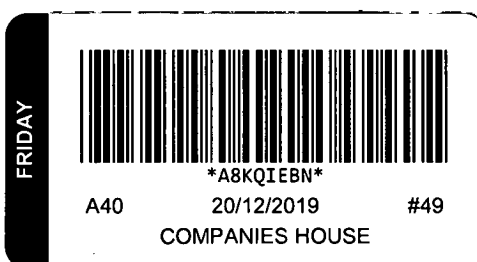

HOWDEN BROKING GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019



HOWDEN BROKING GROUP LIMITED

COMPANY INFORMATION

Directors

A D J B Collins (resigned 1 October 2018)
D P Howden (resigned 1 October 2018)
R B Scott
C P R Evans (resigned 7 November 2018)
S J Lakey (resigned 7 November 2018)
P Vashinta (resigned 7 November 2018)
J M Gonzalez Perez
L M Grobler (resigned 7 November 2018)
C H Goh (resigned 7 November 2018)
L F Reina
D Sever (resigned 7 November 2018)
H A Yilmaz (resigned 7 November 2018)
S R Thieriet (appointed 15 July 2019)
A Bragoli (appointed 11 October 2019)

Company secretary Andrew John Moore

Registered number 06249799

Registered office One Creechurch Place
London
EC3A 5AF

Independent auditor Deloitte LLP
Statutory Auditor
London
United Kingdom

HOWDEN BROKING GROUP LIMITED

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HOWDEN BROKING GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019

The Directors present their report and the audited financial statements for the year ended 30 September 2019.

Principal activity

The principal activity of the Company is that of a holding company which provides management and other support services for a group of insurance brokers. The results of the Company for the year include the costs of the Howden Broking Group Spanish branch office.

Results and dividends

The profit for the year, after taxation, amounted to £42,970,000 (2018 - £170,522,000).

Dividends of £63,079,000 were declared from operating subsidiaries during the current year (2018 - £192,750,000). During the current year a dividend of £84,179,000 was declared (2018 - £145,000,000).

No further dividends have been recommended for payment.

Directors

The Directors who served during the year were:

A D J B Collins (resigned 1 October 2018)
D P Howden (resigned 1 October 2018)
R B Scott
C P R Evans (resigned 7 November 2018)
S J Lakey (resigned 7 November 2018)
P Vashinta (resigned 7 November 2018)
J M Gonzalez Perez
L M Grobler (resigned 7 November 2018)
C H Goh (resigned 7 November 2018)
L F Reina
D Sever (resigned 7 November 2018)
H A Yilmaz (resigned 7 November 2018)
S R Thieriet (appointed 15 July 2019)
A Bragoli (appointed 11 October 2019)

Future developments

The outlook for the Company remains positive for the foreseeable future despite recent economic uncertainties. Dividend receipts are expected to continue from subsidiaries in future years and the Company expects to continue acquiring companies that support the Howden strategy.

Directors' indemnities

Hyperion Insurance Group Limited, the ultimate holding company, has made qualifying third party indemnity provisions for the benefit of the Company Directors during the year and which remain in force at the date of this report.

HOWDEN BROKING GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

Going concern

The Company's business activities, future prospects, business risks and uncertainties, financial risk, management and details of its financial instruments and hedging activities are set out in the Strategic Report. The Company has adequate financial resources and its businesses are geographically diverse. As at 30 September 2019, the Company has net assets of £665,185,000 and net current assets of £373,557,000. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully.

The Company participates in Hyperion Insurance Group Limited's centralised treasury and financial arrangements and shares banking arrangements with its parent and fellow subsidiaries.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from the date of signing of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Matters covered in the Strategic Report

The following information has been included in the Strategic Report and incorporated into this report by reference:

- Financial risk management

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with provisions of s418 of the Companies Act 2006.

Post balance sheet events

Please refer to note 27 for more information on post balance sheet events.

Auditor

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with s485 of the Companies Act 2006.

This report was approved by the board on 13 December 2019 and signed on its behalf.

J M Gonzalez Perez
Director



HOWDEN BROKING GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019

Business review

The Company made a profit after tax for the year ended 30 September 2019 of £42,970,000 (2018: £170,522,000). The main sources of income were dividend income and group management fee income from subsidiary companies.

The Company monitors performance by considering the underlying subsidiary and associate company results, including staff costs compared to revenue.

The Company received dividend income of £63,079,000 (2018: £192,750,000), of which £40,000,000 (2018: £180,000,000) was received from UK companies.

During the year the Company incurred an impairment charge of £6,669,000 (2018: £14,848,000) following a review of the carrying value of the investments held. £1,680,911 (2018: £12,900,000) of this related to the re-organisation of the UK business.

Other key performance indicators

Financial Position

As at 30 September 2019, the Company had net assets of £665,185,000 (2018: £705,757,000) and net current assets of £373,557,000 (2018: £435,933,000). After making appropriate enquiries, the Directors have reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from the date of signing of these financial statements. Accordingly, they continue to adopt the going concern basis of preparation for the annual report and financial statements.

Principal risks and uncertainties

The Company provides management and other support services for an international group of insurance brokers. The Company's income for the year is derived from management charges to its subsidiary companies for management and other support services, interest on loans issued and dividends.

The international nature of the group exposes its revenues and earnings to currency fluctuations, mainly Sterling/US Dollar and Sterling/Euro, as well as interest rate fluctuations, which affect its investment income. The Company has put in place appropriate hedging strategies to manage this risk.

In respect of Brexit, Howden's regulated entities have implemented plans, including making the necessary changes to corporate structures, to mitigate the risk of a 'hard' Brexit.

HOWDEN BROKING GROUP LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

Financial Risk Management

The Company's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to currency or interest rate risks. Its policy is to finance working capital through retained earnings and Group borrowings at prevailing market interest rates. Acquisitions are funded through the combination of retained earnings, additional equity and loans from other group companies.

The Company's working capital comprises principally of debtors, creditors and cash. These balances are denominated in various currencies, predominantly Sterling, US Dollars and Euros. To minimise the foreign exchange exposure the Company will endeavour to match foreign currency assets with liabilities of similar maturities and vice versa. Where this is not possible for material exposures the Company will endeavour occasionally to purchase an appropriate financial instrument, although none have been purchased in either the current or previous year.

The Company's principal financial assets are cash and trade and other receivables. The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company outsources its treasury arrangements to HIG Finance 2 Limited, a fellow group company, which uses a mixture of long-term and short-term debt finance.

As disclosed in Note 25, the Company is a guarantor of the Hyperion Group's main financing facilities taken out by fellow subsidiaries of the Group.

This report was approved by the board on 13 December 2019 and signed on its behalf.



