

LIDLAW & COMPANY INTERNATIONAL LIMITED

AUDITED

**ANNUAL REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021



COMPANY INFORMATION

DIRECTORS

Mr H Regan
Mr P Silverman

REGISTERED NUMBER

06059026

REGISTERED OFFICE

Albany House
Claremont Lane
Esher
Surrey
KT10 9FQ

INDEPENDENT AUDITORS

Wellden Turnbull Limited
Chartered Accountants & Statutory Auditors
Albany House
Claremont Lane
Esher
Surrey
KT10 9FQ

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STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2021.

Business review

The directors report that the Company had an operating profit of £20,720 in 2021. The profit was attributable primarily to an increase in Gross Turnover of £90,745(36.9%) and a decrease in administrative expenses of £15,244(26.1%). Cost of Sales increased from 38.6% to 39.9% related to higher commission payouts related to increase in Turnover. Management is quite satisfied with the overall increase in Turnover of 36.9% as well as the decrease in administrative expenses of 26.1% as a percentage of Sales. Expense controls put in place during the year were effective in contributing the overall profitability.

Principal risks and uncertainties

The Company maintains and updates its policies relating to its own technology and surveillance capabilities, including Written Supervisory Procedures, which are updated throughout the fiscal year, and AML (anti money laundering) policies and procedures compliant with FCA and other regulatory requirements. In addition, the company, its affiliate and their clearing firm maintain multiple insurance policies covering fraud, theft, loss and many other potential liabilities.

The clearing firm is also required under contract to the Company's broker dealer affiliate as well as in accordance with a spectrum of regulatory requirements to maintain up to date technology, supervisory controls, and risk management policies and compliance procedures designed to protect and pre empt the Company from excessive financial risk or exposure. The Company also engages and relies on other third-party providers for additional financial, compliance and regulatory oversight.

The Company manages its exposure to liquidity risk by avoiding the use of any capital, loans or hire purchase contracts and by utilising a bank overdraft facility to provide both flexibility and continuity of funding, as and when required.

The Company does not trade, make markets or take positions in any securities. The Company has no exposure to interest rate risk as it never takes out any interest bearing loans from financial institutions.

Trade debtors primarily represent commission or fees receivable from our affiliate and its clearing house, StoneX (formerly INTL FCStone Inc.). The risks associated with this aspect of operations have been addressed above.

Other trade debtors result from the outsourcing of services. These are managed in respect of credit risk and cash flow by strict company policies concerning the credit offered to customers and the regular monitoring of amounts outstanding.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Financial key performance indicators

The directors consider that achieving growth above inflation over the long term in commissions, sales credits and fees receivable from its affiliated broker-dealer in the United States without risking its own capital while maintaining financial stability, business flexibility and a consistent gross margin constitute the primary key financial performance indicator for the Company.

An analysis of these key performance indicators in 2021 shows that Gross Turnover increased by 36.9% driven by an increase of 29.71 in Commissions and Sales Credits and an increase of 65.1%in Corporate Finance Fees. However, the gross margin from Commissions & Sales Credits and Corporate Finance Fees decreased slightly from 61.4% to 60.%, primarily related to the increase in Commission payouts associated with the increase in Turnover. Administrative Costs as a percentage of Sales decreased from 80.1% to 54.0% due to the continued emphasis on cost controls during the year. As such, Operating profit for the year was £20,720 related primarily to the increase in Turnover and reduction in administrative costs.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Other key performance indicators

The directors consider there are no other key performance indicators.

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

Mr H Regan
Director

Date: 14 December 2022

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

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

In preparing these financial statements, the directors are required to:

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

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

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review was that of an auxiliary financial intermediary. The Company is regulated by the Financial Conduct Authority ("FCA").

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £20,720 (2020 - loss £45,991).

The directors have recommended that no dividends be paid this year (2020 - £NIL).

DIRECTORS

The directors who served during the year were:

Mr H Regan
Mr P Silverman

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

FUTURE DEVELOPMENTS

The Company continues to explore strategic initiatives aimed at increasing the depth and scope of its business and addressing changes to the international markets related to the UK's outlook following BREXIT, changing conditions within the EU and overall global trends, including but not limited to incidences of inflation and other disruptive economic events. It expects to enhance its own offerings by utilizing the service platform and products available to it through its fully disclosed clearing firm, StoneX Group Inc. whose operations are situated in multiple regulatory and financial jurisdictions around the world.

