Insurance Group Limited	-	(560,903)	(560,903)

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

30 Related party transactions (continued)

Other related party transactions (continued)

	(Due to)/ Receivable at 31 March 2019 £	Net change during the year £	(Due to)/ Receivable at 31 March 2020 £
<i>Eric Rawlins & Co Limited</i>	-	543,096	543,096
Thomas Cook & Son Insurance Brokers Limited	-	10,117	10,117
Professional Insurance Agents Limited	-	(3,303)	(3,303)
3XD Limited	-	(200,064)	(200,064)
Millard Insurance Services Limited	-	577	577
Health & Safety Click Limited	-	(265,497)	(265,497)
Gauntlet Insurance Services Limited	-	157,361	157,361
Barpax Associates Limited	-	31,814	31,814
Clifton Morley Associates Limited	-	(204,092)	(204,092)
BHK Insurance Services Limited	-	(82,301)	(82,301)
DCJ Insurance & Risk Management Limited	(4,177,816)	4,177,816	-
	(40,134,029)	(20,552,600)	(60,686,629)

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

30 Related party transactions (continued)

Other related party transactions (continued)

The amounts outstanding are unsecured, non-interest bearing and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the year (2019: £nil) in respect of bad debts from related parties.

On 16 December 2014, loans totalling £300,000 were issued to 3 key managers (including 2 directors) of its subsidiary undertaking, Plum Underwriting Limited. The loans carry an interest rate of 3.25%. During the year, £nil of the loan was repaid (2019: £nil).

On 12 August 2015, loans totalling £1,110,000 were issued to 5 directors of its subsidiary undertaking, Abbey Bond Lovis Limited. The loans carry an interest rate of 3.5%. During the year, £nil (2018: £nil) of the loan was repaid, and £nil (2019: £12,133) was written off.

On 19 June 2017, loans totalling £16,600 was issued to 1 director of multiple subsidiaries across the Group. The loan carries an interest rate of 3.5%. During the year, £nil (2019: £nil) of the loan was repaid.

On 31 January 2018, loans totalling £1,952,277 were issued to 4 key managers (including 2 directors) of its subsidiary undertaking Camberford Law 2008 Limited. The loan carries an interest rate of 3.5%. During the year, £nil (2019: £nil) of the loan was repaid.

On 17 July 2018, loans totalling £567,000 were issued to 2 key managers (including 1 director) of its subsidiary undertaking, CICG Limited. The loan carries an interest rate of 3.5%. During the year, £83,338 (2019: £29,411) was repaid.

On 17 July 2019, loans totalling £786,855 were issued to 2 directors of its subsidiary undertaking, 3XD Limited which carries an interest rate of 3.5%. During the year, £nil (2019: £nil) of the loan was repaid.

31 Ultimate controlling party

Until 11 June 2020 there was no ultimate controlling party. After the purchase of a majority shareholding by Searchlight on 12 June 2020, the ultimate controlling party are funds managed by Searchlight Capital Partners, LP.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

32 Prior year adjustment

Put and Call

Previously, acquiring entities within the group recognised a liability attaching to the Put and Call option agreements that exist over minority shareholdings, representing the expected discounted value of those shares. In the consolidated financial statements, this liability was shown in reserves, with a corresponding asset in Intangible Assets. The put and call option does not meeting the definition of a derivative over equity under FRS 102 section 22 with no requirement to recognise the obligation (i.e. the 'gross' financial liability) to settle the put and call option as a put and call option reserve. No 'gross' financial liability should be recognised under FRS 102 section 22 and only fair value of the derivative liability should be recognised. The value of the option is zero as there is no fixed strike price for the exercise of the option and both the put and call option holders are entitled to the same equity value based on the proportion of the shares held for all acquisitions. Therefore, this treatment has been reversed, now reflecting that there is no liability on the acquiring entity itself for the Put and Call option.

As at 31 March 2019, the obligation to the non-controlling interests ('gross' financial liability) has been recognised at £39,338,767 (2018: £30,022,431) as 'Put and Call Option' in the Balance Sheet. As a result, the put and call option reserve has been eliminated from the financial statements. The accounting for each acquisition included an initial value of the put and call option as a cost of acquisition which increased the goodwill and intangible assets values recognised on acquisition of the subsidiary. The amortisation associated with the uplift of the goodwill and customer relationships intangible assets due to the put and call option has been eliminated along with the corresponding impact to the deferred tax liability associated with the customer relationship intangible. The correcting entry for the year ended 31 March 2019 is a decrease in goodwill of £34,571,101 (2018: £29,310,641), decrease in intangible of £4,035,221 (2018: £2,259,224) and decrease in deferred tax of £3,437,224 (2018: £2,671,330).