J M Gonzalez Perez
Director

HOWDEN BROKING GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2019

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

Company law requires the Directors to prepare audited financial statements for each financial year. Under that law the Directors have elected to prepare the audited 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 audited 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 audited financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

HOWDEN BROKING GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOWDEN BROKING GROUP LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Howden Broking Group Ltd (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 30 September 2019 and of its profit 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 Income Statement;
- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement in Changes in Equity; and
- the related notes 1 to 29.

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 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 Director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

HOWDEN BROKING GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOWDEN BROKING GROUP 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 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.

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

HOWDEN BROKING GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOWDEN BROKING GROUP 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, 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 Director's 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 the audit 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.



Mark McIlquham, ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

Date: 13 December 2019

HOWDEN BROKING GROUP LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	Note	2019 £000	2018 £000
Administrative expenses		(15,573)	(10,106)
Other operating income	4	11,254	7,401
Operating loss	5	(4,319)	(2,705)
(Loss)/profit on disposal of investments		(92)	3,567
Dividends received from Group companies	9	63,079	192,750
Impairment on investments		(6,669)	(14,848)
Interest receivable and similar income	10	1,662	13
Interest payable and similar expenses	11	(12,424)	(9,928)
Profit before tax		41,237	168,849
Tax on profit	12	1,733	1,673
Profit for the financial year		42,970	170,522

All results were derived from continuing operations.

The notes on pages 13 to 42 form part of these financial statements.

HOWDEN BROKING GROUP LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	2019 £000	2018 £000
Profit for the financial year	42,970	170,522
Other Comprehensive Income		
Translation of foreign operations	599	(517)
Total comprehensive income for the year	43,569	170,005

The notes on pages 13 to 42 form part of these financial statements.

HOWDEN BROKING GROUP LIMITED
REGISTERED NUMBER: 06249799

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

	Note	2019 £000	2018 £000
Fixed assets			
Intangible assets	14	-	-
Tangible assets	15	-	-
Investments	16	533,054	442,425
		<u>533,054</u>	<u>442,425</u>
Current assets			
Debtors: amounts falling due after more than one year	17	17,778	-
Debtors: amounts falling due within one year	17	707,084	645,808
Cash at bank and in hand	18	2,113	374
		<u>726,975</u>	<u>646,182</u>
Creditors: amounts falling due within one year	19	(353,418)	(210,249)
Net current assets		<u>373,557</u>	<u>435,933</u>
Total assets less current liabilities		<u>906,611</u>	<u>878,358</u>
Creditors: amounts falling due after more than one year	20	(241,426)	(172,601)
Net assets		<u><u>665,185</u></u>	<u><u>705,757</u></u>
Capital and reserves			
Called up share capital	24	29,679	29,679
Share premium account	25	594,767	594,729
Foreign exchange reserve	25	82	(517)
Other reserves	25	593	5,490
Profit and loss account	25	40,064	76,376
		<u><u>665,185</u></u>	<u><u>705,757</u></u>

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

13 December 19


J M Gonzalez Perez
 Director


S R Thieriet
 Director

HOWDEN BROKING GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Called up share capital £000	Share premium account £000	Foreign exchange reserve £000	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 October 2017	29,679	594,729	-	10,123	46,221	680,752
Comprehensive income for the year						
Profit for the year	-	-	-	-	170,522	170,522
Translation of foreign operations	-	-	(517)	-	-	(517)
Total comprehensive income for the year	-	-	(517)	-	170,522	170,005
Dividends: Equity capital	-	-	-	-	(145,000)	(145,000)
Transfer to/from profit and loss account	-	-	-	(4,633)	4,633	-
Total transactions with owners	-	-	-	(4,633)	(140,367)	(145,000)
At 1 October 2018	29,679	594,729	(517)	5,490	76,376	705,757
Comprehensive income for the year						
Profit for the year	-	-	-	-	42,970	42,970
Translation of foreign operations	-	-	599	-	-	599
Share based payment	-	38	-	-	-	38
Total comprehensive income for the year	-	38	599	-	42,970	43,607
Dividends: Equity capital	-	-	-	-	(84,179)	(84,179)
Transfer to/from profit and loss account	-	-	-	(4,897)	4,897	-
Total transactions with owners	-	-	-	(4,897)	(79,282)	(84,179)
At 30 September 2019	29,679	594,767	82	593	40,064	665,185

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. General information

Howden Broking Group Limited ("the Company") is a private company limited by shares and is incorporated in the United Kingdom and registered in England and Wales. The address of its registered office is One Creechurch Place, London, EC3A 5AF.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

2. Accounting policies

2.1 Basis of preparation of financial statements

The following accounting policies have been applied in dealing with items that are considered material in relation to the financial statements.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom 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).

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company meets the definition of a qualifying entity and 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 4 Statement of Financial Position paragraph 4.12(a)(iv);
- 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 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Hyperion Insurance Group Limited as at 30 September 2019 and these financial statements may be obtained from The Group Finance Department, One Creechurch Place, London, EC3A 5AF.

2.3 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.4 Going concern

The Company's business activities, future outlook, business risks and uncertainties and risk management are set out in the Directors' Report and Strategic Report. As at 30 September 2019 the Company has net assets of £665,185,000 and net current assets of £373,557,000.

Having considered the aforementioned, and after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from the date of signing of these financial statements. Accordingly, the Company continues to adopt the going concern basis in preparing the financial statements.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 4 - 5 years
--------------------	---------------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

2.6 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Investments are assessed at each balance sheet date to determine whether there is any indication that they are impaired using the method outlined in 2.8.

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.8 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.

2.9 Dividends receivable

Dividends received are recognised in the period in which they are declared and approved by the company paying the dividend.

Equity dividends declared at the discretion of the Company are recognised in the period in which they are declared and approved by shareholders.

2.10 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.

2.11 Financial instruments

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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

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

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.11 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 Creditors

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

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Pounds Sterling.

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 translated 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 Income Statement.

Foreign exchange gains and losses that relate to borrowings are presented in the Income Statement within 'finance income or costs'.

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.14 Financial liabilities

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Financial liabilities within the scope of IAS 39 are initially classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequently, the measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. Derivatives, including separately embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Group becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Derecognition of financial liabilities

A liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as an exchange or modification, this is treated as a derecognition of the original liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

2.15 Finance costs

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

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.16 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.17 Holiday pay accrual

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

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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 reporting date in the countries where the Company operates and generates income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

3. Management assumptions and estimates

The following involve estimations that the members 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:

(a) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable value of an asset is determined based on value-in-use calculations or multiple earnings calculation prepared on the basis of management's assumptions and estimates. For value in use calculations, assumptions include discount rates, cash generation potential and long term growth rates depending on regional economic performance and industry trends. For multiple earnings calculations, assumptions include adjustments to historic or projected earnings to form a baseline earning and which multiple to use based on recent market trends.