In addition, in response to the changes that resulted from Brexit, the Company and the Company's parent have engaged counsel and other advisors to assist the group in determining a strategy designed to allow the Company and its affiliates to best service its customers that reside not only in the UK but also in certain EU countries.

As reported in prior filings, StoneX Group Inc. (NASDAQ Global Selected Market – SNEX) is a financial services company. The company provides financial products, and advisory and execution service. StoneX operates through five segments: Commercial Hedging, Global Payments, Securities, Physical Commodities and Clearing and Execution Services (CES).

The Commercial Hedging segment services its commercial clients through its team of risk management consultants.

The Global Payments segment provides solutions to banks and commercial businesses, as well as charities, non-government and government organisations.

The Securities segment provides solutions that facilitate cross border trading.

The Physical Commodities segment consists of its physical precious metals trading and physical agriculture and energy commodity business.

The CES segment seeks to provide clearing and execution of exchange traded futures and options for the institutional and trader market segments.

Management is hopeful that the greater scope and diversity will assist the Company in establishing an expanded presence in the United Kingdom and will potentially help us to better serve domestic and European clientele of its affiliate.

MATTERS COVERED IN THE STRATEGIC REPORT

Matters relating to financial risk management objectives and policies and a review of business has been included in the strategic report.

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

POST BALANCE SHEET EVENTS

Although the global pandemic, which began to escalate in the first Quarter of 2020, continued to have an impact on the overall business environment in both the US and the UK, the Company was able to continue its operations throughout 2021 and 2022 with minimum impact. Other global trends, including inflation and post-Covid slowdowns, combined with the ongoing potential for disruptive geopolitical events, are also factors in the Company's performance, strategy and outlook.

Although it is difficult to determine the overall financial impact these issues will have on the future business results and the directors are aware that, as of the date of this report, the Company's 2022 fiscal results are not showing a profit for the year-to-date period, the loss is not significant as the company expects, the directors are nonetheless were satisfied that the company's lesser than optimal performance is in line with industry trends and will not impair its ability to meet all of its statutory requirements in 2022 and future periods.

AUDITORS

Under section 487(2) of the Companies Act 2006, Wellden Turnbull Limited will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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

Mr H Regan
Director

Date: 14 December 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

OPINION

We have audited the financial statements of Laidlaw & Company International Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF (CONTINUED)

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance as to actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Agreeing revenue recognised in the period to supporting audit evidence and assessing the accuracy of revenue recognised based on revenue recognition criteria;
- Reviewing financial statement disclosures and verification to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF (CONTINUED)

USE OF OUR REPORT

This report is made solely to the Company's members 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.

Robin John FCA CTA (Senior Statutory Auditor)

for and on behalf of

Wellden Turnbull Limited

Chartered Accountants
Statutory Auditors

Albany House
Claremont Lane
Esher
Surrey
KT10 9FQ

15 December 2022

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	336,744	245,999
Cost of sales		(134,251)	(94,973)
GROSS PROFIT		<u>202,493</u>	<u>151,026</u>
Administrative expenses		(181,773)	(197,017)
OPERATING PROFIT/(LOSS)	5	<u>20,720</u>	<u>(45,991)</u>
Tax on profit/(loss)	9	-	-
PROFIT/(LOSS) AFTER TAX		<u><u>20,720</u></u>	<u><u>(45,991)</u></u>
Retained earnings at the beginning of the year		8,590	54,581
Profit/(loss) for the year		<u>20,720</u>	<u>(45,991)</u>
RETAINED EARNINGS AT THE END OF THE YEAR		<u><u>29,310</u></u>	<u><u>8,590</u></u>

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of income and retained earnings.