Non Controlling Interest

NCI are generally reflected in the Consolidated Balance Sheet as the share of assets and liabilities, at entity level, not "owned" by Group. As the Searchlight investment completed and the substantial real value of the shares held by the Shareholder became apparent, we determined that in certain circumstances where share awards were made to individuals outside our original transaction, the issue of shares should have been accounted for as a cash settled share based payment and not as a NCI. This is due to the services conditions upon the holder of the shares coupled with the shares being issued below fair market value so are classified as remuneration.

The correction of the accounting treatment results in a cash settled share based payment expense being recorded in the profit and loss account with a corresponding increase to liabilities on the balance sheet.

The correcting entry for the year ended 31 March 2019 is a share based payment expense of £3,505,300 (2018: £3,600,017), corresponding entry to the share based payment liability, with an accumulated share based payment liability of £7,105,317 as at 31 March 2019 and reclassification of the £1,592,690 Other reserve to Profit and Loss reserve to correct a previous share based remuneration amount.

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

32 Prior year adjustment (continued)

The table sets out the adjustment required to bring the accounting treatment in line with FRS 102:

	Put and call option reserve	Non Controlling Interest reserve	Profit and loss account	Other reserve
	£	£	£	£
As at 31 March 2018	30,022,431	2,510,896	(45,719,842)	1,592,690
2018 prior year adjustment	(30,022,431)	(7,413,717)	6,530,263	(1,592,690)
As at 31 March 2018 (restated)	-	(4,902,821)	(39,189,579)	-
As at 31 March 2019	39,338,767	7,522,745	(70,779,881)	1,592,690
2018 prior year adjustment	(30,022,431)	(7,413,717)	6,530,263	(1,592,690)
2019 prior year adjustment	(9,316,336)	(797,127)	337,625	-
As at 31 March 2019 (restated)	-	(688,099)	(63,911,994)	-

The table sets out the adjustments for the financial year ended 31 March 2019 and the cumulative effect as at 1 April 2018.

	2019 as previously stated	Adjustment	2019 Restated
	£	£	£
Income statement			
Amortisation charge	26,915,278	(3,403,591)	23,511,687
Share Based Remuneration	-	3,505,300	3,505,300
Tax charge	(349,711)	357,794	8,083
	<u>26,565,567</u>	<u>459,503</u>	<u>27,025,070</u>

Balance sheet			
Goodwill	101,686,201	(34,571,101)	67,115,100
Intangible assets	140,211,703	(4,035,221)	136,176,482
Share Based Remuneration Liability	-	(7,105,317)	(7,105,317)
Deferred tax liability	(21,530,390)	3,437,224	(18,093,166)
Net liabilities	(21,102,678)	(42,274,415)	(63,377,093)
Put and call option reserve	39,338,767	(39,338,767)	-

	2018 as previously stated	Adjustment	2018 Restated
	£	£	£
Income statement			
Amortisation charge	15,343,587	(3,508,272)	11,835,315
Share Based Remuneration Liability	-	3,600,017	3,600,017
Tax charge	158,507	279,010	437,517
	<u>15,502,094</u>	<u>370,754</u>	<u>15,872,848</u>

Balance sheet			
Goodwill	87,801,119	(29,310,641)	58,490,478
Intangible assets	112,015,409	(2,259,244)	109,756,165
Share Based Remuneration Liability	-	(3,600,017)	(3,600,017)
Deferred tax liability	(17,718,146)	2,671,326	(15,046,820)
Net liabilities	(10,370,825)	(32,498,575)	(42,869,400)
Put and call option reserve	30,022,431	(30,022,431)	-

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

33 Subsidiary Undertakings

Group investments

The parent Company and the Group have investments in the following subsidiary undertakings, associates and other investments:

Unless otherwise stated, all subsidiaries are incorporated in the United Kingdom with registered office of 50 Fenchurch Street, London, United Kingdom, EC3M 3JY.