The carrying amount of investments at the balance sheet date was £533,054,000.

(b) Deferred consideration and put options on non-controlling interests

The value of deferred consideration payable and put options on non-controlling interest is contingent upon the results of the acquired businesses and any other specified performance criteria set out in the applicable sale and purchase agreements and consideration are made whether or not these are at fair value. Assumptions include budgets and projections for acquired businesses for relevant future periods and current market trends.

The carrying amount of deferred consideration at the balance sheet date was £3,077,000.

4. Other operating income

	2019 £000	2018 £000
Management fee income from subsidiaries	7,956	5,086
Interest income from fellow group companies	3,298	2,315
	<u>11,254</u>	<u>7,401</u>

5. Operating loss

The operating loss is stated after charging:

	2019 £000	2018 £000
Exchange differences	<u>1,744</u>	<u>2,519</u>

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

6. Auditor's remuneration

	2019 £000	2018 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	19	17
	<u>19</u>	<u>17</u>
Fees payable to the Company's auditor and its associates in respect of:		
Other services relating to taxation	34	6
	<u>34</u>	<u>6</u>
	<u>34</u>	<u>6</u>

7. Employees

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

	2019 £000	2018 £000
Wages and salaries	5,200	2,904
Social security costs	207	202
Other staff costs	148	159
Cost of defined contribution scheme	73	62
	<u>5,628</u>	<u>3,327</u>
	<u>5,628</u>	<u>3,327</u>

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

	2019 No.	2018 No.
Directors and management	4	4
Insurance professionals	1	2
Administration	14	9
	<u>19</u>	<u>15</u>
	<u>19</u>	<u>15</u>

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

8. Directors' remuneration

	2019 £000	2018 £000
Directors' emoluments	438	431
Company contributions to defined contribution pension schemes	16	18
	<u>454</u>	<u>449</u>

The highest paid Director received remuneration of £223,000 (2018 - £171,000).

The value of the Company's contribution paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £12,000 (2018 - £10,000).

Seven of the Directors are employees of subsidiaries of the Company (2018 - seven) and are remunerated by the subsidiary company. Total payment made to these Directors was £1,259,000 during the year (2018 - £4,073,000). Six out of 7 Directors resigned on 7 November 2019.

Three of the Directors are not employees of the Company or its subsidiaries (2018 - three) and receive no remuneration for their services in respect of the Company and its subsidiaries.

9. Dividends received from group companies

	2019 £000	2018 £000
Dividends received from unlisted investments	63,079	192,750
	<u>63,079</u>	<u>192,750</u>

10. Interest receivable

	2019 £000	2018 £000
Preference share interest	724	-
Other interest receivable	18	13
External loan interest	920	-
	<u>1,662</u>	<u>13</u>

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

11. Interest payable and similar expenses

	2019 £000	2018 £000
Loans from group undertakings	11,562	9,315
Unwinding of deferred consideration	862	613
	<u>12,424</u>	<u>9,928</u>

12. Taxation

	2019 £000	2018 £000
Corporation tax		
Current tax on profits for the year	(1,893)	(1,793)
Adjustments in respect of previous periods	91	17
	<u>(1,802)</u>	<u>(1,776)</u>
Foreign tax		
Foreign tax on income for the year	165	142
	<u>165</u>	<u>142</u>
Total current tax	<u>(1,637)</u>	<u>(1,634)</u>
Deferred tax		
Origination and reversal of timing differences	1	(25)
Adjustment in respect of prior periods	(97)	(14)
	<u>(96)</u>	<u>(39)</u>
Total deferred tax	<u>(96)</u>	<u>(39)</u>
Taxation on profit	<u>(1,733)</u>	<u>(1,673)</u>

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

12. Taxation (continued)**Factors affecting tax charge for the year**

The table below reconciles the UK statutory tax charge to the Company's total tax credit:

	2019 £000	2018 £000
Profit before tax	41,237	168,849
Profit multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	7,835	32,081
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	1,267	2,821
Expenses not deductible for tax purposes	152	72
Adjustments to tax charge in respect of prior periods	(6)	3
Non-taxable income	15	(947)
Non creditable taxes including withholding taxes	165	129
Dividends from group companies	(11,985)	(36,622)
Movements on Spanish branch tax	(67)	(45)
Transfer pricing adjustments	891	835
Total tax charge for the year	(1,733)	(1,673)

Factors that may affect future tax charges

In the Finance Act 2016 changes to future rates of Corporation tax were enacted. Under this legislation the rate of Corporation tax will reduce to 17% from April 2020. The Company's deferred tax balances have been recognised at 19% or 17% depending on when the timing/temporary differences are expected to be reversed.

13. Dividends

	2019 £000	2018 £000
Dividend paid	84,179	145,000
	84,179	145,000

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

14. Intangible assets

	Goodwill £000
Cost	
At 1 October 2018	94
At 30 September 2019	94
Amortisation	
At 1 October 2018	94
At 30 September 2019	94
Net book value	
At 30 September 2019	-
At 30 September 2018	-

15. Tangible fixed assets

	Computer equipment £000
Cost or valuation	
At 1 October 2018	91
At 30 September 2019	91
Depreciation	
At 1 October 2018	91
At 30 September 2019	91
Net book value	
At 30 September 2019	-
At 30 September 2018	-

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

16. Fixed asset investments

	Investments in subsidiary companies £000	Investments in associate companies £000	Total £000
Cost or valuation			
At 1 October 2018	562,135	504	562,639
Additions	119,179	135	119,314
Disposals	(29,890)	-	(29,890)
Revaluations	6,289	7	6,296
At 30 September 2019	657,713	646	658,359
Impairment			
At 1 October 2018	120,214	-	120,214
Impairment in year	5,524	-	5,524
Impairment on disposals	(433)	-	(433)
At 30 September 2019	125,305	-	125,305
Net book value			
At 30 September 2019	532,408	646	533,054
At 30 September 2018	441,921	504	442,425

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

16. Fixed asset investments (continued)

On 20 November 2018, the Company acquired 7% of shares in Howden Insurance Brokers LLC (Dubai) for £3,222,834 and subsequently sold 1% of the shares in Howden Insurance Brokers LLC (Dubai) to Atinc Yilmaz for £284,631.

On 7 December 2018, Howden Broking Group Limited acquired 49% of Maxi Insurance Broker Co. Ltd for consideration of £6,018,064.

On 17 December 2018, Howden Broking Group Limited subscribed for new ordinary shares in Howden Insurance Brokers LLC (Oman) for £62,400.