The notes on pages 12 to 19 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
CURRENT ASSETS			
Debtors: amounts falling due within one year	10	397,622	340,957
Cash at bank and in hand	11	416	3,223
		<hr/>	<hr/>
		398,038	344,180
Creditors: amounts falling due within one year	12	(307,470)	(274,332)
		<hr/>	<hr/>
NET CURRENT ASSETS		90,568	69,848
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		90,568	69,848
		<hr/>	<hr/>
NET ASSETS		<u>90,568</u>	<u>69,848</u>
CAPITAL AND RESERVES			
Called up share capital	13	1	1
Other reserves	14	61,257	61,257
Profit and loss account	14	29,310	8,590
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS		<u>90,568</u>	<u>69,848</u>

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

Mr H Regan
Director

Date: 14 December 2022

The notes on pages 12 to 19 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Laidlaw & Company International Limited is a private company, limited by shares, incorporated in England and Wales, registered number 06059026. The registered office is Albany House, Claremont Lane, Esher, Surrey KT10 9FQ.

The principal place of business is 521 5th Ave, 12h Floor, New York, NY 10175.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

These financial statements are presented in sterling, however the functional currency used by the company is US dollars. The financial statements are rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions applicable to FRS 102. There were no material departures from the standard.

2.3 Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Laidlaw Holdings Limited as at 31 December 2021 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Turnover includes commissions and fees, investment banking fees, placement fees, advisory fees and underwriting net of syndicate expenses, arising from security offerings in which the Company acts as an underwriter or agent.

Commission and clearing charges are recognised on a trade date basis as security transactions occur.

Advisory fees earned from providing merger-acquisition and financial restructuring advice are recognised when received.

Investment banking and placement fees are recognised on the closing date of the transaction.

Underwriting fees are recognised at the time the underwriting is complete.

Recharged expenses are recognised when the expenses have been incurred.

2.5 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to related parties.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.8 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional currency is US dollars. This differs from the presentational currency which is GBP. The reason for the difference is that the Company presents financial statements to the FCA in GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and retained earnings.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to statement of income and retained earnings on a straight-line basis over the lease term.

2.11 Taxation

Tax is recognised in statement of income and retained earnings except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

Judgements in applying accounting policies:

There are no significant judgements when applying accounting policies.

Key sources of estimation:

The Company utilises a Group staff resource. The Company considers that cost of this resource represents 50% of commission revenue.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Commissions and sales credits	186,284	178,375
Corporate finance fees	104,062	63,048
Recharged income	46,398	4,577
	<u>336,744</u>	<u>246,000</u>

The commissions and finances fees are derived from the United Kingdom market and recharged income from the United States of America.

5. Operating profit/(loss)

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

	2021 £	2020 £
Exchange differences	-	(14,167)
Other operating lease rentals	<u>48,236</u>	<u>66,801</u>

6. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>12,600</u>	<u>11,010</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Employees

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

	2021 £	2020 £
Wages and salaries	<u>32,506</u>	<u>32,974</u>

The company resources staff from other Group companies. The directors contracts of service are with other Group companies who recharge the company for services rendered.

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

	2021 No.	2020 No.
Directors and management	<u>2</u>	<u>2</u>

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	<u>32,506</u>	<u>32,974</u>

9. Taxation

	2021 £	2020 £
Current tax on profits for the year	-	-
	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below:

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	<u>20,720</u>	<u>(45,991)</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19 % (2020 - 19%)	3,936	(8,738)
Effects of:		
Utilisation of tax losses	(3,936)	-
Unrelieved tax losses carried forward	-	8,738
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

In March 2021, the Chancellor announced an increase in the corporation tax rate from 19% to 25% with effect from 1 April 2023.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	368,982	329,666
Other debtors	10,950	10,261
Prepayments and accrued income	17,690	1,030
	<u>397,622</u>	<u>340,957</u>

11. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>416</u>	<u>3,223</u>

12. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	24,552	42,867
Amounts owed to group undertakings	252,649	207,221
Accruals and deferred income	30,269	24,244
	<u>307,470</u>	<u>274,332</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1 (2020 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

14. Reserves

Other reserves

The special reserve represents a non-refundable capital contribution made to the Company.

Profit and loss account

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

15. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	<u>72,000</u>	<u>48,787</u>

16. Related party transactions

The Company is exempt under the terms of Financial Reporting Standard 102 (FRS102) paragraph 33.1A, from disclosing related party transactions with other group companies, on the grounds that the Company is wholly owned within the Group and the Company is included in consolidated financial statements prepared by the Group.

17. Parent company

The Company's immediate parent undertaking is Laidlaw Holdings Limited. The consolidated financial statements of Laidlaw Holdings Limited may be obtained from Companies House or from its registered office Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ.

There is no ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.