Name of subsidiary undertaking	Nature of business	Class of share-holding	% Held	
			Direct	Indirect
3XD Limited	Insurance intermediary	Ordinary A, B		91%
Abbey Bond Lovis Limited	Insurance intermediary	Ordinary A, A2, B & B2		64%
Ability Services Limited	Dormant	Ordinary		58%
Alan & Thomas Holdings Company Ltd	Intermediate holding co.	Ordinary, A & B		64%
Alan & Thomas Insurance Brokers Basingstoke Ltd	Insurance intermediary	Ordinary		64%
Alan & Thomas Insurance Brokers Limited	Dormant	Ordinary		64%
Allcover Insurance Brokers Ltd	Insurance intermediary	Ordinary A, B & C		86%
Anglo Hibernian Bloodstock Insurance Services Limited	Insurance intermediary	Ordinary		86%
A.R.T Jeffries (Titchfield) Ltd	Dormant	Ordinary		63%
Arthur Marsh & Son (Birmingham) Limited	Insurance intermediary	Ordinary		58%
BB Insure Holdings Ltd	Intermediate holding co.	Ordinary A, B		86%
BB Insure Limited	Dormant	Ordinary		86%
Camberford Holdco Limited	Intermediate holding co.	Ordinary A, B & C		78%
Camberford Law 2008 Limited	Intermediate holding co.	Ordinary		78%
Camberford Law Ltd	Insurance intermediary	Ordinary		78%
Cavendish Munro Professional Risks Limited	Insurance intermediary	Ordinary A & B		69%
CCIB Holdings Limited	Intermediate holding co.	Ordinary A & B		64%

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

33 Subsidiary Undertakings (continued)

Name of subsidiary undertaking	Nature of business	Class of share- holding	% Held	
			Direct	Indirect
Centrix Insurance Holdings Ltd	Intermediate holding co.	Ordinary		77%
Cherish Insurance Brokers Ltd	Insurance intermediary	Ordinary A, B & C		85%
CICG Limited	Intermediate holding co.	Ordinary A, A1, A2,B, B1 B2 & deferred		58%
City of London Underwriting Agencies Limited	Insurance intermediary	Ordinary A & B		69%
CloudDesk Ltd	Insurance intermediary	Ordinary		78%
Colin Fear Insurance Services Ltd	Dormant	Ordinary		63%
Commercial and General Insurance Services Limited	Insurance intermediary	Ordinary		64%
Country & Commercial Insurance Brokers Ltd	Insurance intermediary	Ordinary		64%
County Insurance Consultants Limited	Insurance intermediary	Ordinary		58%
County Insurance NW Limited	Dormant	Ordinary		58%
David C Jones Insurance Services Ltd	Dormant	Ordinary		69%
DCJ Group Insurance & Risk Management Limited	Insurance intermediary	Ordinary A & B		69%
DCJ Insurance Services Ltd	Dormant	Ordinary		69%
¹ Digney Grant Ltd	Insurance intermediary	Ordinary		64%
Douglas Insurance Brokers Ltd	Insurance intermediary	Ordinary A		58%
EASI Holdings Ltd	Dormant	Ordinary		69%
EASI Ltd	Dormant	Ordinary		69%
ECS Insurance Brokers Limited	Insurance intermediary	Ordinary		79%
Eric Rawlins & Co Ltd	Insurance intermediary	Ordinary		58%
European Property Underwriting Limited	Insurance intermediary	Ordinary A, B & C		85%
Fed Agricultural Limited	Dormant	Ordinary A & B		64%
Gauntlet Insurance Services Ltd	Insurance intermediary	Ordinary A, B		77%