On 31 January 2019, the investment in Howden Latin America Holdings S.L.U. of £4,477,000. was transferred from HBG Spanish Branch to Howden Broking Group Limited.

On 31 January 2019, HBG Asia Holdings received a capital contribution of £17,951,345 from Howden Broking Group Limited to fund Projects Axis and Swan.

On 1 February 2019, Howden Broking Group Limited paid £52,575,079 for the acquisition of 100% of Punter Southall Heath & Protection Holdings Ltd.

On 28 February 2019, Howden Broking Group Limited acquired the remaining 35% of Howden Workplace Consulting Limited for total consideration of £1,814,671 satisfied 50% in cash and 50% in the issue of A Ordinary Hyperion Insurance Group Limited shares.

On 31 March 2019, PSHP Holdings Ltd redeemed preference shares worth £26,216,604 from Howden Broking Group Limited.

On 26 April 2019, Howden Broking Group Limited purchased 27,000,000 ordinary shares in PSHP Holdings Ltd of £1.00 each, for consideration of £27,000,000. The Company made a post completion payment of £381,475 on 3 May 2019.

On 21 May 2019, Howden Broking Group Limited purchased 9,850 ordinary shares in HB&A Services Limited of £1.00 each, 49.9%, for consideration of £300,000 from Beach UK Holdco Limited.

On 21 May 2019, Howden Broking Group Limited subscribed for 369,900 ordinary shares in Howden Insurance Brokers (Bermuda) Limited of USD 1.00 each, for consideration of £290,118.

On 28 June 2019, Howden Broking Group Limited purchased 3,250,000 ordinary shares in FP Group Limited of £1.00 each, for consideration of £3,250,000.

On 12 September 2019, Ostrakon Runoff Limited acquired 100% of the share capital of WPL Runoff Limited from Howden Broking Group Limited on 12 September 2019 for book value of £54,305.

On 16 September 2019, Howden Broking Group Limited transferred its investment in Hendricks GmbH to Howden Germany HoldCo at value £22,231,120.

On 20 September 2019, HBG Asia Holdings Limited issued 60,000,000 ordinary shares of HKD 1 each for £6,151,913 to Howden Broking Group Limited, settled part in cash and the remainder offsetting an intercompany balance.

Investments in subsidiaries have been impaired due to the deterioration of the local trading environments that are not likely to improve in the short term, or due to significant restructuring and changes in the operations of the investments, which have had an adverse effect.

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

16. Fixed asset investments (continued)

Principal Subsidiary and Associated Undertakings	Country of Incorporation and Operation	2019 % Holding	2018 % Holding	Nature of Business
Asesorias e Inversiones Howden Patagonia S.A	Chile	51	51	Insurance broking
Donoria Spółka Akcyjna	Poland	51	51	Insurance broking
FP Marine Holdings Limited	U.K.	100	100	Intermediate holdco
Global Services 1999 Limited	U.K.	100	100	Intermediate holdco
GRC Howden Reasurans Brokerligi Anonim Sirketi	Turkey	100	100	Insurance broking
Harmonia Corretora de Seguros S.A.	Brazil	75	75	Insurance broking
Hassas Is Metal Uretim Sanayi Ve Ticaret Anonim Sirketi	Turkey	100	100	Intermediate holdco
HB&A Services Limited	U.K.	100	50	Insurance broking
HBG (Mauritius) Limited	Mauritius	100	100	Intermediate holdco
HBG Asia Holdings Limited	Hong Kong	100	100	Intermediate holdco
Howden Employee Benefits & Wellbeing Holdings Limited	U.K.	100	0	Intermediate holdco
Howden Finland Oy	Finland	100	100	Insurance broking
Howden Forsikringsmegling AS	Norway	100	100	Insurance broking
Hendricks GmbH	Germany	100	100	Insurance broking
Howden Germany HoldCo GmbH	Germany	100	100	Intermediate holdco
Howden Insurance Brokers (Bermuda) Limited	Bermuda	100	100	Insurance broking
Howden Insurance Brokers AB	Sweden	95	95	Insurance broking
Howden Insurance Brokers India Private Ltd	India	49	0	Insurance broking
Howden Insurance Brokers LLC	Dubai	46	40	Insurance broking
Howden Insurance Brokers LLC	Oman	52	52	Insurance broking
Howden Insurance Brokers Ltd	U.K.	100	100	Insurance broking
Howden Latin America Holdings S.L.	Spain	100	100	Insurance broking
Howden Maxi Insurance Broker Co.,Ltd	Thailand	49	0	Insurance broking
Howden Mexico HoldCo Limited	Mexico	100	100	Intermediate holdco
Howden (Mauritius) Limited	Mauritius	95	95	Intermediate holdco
Howden Puri Insurance Brokers Limited	Tanzania	32	32	Insurance broking
Howden Sigorta Brokerligi A.S.	Turkey	95	95	Insurance broking
Howden UK Group Limited	U.K.	100	100	Insurance broking
Howden Workplace Consulting Limited	U.K.	100	65	Insurance broking
IPG Howden Asia Holdings Limited	Hong Kong	60	0	Intermediate holdco
Ostrakon Runoff Limited	U.K.	100	100	Intermediate holdco
PSL Runoff Limited	UK	100	0	Insurance broking
Prime Care Insurance Services Limited	U.K.	100	100	Insurance broking
PT Howden Insurance Brokers Indonesia	Indonesia	80	100	Insurance broking
Sociedad Corredora de Reaseguros Howden Chile S.A	Chile	75	75	Insurance broking
Windsor Limited	U.K.	100	100	Intermediate holdco
WPL Runoff Limited	U.K.	100	100	Insurance broking

The address of the registered offices of the subsidiaries and associates are disclosed in Note 29.

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

17. Debtors

	2019 £000	2018 £000
Debtors: Amounts falling due after more than one year		
Financial instruments	17,778	-
	<u>17,778</u>	<u>-</u>
	2019 £000	2018 £000
Debtors: Amounts falling due within one year		
Amounts owed by undertakings in which the Company has a participating interest	447,114	463,655
Amounts owed by parent company	79,184	79,184
Loans owed by group companies	172,667	99,079
Dividends receivable from subsidiary companies	-	1,180
Other debtors	1,341	568
Prepayments and accrued income	76	32
Tax recoverable	2,032	1,790
Deferred taxation	100	320
Financial instruments	4,570	-
	<u>707,084</u>	<u>645,808</u>

18. Cash and cash equivalents

	2019 £000	2018 £000
Cash at bank and in hand	2,113	374
	<u>2,113</u>	<u>374</u>

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

19. Creditors: Amounts falling due within one year

	2019 £000	2018 £000
Trade creditors	25	-
Amounts owed to group companies	248,732	102,627
Amounts owed to parent company	10,637	4,209
Loans owed to group undertakings	90,363	68,727
Corporation tax	-	1,287
Other taxation and social security	101	102
Other creditors	311	46
Accruals and deferred income	2,259	1,365
Deferred consideration	990	31,886
	<u>353,418</u>	<u>210,249</u>

Amounts owed to group companies are current trade balances which are payable on demand.

Amounts owed to parent company are current trade balances which are payable on demand.

Loans owed to group undertakings reflect a number of loan balances which are payable on demand.

Interest is charged at a market rate based on fixed and variable elements on loans with subsidiaries. A loan balance of £26,353,848 with HIG Finance Limited is interest free. Balances due to subsidiary undertakings which are not 100% owned are shown in note 26.

20. Creditors: Amounts falling due after more than one year

	2019 £000	2018 £000
Loans owed to group undertakings	145,821	81,896
Loans owed to parent company	93,518	88,629
Deferred consideration >1 yr	2,087	2,076
	<u>241,426</u>	<u>172,601</u>

Loans owed to parent company reflect loan balances due after more than one year but less than five years. No interest is charged under the agreement, accordingly, the loan balances have been recognised at fair value and is amortised at 5.5% per annum.

Loans owed to group undertakings reflect loan balances due after more than one year but less than five years. Interest is charged between 5% and 5.5%.

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

21. Financial Liabilities

The Company has applied fair-value hedging to certain foreign currency investments in subsidiaries hedged by foreign currency liabilities. During the year a gain of £1,147,591 (2018: £1,147,591) was recognised on the hedged item and a loss of £1,147,591 (2018: £1,147,591) was recognised on the hedging instrument.

The Company has a number of non-wholly owned investments in subsidiaries, whereby the minority shareholder has an option to put their shares back to the Company. These put options are formula-based and management deems these to put the share back to the Company at fair value. These instruments are carried at fair value in accordance with section 12 of FRS 102 and management deems these instruments to have a fair value of nil. If the put options were exercised, the present value of the liabilities has been estimated to be £62,027,000 (2018: £62,027,000). These put options are expected to all expire within 5 years at 30 September 2019 and 30 September 2018.

22. Financial instruments

	2019 £000	2018 £000
Financial assets		
Financial assets that are debt instruments measured at fair value (short-term)	4,570	-
Financial assets that are debt instruments measured at fair value (long-term)	17,778	-
	<u>22,348</u>	<u>-</u>

Financial assets that are debt instruments measured at fair value comprise of an external loan in relation to Matrix Insurance Brokers.

The fair value has been derived using discounted future cash flows. The gain/loss recorded in the income statement for the year ended 30 September 2019 was £nil (2018: £nil).

23. Deferred taxation

	2019 £000	2018 £000
At beginning of year	320	745
Utilised in year	(220)	(425)
At end of year	<u>100</u>	<u>320</u>

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

23. Deferred taxation (continued)

The deferred tax asset is made up as follows:

	2019 £000	2018 £000
Accelerated capital allowances	100	6
Tax losses carried forward	-	314
	<u>100</u>	<u>320</u>

It is not expected that there will be a significant reversal of the deferred tax asset during the year to 30 September 2020.

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

24. Share capital

	2019 £000	2018 £000
Allotted, called up and fully paid		
163,981,643 (2018 - 163,981,643) B Ordinary shares shares of £0.0001 each	17	17
591,289 (2018 - 591,289) A Ordinary shares shares of £1.0000 each	591	591
38,603,527 (2018 - 38,603,527) A1 Ordinary shares shares of \$1.0000 each	29,071	29,071
	<u>29,679</u>	<u>29,679</u>

On 28 November 2016, HBG issued 25,010,523 A1 shares to Hyperion Development UK Limited for a nominal value of £20,069,632 with a share premium of £60,174,512 and 106,626,610 Ordinary B shares were issued to Hyperion Insurance Group Limited for a nominal value of £10,663.

All classes of shares have attached to them, full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

The dividends declared before the approval of the accounts do not give rise to a liability as at 30 September 2019 (2018: £nil).

25. Reserves

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Foreign exchange reserve

This reserve is made up of the cumulative foreign exchange movements.

Other reserves

This reserve is made up of the equity option of loans advanced from Hyperion Insurance Group Limited.

Profit & loss account

Made up of all current and prior period retained profits and losses.

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

26. Contingent liabilities

On 20 December 2017, the ultimate company Hyperion Insurance Group Limited along with fellow subsidiaries HIG Finance 2 Limited and Hyperion Refinance S.a.r.l entered into an amended and restated credit agreement with the Group's lenders in respect of the Group's main lending facilities. As part of the amended and restated credit agreement the Company is a guarantor in respect of obligations undertaken by Hyperion Insurance Group Limited, HIG Finance 2 Limited and Hyperion Refinance S.a.r.l.

The Company is involved from time to time in the ordinary course of business in certain claims and legal proceedings related to the Company's operations, including employment related matters. There is currently a claim in excess of £10m served against the Company and other Companies in the Hyperion Group. The claim is in the early stages and the Directors believe it is too early to ascertain the outcome with reasonable degree of certainty and as such have not made a provision.

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

27. Related party transactions

The Company has taken advantage of the exemption available in FRS 102 to not disclose related party transactions with subsidiaries that are wholly owned within the group.

At the end of the financial year, the following balances were due from/(to) group undertakings

Counterparty	2019 £000	2018 £000	Nature of balance
CIMB Howden Insurance Brokers Sdn Bhd	9	26	Intercompany balance
Harmonia Corretora de Seguros S.A.	393	384	Intercompany balance
Howden (Mauritius) Ltd	1,623	226	Intercompany balance
Howden ACP Sigorta ve Reaseguros Howden Chile S.A.	124	-	Intercompany balance
Howden America Investments S.L.	947	949	Intercompany balance
Howden General and Marine Insurance Brokers (2011) Limited	67	42	Intercompany balance
Howden Insurance & Reinsurance Brokers (Phil.), Inc.	68	-	Intercompany balance
Howden Insurance Brokers (2002) Limited	89	95	Intercompany balance
Howden Insurance Brokers (S.) Pte. Limited	181	198	Intercompany balance
Howden Insurance Brokers (Thailand) Limited	-	39	Intercompany balance
Howden Insurance Brokers AB	-	22	Intercompany balance
Howden Insurance Brokers India Private Ltd	184	150	Intercompany balance
Howden Insurance Brokers LLC (Dubai)	(36)	(89)	Intercompany balance
Howden Puri Insurance Brokers Limited	-	38	Intercompany balance
Howden Re Corredores de Reaseguros S.A.	32	24	Intercompany balance
Howden Sigorta Brokerligi Anonim Sirketi	17	-	Intercompany balance
Howden Wacolda S.A. Corredores de Seguros	40	43	Intercompany balance
Howden Workplace Consulting Limited	-	578	Intercompany balance
Howden-Patagonia Corredores de Seguros SpA	233	180	Intercompany balance
Proseguros Corredores de Seguros S.A.	11	14	Intercompany balance
PT Howden Insurance Brokers Indonesia*	8	-	Intercompany balance
Sterling Knight (Private) Limited	-	26	Intercompany balance
	<u>3,990</u>	<u>2,944</u>	