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

33 Subsidiary Undertakings (continued)

Name of subsidiary undertaking	Nature of business	Class of share-holding	% Held	
			Direct	Indirect
³ Global Risk Partners Intermediary Ltd	Intermediate holding co.	Ordinary		100%
GMM Commercial Insurance services Limited	Dormant	Ordinary & Ordinary C		63%
Green Insurance Brokers Limited	Intermediate holding co.	Ordinary & A		57%
Greens Holdco 1 Limited	Intermediate holding co.	Ordinary A, B		57%
Greens Holdco Limited	Intermediate holding co.	Management Preference, Preference, Ordinary A, B, C, D, E, F		86%
GRP Broking Holdco Ltd	Intermediate holding co.	Ordinary		100%
GRP Holdco 1 Ltd	Intermediate holding co.	Ordinary	100%	0%
GRP Holdco 2 Ltd	Intermediate holding co.	Ordinary		100%
GRP MGA Holdco Ltd	Intermediate holding co.	Ordinary		100%
GRP Retail Holdco Ltd	Intermediate holding co.	Ordinary A & B		100%
GRP Retail Limited	Insurance intermediary	Ordinary		86%
GRP Sterling Ltd	Intermediate holding co.	Ordinary A, B, C & D		77%
GRP Wholesale Holdco Ltd	Intermediate holding co.	Ordinary A & B, Deferred		100%
Guardian IB Limited	Insurance intermediary	Ordinary A & B		46%
G.W.I. Limited	Insurance intermediary	Ordinary		58%
Higos Holdings Ltd	Intermediate holding co.	Ordinary A, B, & C		63%
Higos Insurance Services Limited	Insurance intermediary	Ordinary		63%
Higos Ltd	Intermediate holding co.	Ordinary & Growth		63%
Inspire Risk Management Group Limited	Intermediate holding co.	Ordinary A		58%
Inspire Risk Management Limited	Insurance intermediary	Ordinary A		58%
Jaytom Limited	Intermediate holding co.	Ordinary		58%

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

33 Subsidiary Undertakings (continued)

Name of subsidiary undertaking	Nature of business	Class of share-holding	% Held	
			Direct	Indirect
John Beard & Son Ltd	Insurance intermediary	Ordinary A, B, C, D & E		63%
JSW Insurance Services Limited	Dormant	Ordinary		58%
Key Insurance Group Limited	Insurance intermediary	Ordinary A & B		64%
KMGC Ltd	Insurance intermediary	Ordinary		51%
Lexicon Property Ltd	Insurance intermediary	Ordinary		100%
Lonmar Global Risks Limited	Insurance intermediary	Ordinary		77%
Marshall Wooldridge Group Holdings Ltd	Intermediate holding co.	Ordinary A & B		79%
Marshall Wooldridge Holdings Ltd	Intermediate holding co.	Ordinary A & B		79%
Marshall Wooldridge Limited	Insurance intermediary	Ordinary A & B		79%
McGrady Limited	Insurance intermediary	Ordinary		79%
² McGrady Limited	Insurance intermediary	Ordinary		64%
Meadons Holdings 1 Ltd	Intermediate holding co.	Ordinary A		58%
Meadons Insurance Brokers Ltd	Insurance intermediary	Ordinary		58%
Mellerups General Insurance Limited	Insurance intermediary	Ordinary A, B, C & D		63%
Millard Insurance Services Limited	Insurance intermediary	Ordinary A		57%
Minority Venture Partners 2 Limited	Intermediate holding co.	Ordinary A, & B		71%
NMJ Holdings Limited	Intermediate holding co.	Ordinary		58%
NMJ Insurance Brokers Limited	Insurance intermediary	Ordinary		58%
Oasis Property Insurance Services Ltd	Insurance intermediary	Ordinary		100%
Plum Underwriting Limited	Insurance intermediary	Ordinary, Ordinary A & B		73%
Premier Care Insurance Brokers (UK) Ltd	Insurance intermediary	Ordinary		86%
Professional & Medical Insurance Solutions Ltd	Insurance intermediary	Ordinary & A		86%

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

33 Subsidiary Undertakings (continued)

Name of subsidiary undertaking	Nature of business	Class of share-holding	% Held	
			Direct	Indirect
Professional Insurance Agents Ltd	Insurance intermediary	Ordinary A, B, C, D & E		69%
Rawlins Holdings Ltd	Intermediate holding co.	Ordinary A		58%
Reid Briggs & Co Limited	Insurance intermediary	Ordinary		57%
Reid Briggs (Holdings) Limited	Intermediate holding co.	Ordinary		57%
Richardson & Wheeler Ltd	Insurance intermediary	Ordinary		57%
RK Shipman Ltd	Insurance intermediary	Ordinary A & B		86%
Ropner Insurance Services Limited	Insurance intermediary	Ordinary A, B & C		77%
Sagar Holdings (Accrington) Limited	Intermediate holding co.	Ordinary A, B & C		82%
Shearwater Insurance Services Ltd	Insurance intermediary	Ordinary A & B		86%
SLK General Insurance Services Limited	Dormant	Ordinary		86%
Swinford Insurance Consultants Ltd	Insurance intermediary	Ordinary		58%
Tapco Limited	Insurance intermediary	Ordinary		82%
The Insurance Group Ltd	Intermediate holding co.	Ordinary A & B		63%
Thomas Cook & Son Insurance Brokers Ltd	Insurance intermediary	Ordinary		82%
Thomas Sagar Holdings (Accrington) Limited	Intermediate holding co.	Ordinary A, B & C		82%
Thomas Sagar Holdings Limited	Intermediate holding co.	Ordinary A & B		82%
Thomas Sagar Insurances Limited	Insurance intermediary	Ordinary		82%
Thompson Brothers Holdings Limited	Intermediate holding co.	Ordinary A		58%
Thompson Brothers Insurance Consultants Limited	Insurance intermediary	Ordinary A		58%
Trimulgherry Investments Limited	Intermediate holding co.	Ordinary A, B, C & D		86%
U-Sure Insurance Services Ltd	Insurance intermediary	Ordinary A & B		80%
Viking Insurance Services Ltd	Insurance intermediary	Ordinary A & B		57%