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

26. Related party transactions (continued)

Counterparty	2019	2018	Nature of balance
	£000	£000	
Asesorias e Inversiones Howden-Patagonia S.A.	1,145	1,017	Loan
Harmonia Corretora de Seguros S.A.	14	14	Loan
Howden Insurance & Reinsurance Brokers (Phil.), Inc.	864	318	Loan
Howden Insurance Brokers AB	249	-	Loan
Howden Insurance Brokers LLC (Oman)	201	261	Loan
Howden Puri Insurance Brokers Limited	183	119	Loan
IPG Howden Asia Holdings Limited	(6,843)	(11,089)	Loan
Sociedad Corredora de Reaseguros Howden Chile S.A.	48	42	Loan
	<u>(4,139)</u>	<u>(9,318)</u>	
Asesorias e Inversiones Howden-Patagonia S.A.	59	52	Loan interest
Harmonia Corretora de Seguros S.A.	1	1	Loan interest
Howden Insurance & Reinsurance Brokers (Phil.), Inc.	30	24	Loan interest
Howden Insurance Brokers (2002) Limited	-	(29)	Loan interest
Howden Insurance Brokers LLC (Dubai)	-	(13)	Loan interest
Howden Insurance Brokers (HK) Limited	37	2	Loan interest
Howden Insurance Brokers (S.) Pte. Limited	414	230	Loan interest
Howden Insurance Brokers Nederland B.V.	-	4	Loan interest
Howden Workplace Consulting Limited	-	6	Loan interest
IPG Howden Asia Holdings Limited	(635)	(168)	Loan interest
Howden Puri Insurance Brokers Limited	15	4	Loan interest
Sociedad Corredora de Reaseguros Howden Chile S.A.	3	3	Loan interest
	<u>(76)</u>	<u>114</u>	

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

Related party transactions (continued)

Counterparty	2019 £000	2018 £000	Nature of balance
CIMB Howden Insurance Brokers Sdn Bhd	317	188	Management fee income
GRC Howden Reasurans Brokerligi A.S.	103	92	Management fee income
Howden General and Marine Insurance Brokers (2011) Limited	238	203	Management fee income
Howden Insurance & Reinsurance Brokers (Phil.), Inc.	65	(61)	Management fee income
Howden Insurance Brokers (2002) Limited	531	417	Management fee income
Howden Insurance Brokers (HK) Limited	95	22	Management fee income
Howden Insurance Brokers (S.) Pte. Limited	622	407	Management fee income
Howden Insurance Brokers (Thailand) Limited	23	115	Management fee income
Howden Insurance Brokers AB	21	43	Management fee income
Howden Insurance Brokers LLC (Dubai)	404	378	Management fee income
Howden Maxi Insurance Broker Co., Ltd*	252	-	Management fee income
Howden Re Corredores de Reaseguros S.A.	65	47	Management fee income
Howden Wacolda S.A. Corredores de Seguros	181	190	Management fee income
Howden-Patagonia Corredores de Seguros SpA	60	71	Management fee income
IPG Howden Asia Holdings Limited	163	571	Management fee income
Proseguros Corredores de Seguros S.A.	30	30	Management fee income
Sterling Knight (Private) Limited	16	106	Management fee income
	<u>3,186</u>	<u>2,820</u>	

* New acquisitions in the year

Donoria S.A. paid a dividend of £126,563 (2018 - £213,072) to the Company during the year.

Harmonia paid a dividend of £704,298 (2018 - £nil) to the Company during the year.

Howden Insurance Brokers LLC (Dubai) paid a dividend of £898,531 (2018 - £737,154) to the Company during the year.

IPG Howden Asia Holdings Limited paid a dividend of £2,321,083 (2018 - £2,306,628) to the Company during the year.

Howden Maxi Insurance Broker Co., Ltd. (Thailand) paid a dividend of £290,918 (2018 - £nil) to the Company during the year.

PT Howden Insurance Brokers Indonesia paid a dividend of £146,115 (2018 - £nil) to the Company during the year.

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

28. Post balance sheet events

Effective from 1 October 2019, the management of Howden and RKH broking functions merged.

On 1st October 2019, HBG subscribed for 15,500,000 Ordinary shares in HBG Asia Holdings Limited for a total subscription value of HKD 8,305,000 (£850,000). This was to facilitate the recapitalisation of Howden Insurance and Reinsurance Brokers (Philippines) Inc. ("HIRBP") PHP 55,000,000 (£850,000) via its immediate parent entity HBG Asia Holdings Limited.

On 16th October 2019, the company acquired 6,300,000 A Ordinary £1 shares in the capital of FP Marine Holdings Ltd.

On 22nd October 2019, a dividend of £10,524,253 was received from HBG (Mauritius) Limited.

On 6 November 2019 HBG signed a SPA to acquire 100% of Iria SA for £5m subject to certain adjustments. Completion is expected in January 2020.

29. Controlling party

The Company's immediate and ultimate parent company is Hyperion Insurance Group Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The largest and smallest group of which the Company is a member for which group financial statements are drawn up is that of Hyperion Insurance Group Limited. Copies of the financial statements of this Company can be obtained from the Company Secretary at the registered office of Hyperion Insurance Group Limited, One Creechurch Place, London, EC3A 5AF.