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

33 Subsidiary Undertakings (continued)

Name of subsidiary undertaking	Nature of business	Class of share-holding	% Held	
			Direct	Indirect
Minority Venture Partners 3 Limited	Intermediate holding co.	Ordinary A, B, C & D		86%
L J B Management Co Limited	Intermediate holding co.	Ordinary A & B		69%
Birrell Group Limited	Intermediate holding co.	Ordinary A, B & C		69%
Kingsway Insurance Services Limited	Insurance intermediary	Ordinary A, B, & C		69%
Bausor Hall Associates Limited	Insurance intermediary	Ordinary		69%
Anderson Ashcroft Limited	Intermediate holding co.	Ordinary		82%
Anderson Ashcroft Insurance Brokers Limited	Insurance intermediary	Ordinary		82%
Manor Insurance Services Limited	Insurance intermediary	Ordinary		57%
R.T. Williams Insurance Brokers Limited	Insurance intermediary	Ordinary		57%
NIBL Holdings Limited	Intermediate holding co.	Ordinary & B		57%
NIB Insurance Brokers Limited	Insurance intermediary	Ordinary		57%
Barpax Associates Limited	Insurance intermediary	Ordinary		64%
Health & Safety Click Limited	Other	Ordinary & Preference		86%
Clifton Morley Associates Limited	Insurance intermediary	Ordinary A & B		57%
Trimulgherry Investments (Southend) Limited	Intermediate holding co.	Ordinary A & B		86%
BHK Insurance Services Limited	Insurance intermediary	Ordinary		86%
RMK Insurance Consultants Limited	Insurance intermediary	Ordinary		86%

¹ Registered office: 6 Sugar Island, Newry, BT35 6HT

² Registered office: Rathmore House, 52 St Patricks Avenue, Downpatrick, Co Down, BT30 6DS

³ Registered office: 88 Harcourt Street, Dublin 2, D02 DK18, Ireland

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

33 *Subsidiary Undertakings (continued)*

As a parent company, established under the law of the UK (an EEA state) for the financial year ended 31 March 2020, Global Risk Partners Limited took advantage of the exemption from audit under section 479A of the Companies Act 2006 for the following subsidiary undertakings:

Company name	Company number
3XD Limited	05729788
Abbey Bond Lovis Limited	00599387
Ability Services Limited	05984762
Alan & Thomas Holdings Company Limited	06909287
Alan & Thomas Insurance Brokers Basingstoke Limited	04217414
Alan & Thomas Insurance Brokers Limited	04514651
Allcover Insurance Brokers Limited	05040684
Anderson Ashcroft Insurance Brokers Limited	04567051
Anderson Ashcroft Limited	04168298
Anglo Hibernian Bloodstock Insurance Services Limited	03368447
A.R.T. Jeffries (Titchfield) Limited	01710251
Arthur Marsh & Son (Birmingham) Limited	05249040
Barpax Associates Limited	04643523
Bausor Hall Associates Limited	04571338
BB Insure (Holdings) Limited	08016524
BB Insure Limited	06687859
BHK Insurance Services Limited	05869942
Birrell Group Limited	10170067
Camberford Holdco Limited	09775141
Camberford Law 2008 Limited	6511574
CCIB Holdings Limited	06004494
Centrix Insurance Holdings Limited	06778303
Cherish Insurance Brokers Limited	02781995
CICG Limited	08529230
City of London Underwriting Agencies Limited	03471330
Clifton Morley Associates Limited	04697771
CloudDesk Limited	09164619
Colin Fear Insurance Services Limited	03985290
Commercial and General Insurance Services Limited	05078303
Country & Commercial Insurance Brokers Limited	05996852
County Insurance Consultants Limited	04787941
County Insurance NW Limited	07706094
DCJ Group Insurance & Risk Management Limited	02554999
EASI Limited	05332639
Digney Grant Limited	NI039850
Douglas Insurance Brokers Limited	00520385
EASI Holdings Limited	06450896
ECS Insurance Brokers Limited	02156767
Eric Rawlins & Co Limited	00418955
European Property Underwriting Limited	06686913
Fed Agricultural Limited	08946891
Gauntlet Insurance Services Limited	01735637

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

33 Subsidiary Undertakings (continued)

Company name	Company number
Global Risk Partners Intermediary Limited	635016
GMM Commercial Insurance services Limited	05735275
Green Insurance Brokers Limited	02086969
Greens Holdco 1 Limited	04386466
Greens Holdco Limited	08568295
GRP Broking Holdco Limited	09325602
GRP Holdco 1 Limited	08707767
GRP Holdco 2 Limited	08708194
GRP MGA Holdco Limited	08708482
GRP Retail Holdco Limited	09452808
GRP Retail Limited	09850559
GRP Sterling Limited	10121686
GRP Wholesale Holdco Limited	03054049
Guardian IB Limited	08048912
G.W.I. Limited	05031446
Health & Safety Click Limited	04228021
Higos Holdings Limited	02652872
Higos Insurance Services Limited	02667978
Higos Limited	09728114
Inspire Risk Management group Limited	09847096
Inspire Risk Management Limited	06509349
Jaytom Limited	08457080
John Beard & Son Limited	04232902
JSW Insurance Services Limited	04718583
Key Insurance Group Limited	02865749
Kingsway Insurance Services Limited	04535922
KMGC Limited	09723239
L J B Management Co Limited	11422510
Lexicon Property Limited	09724158
Manor Insurance Services Limited	04824667
Marshall Wooldridge Group Holdings Limited	10290398
Marshall Wooldridge Holdings Limited	04962272
Marshall Wooldridge Limited	01093348
Marshall Wooldridge South Yorkshire Limited	09042467
McGrady Limited	N1006094
Meadons Holdings 1 Limited	11942779
Meadons Insurance Brokers Limited	05035657
Mellerups (General Insurance) Limited	02369955
Millard Insurance Services Limited	04547385
Minority Venture Partners 2 Limited	10332035
Minority Venture Partners 3 Limited	10331462
NIB Insurance Brokers Limited	07028893
NIBL Holdings Limited	09262636
NMJ Holdings Limited	06886327
NMJ Insurance Brokers Limited	06886321
Oasis Property Insurance Services Limited	05603058

GLOBAL RISK PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

33 Subsidiary Undertakings (continued)

Company name	Company number
Premier Care Insurance Brokers (UK) Limited	04314343
Professional & Medical Insurance Solutions Limited	11367093
Professional Insurance Agents Limited	03012122
R M K Insurance Consultants Limited	02687525
R.T. Williams Insurance Brokers Limited	04994416
Rawlins Holdings Limited	06474123
Reid Briggs & Co Limited	00808427
Reid Briggs (Holdings) Limited	05978180
Richardson & Wheeler Limited	02816046
RK Shipman Limited	00575483
Sagar Holdings (Accrington) Limited	07516877
Shearwater Insurance Services Limited	02701633
SLK General Insurance Services Limited	03331820
Swinford Insurance Consultants Limited	04566971
Tapco Limited	07656280
The Insurance Group Limited	02080712
Thomas Cook & Son Insurance Brokers Limited	00774685
Thomas Sagar Holdings (Accrington) Limited	08844613
Thomas Sagar Holdings Limited	03634567
Thomas Sagar Insurances Limited	00610417
Thompson Brothers Holdings Limited	06241563
Thompson Brothers Insurance Consultants Limited	04553773
Trimulgherry Investments Limited	09390078
Trimulgherry Investments (Southend) Limited	11203181
U-Sure Insurance Services Limited	05273923
Viking Insurance Services Limited	09349721