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

30. Registered office address of subsidiary and associated undertakings

The registered office address of the subsidiary and associated undertakings are:

Company name	Registered office
Accette Life & Accident Insurance Brokers, Inc.	Penthouse, Building 331 Sen., Gil Puyal Avenue, Makati City, 1200, Philippines
Asesorias E Inversiones Howden-Patagonia S.A.	Apoquindo 4660 Of 301, Las Condes, Santiago de Chile, Chile
Bar-Ziv Ravid Insurance Agency Limited	35 Efal Street, Petah Tikva, Israel
Benefit Administradora de Beneficios Ltda	Av Luiz Carlos Berrini, 105 - 10o andar, sala 102 B, Torre Berrini One, São Paulo, SP, Brazil
Bufete Ordás y Asociados, S.C.	Lago Zurich 245 Torre Frisco Piso 16, Colonia Ampliación Granada, CP 11529 CDMX, Mexico
CH Global (L) Limited	Brumby Centre, Lot 42, Jalan Muhibbah 87000 Labuan F.T Mala, Malaysia
CH International PCC (L) Bhd	Brumby Centre, Lot 42, Jalan Muhibbah 87000 Labuan F.T Mala, Malaysia
Donoria Spolka Akcyjna	ul. Wielkie Garbary 7A, 87-100 Torun, Poland
Eldan Bar-Ziv Ravid Insurance Agency (2009) Ltd	35 Efal Street, Petah Tikva, 4951132, Israel
Erwin Himmelseher Assekuranz-Vermittlung	Theodor-Heuss-Ring 23, 50668 Köln, Germany
Beteiligungsgesellschaft GmbH	
Erwin Himmelseher Assekuranz-Vermittlung GmbH & Co. KG	Theodor-Heuss-Ring 23, 50669 Köln, Germany
Euro Advisors GmbH	
Euro Engineer Consulting GmbH	Dr.-Gessler-Straße 37, 93051, Regensburg, Germany
	Dr.-Gessler-Straße 37, 93051, Regensburg, Germany
Euro Real Estate Solutions GmbH	Franklinstraße 56, 60486, Frankfurt , Germany
Euro Transaction Solutions GmbH	Franklinstr. 56, 60486, Frankfurt, Germany
Euroassekuranz Versicherungsmakler Aktiengesellschaft	Franklinstraße 56, 60486, Frankfurt , Germany
Euroassekuranz Versicherungsmakler Frankfurt GmbH	Dr.-Gessler-Straße 37, 93051, Regensburg, Germany
Euroassekuranz Versicherungsmakler München GmbH	Dr.-Gessler-Straße 37, 93051, Regensburg, Germany
Global Services 1999 Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
GRC Howden Reasurans Brokerligi Anonim Sirketi	Maslak Mah, Maslak Meydan Sok, Beybi Giz Plaza No:1/12 Sariyer, İstanbul , 34485, Turkey
Grupo Ordás Howden, Agente de Seguros y de Fianzas S.A.P.I. de C.V.	Lago Zurich 245 Torre Frisco Piso 16, Colonia Ampliación Granada, CP 11529 CDMX, Mexico
H Equitas, Litigios y Peritaciones, S.L.	Avenida de la Palmera nº28, Sevilla, Spain
Harmonia Corretora de Seguros S.A.	Av. Luiz Carlos Berrin, 105 - 10o andar, Ed berrini One, Sao Paulo SP, Brazil
Hassas İş Metal Üretim Sanayi Ve Ticaret Anonim Şirketi	Maslak Mah, Maslak Meydan Sok, Beybi Giz Plaza No:1/12 Sariyer, İstanbul , 34485, Turkey

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

29. Registered office address of subsidiary and associated undertakings (continued)

HB&A Services Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
HBG (Mauritius) Limited	MA Corporate Ltd, 4th Floor Hennessy Tower , Pope Hennessy Street, Port Louis, Mauritius
HBG Asia Holdings Limited	35/F, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong, Hong Kong
HBG Asia Sdn. Bhd.	Suite 13.03, 13th Floor Menara, Tan & Tan 207 Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia
HBG Holdings (Singapore) Pte Ltd	61 Robinson Road #07-01, Robinson Centre, 068893, Singapore
HBG Malaysia Sdn. Bhd.	Suite 13.03, 13th Floor Menara, Tan & Tan 207 Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia
HC Consulting SAS	Carrera 7 No. 32 – 33 Piso 23 , Bogotá , Colombia
Hendricks GmbH	Georg-Glock-Straße 8, 40474 Düsseldorf, Germany
HIG Risk Management Services Sdn.Bhd.	Suite 1-10-E1A, 10 th Floor, CPS Tower, Centre Point Sabah, No.1, Jalan Centre Point 88000 Kota Kinabalu, Sabah, Malaysia
Howden (Mauritius) Limited	42, Hotel Street, Level 3, GFin Tower, Cybercity, Ebene, 72201, Mauritius
Howden ACP Sigorta Ve Reasürans Brokerligi Anonim Sirketi	Maslak Mahallesi, Meydan Sokak, Beybi Giz Plaza, No. 1, K. 5 No.16-17-18, Sarıyer, Istanbul, Turkey
Howden America Investments SL	Avenida de la Palmera 28B 2a, 41012 Sevilla, Spain
Howden Broking Limited	70 Sir John Rogerson's Quay, Dublin, 2, Ireland
Howden Broking S.a.r.l	21, rue Glesener, L-1631, Luxembourg
Howden Caninenberg GmbH	Belfortstrasse 15, 50668, Cologne, Germany
Howden Employee Benefits & Wellbeing Holdings Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
Howden Employee Benefits & Wellbeing Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
Howden Finland Oy	Malminkaari, 9 B 00700 Helsinki, Finland
Howden Forsikringsmegling AS	Karenslyst Alle 2, Oslo, 278, Norway
Howden General and Guarantees Insurance Agency (2018) Limited	Adgar Tower, 35 Eyal Street, Petach Tikva, 49511, Israel
Howden General and Marine Insurance Brokers (2011) Limited	Adgar Tower, 35 Eyal Street, Petach Tikva, 4951132, Israel
Howden Germany HoldCo GmbH	Belfortstrasse 15, 50668, Cologne, Germany
Howden Iberia, S.A.U..	C/ Montalbán nº7, 28014, Madrid, Spain
Howden Insurance & Reinsurance Brokers (Phil) Inc.	Penthouse, 331 Gil Puyat, Building 331 Sen., Gil Puyat Avenue, Makati City 1200, Philippines
Howden Insurance Brokers (2002) Limited	Adgar Tower, 35 Eyal Street, Petach Tikva, 49511, Israel
Howden Insurance Brokers (Bermuda) Limited	Victoria Place, 5th Floor, 31 Victoria Street, Hamilton, HM 10, Bermuda
Howden Insurance Brokers (HK) Limited	35/F Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong
Howden Insurance Brokers (S.) Pte. Limited	61 Robinson Road #07-01 , Robinson Centre, 068893, Singapore

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

29. Registered office address of subsidiary and associated undertakings (continued)

Howden Insurance Brokers (Thailand) Limited	No.2, Ploenchit Center Building, , 10th Floor, Sukhumvit Road,, Klongtoey Sub-district, Klongtoey District, Bangkok, 10110, Thailand
Howden Insurance Brokers AB	Linnégatan 2, SE-114 47 , Stockholm, Sweden
Howden Insurance Brokers India Private Limited	6th Floor Peninsula chambers, Peninsula Corporate Park, Lower parel., Mumbai, 400 013, India
Howden Insurance Brokers Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
Howden Insurance Brokers LLC	Al Nasr Plaza Bldg., , 3rd Floor, Oud Metha, Dubai, P O BOX: 49195, United Arab Emirates
Howden Insurance Brokers LLC (OMAN)	P.C. 117, Muttrah, P.O.BOX 175, Oman
Howden Insurance Brokers Sdn. Bhd.	Suite 13.03, 13th Floor, Menara Tan & Tan, 207 Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
Howden Insurance Brokers South AB	Lilla Nygatan 3, 211 38 , Malmö, Sweden
Howden Insurance Brokers West AB	Fredsgatan 1, 411 07 Gothenburg, Sweden
Howden International Underwriters General Insurance Agency (2009) Ltd	Adgar Tower, 35 Eyal Street, Petah Tikva, 4951132, Israel
Howden Latin America Holdings S.L.U.	Calle Montalban no7, 28014 Madrid, Spain
Howden Maxi Insurance Brokers Co., Ltd	No. 2222/9 Ladprao Road, Kwaeng Plubpla, Khet Wangthonglang, Bangkok, Thailand
Howden Mexico HoldCo Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
Howden Puri Insurance Brokers Limited	Suite 203, Acada Estates, 84 Kinondoni Road, Dar es Salaam, P O BOX 1047, Tanzania, United Republic of
Howden Re Corredores De Reaseguros S.A.	Carrera 7 No. 32-33, Piso (Floor) 23, Bogota D.C, Columbia
Howden Re Corretora de Resseguros Ltda	Av Luiz Carlos Berrini, 105 - 10o andar, sala 102 A, Torre Berrini One, São Paulo, SP, Brazil
Howden Risk Management Consultants Sdn. Bhd.	Unit C-25-03, 3 Two Square, No.2, Jalan 19/1, 46300 Petaling Jaya Selangor Darul Ehsan, Malaysia
Howden Risk Solutions Sdn. Bhd.	Suite 1-10-E1A, 10th Floor, CPS Tower, Centre Point Sabah, No.1 Jalan Centre Point 88000 Kola Kinabalu, Sabah, Malaysia
Howden Sicherheit International GmbH	Belfotstrasse 15, 50668, Cologne, Germany
Howden Sigorta Brokerligi Anonim Sirketi	Maslak Mah, Maslak Meydan Sok, Beybi Giz Plaza No:1/11 Sariyer , İstanbul, 34485, Turkey
Howden UK Group Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
Howden Wacolda Agencia Asesora Productora de Seguros S.A	Catalina aldaz , N34155 y Portugal, Quito, Ecuador
Howden Wacolda S.A. Corredores De Seguros	Carrera 7 No. 32-33, Pisa (Floor) 23, Bogota D.C., Columbia
Howden Workplace Consulting Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom.
Howden-Patagonia Corredores de Seguros SpA (Sociedad por Acciones)	Avenida Apoquindo No 4660, Oficina 301, Las Condes, Santiago, Chile

HOWDEN BROKING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

29. Registered office address of subsidiary and associated undertakings (continued)

International Planning Group GmbH	Bellerivestrasse 36, 8008, Zurich, Switzerland
International Planning Group Insurance Brokers, Ltd.	Veritas Place, 6th Floor, 65 Court Street, Hamilton, HM 12, Bermuda
IPG Financial Services Pte. Ltd	8 Marina Boulevard, #05-02 Marina Bay Financial Centre, 018981, Singapore
IPG Howden Asia Holdings, Limited	Suite 3002, 30/F., Prosperity Tower, 39 Queen's Road Central, Hong Kong
Kanceleria Brokerska Modern Brokers Sp. z o.o.	Wszystkich Swietych 2B/3, 50-136, Wroclaw, Poland
M.M.I. Management Risk Consultants Limited	35 Eyal Street, Petah Tikva, Israel
Malene Insurance Brokers Sdn. Bhd.	Suite 13.03, 13th Floor, Menara Tan & Tan, 207 Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
Norwegian Insurance Partner AS	Christian Michelsens gate 6B, Bergen, 5012, Norway
Ostrakon Runoff Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
Proseguros Corredores de Seguros S.A.	Carrera 7 No. 32-33, Piso (Floor) 24, Bogotá D.C., Colombia
PSL Runoff Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
PT Howden Insurance Brokers Indonesia	Mayapada Tower 8th Floor, Jl. Jend Sudirman Kav 28, Jakarta, 12920, Indonesia
Red Arc Assured Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
Risk Policy Administration Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
Segumor Correduria De Seguros, S.L.U.	Calle Montalbán nº 7 – sexta planta, 28014 Madrid, Spain
Servicios Ordás S.A. de C.V.	Lago Zurich 245 Torre Frisco Piso 16, Colonia Ampliación Granada, CP 11529 CDMX, Mexico
Søassurancen Danmark A/S	Skolegade 1, 5960, Marstal, Denmark
Sociedad Corredora de Reaseguros Howden Chile S.A.	Miguel Claro 195 810, Providencia, Chile
SPS - Sales Promotions & Solutions GmbH & Co. KG	Am Gries 4f, 85435, Erding, Germany
SPS-Verwaltungsgesellschaft Sales Promotions & Solutions GmbH	Am Gries 4f, 85435, Erding, Germany
SRC Special Risk Consortium GmbH	Belfortstrasse 15, 50668, Cologne, Germany
Sterling Knight (Private) Limited (Singapore)	61 Robinson Road #07-01, Robinson Centre, 068893, Singapore
Sterling Knight (Sdn) Bhd	Suite 13.03 13th Floor, Menara Tan & Tan, 2017 Jalan Tun Razak 50400 Kuala Lumpur, Malaysia
TWB (Thailand) Limited	No. 496-502 Amarin Plaza Building, 10th Floor, Ploenchit Road, Lumpini Sub-district, Pathumwan District, Bangkok, Thailand
Ultramar Reinsurance Brokers, Inc.	Penthouse, 331 Gil Puyat, Building, 331 Sen., Gil Puyat Avenue, Makati City 1200, Philippines
WIBL Runoff Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
Windsor Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom

HOWDEN BROKING GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

29. Registered office address of subsidiary and associated undertakings (continued)

Windsor Services Ltd	One Creechurch Place, London, EC3A 5AF, United Kingdom
Windsor Trustees Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
WPIL Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
WPL Runoff Limited	One Creechurch Place, London, EC3A 5AF, United Kingdom
Robin Hood Pro Limited	Moaza Ezorit Shaar Hanegev Israel
Prime Care Insurance Services Limited	C/O Frp Advisory Llp Kings Orghard, 1 Queen Street, Bristol, BS2 0HQ