

Company Registration No. 06365189 (England and Wales)

BALDWINS HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

BALDWINS HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Mr J Baldwin Mr D Baldwin Mr S N Southall Mr S Knight Mr W Payne	(Appointed 28 September 2018)
Secretary	Mr S N Southall	
Company number	06365189	
Registered office	Churchill House 59 Lichfield Street Walsall West Midlands WS4 2BX	
Auditor	Ernst & Young LLP One Colmore Square Birmingham B4 6HQ	

BALDWINS HOLDINGS LIMITED

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BALDWINS HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2018

The directors present the strategic report for the year ended 30 June 2018.

Fair review of the business

The company is a holding company for the Baldwins group of companies, who provide accountancy and taxation services in the United Kingdom. The company acts as a parent undertaking for the UK subsidiaries of the Baldwins group of companies and provision of accountancy and taxation services in the United Kingdom.

During the year, the company directly acquired the trade and certain assets of a number of accountancy practices and as such became a trading entity.

As part of a wider restructuring which took place on 1 July 2019 the majority of the trading activity within the Baldwins' group of companies resulted in the transfer of the trade and net assets of the company's subsidiaries to the company. The company's future principal activity will be that of a trading entity.

During the prior year the company and its subsidiaries were acquired by the Cogital Group as part of the formation of a new international financial services group. The company has been consolidated within the Cogital group and therefore has not prepared consolidated financial statements. The immediate holding company is Baldwins Bidco Limited, a company registered in Jersey. The largest and smallest group in which the company is consolidated is Cogital Topco Limited. Copies of the group financial statements can be obtained at 2 Babmaes Street (1st Floor), St James, London, SW1Y 6HD.

The ultimate controlling company is HG Capital 7 Nominees Limited, a company registered in England and Wales.

The current year loss was due to profits generated from the provision of accountancy and taxation services in the United Kingdom offset by interest payments and administrative expenses. There was a loss generated for the year as a result of the increase in interest expense arising from the increased debt funding for acquisitions and investment related expenses such as amortisation and investment provisions and increased payroll costs. The company has received dividends of £nil (2017: £3,500,000) which also contributed to the loss for the year.

BALDWINS HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

Principal risks and uncertainties

Being a parent undertaking, the company bears the risk of changes in the valuation of its investments in the individual subsidiaries. This is monitored by the company annually. The company operates a treasury function for its wholly owned subsidiaries, there is a risk that these amounts lent to subsidiaries are not recoverable. There is no external debt or exposure to foreign exchange.

Following the acquisition by the Cogital group, a significant portion of the Baldwins group of companies debt owed by the company is now due to entities under the control of Hg Capital 7 Nominees Limited, the company's ultimate controlling party. The company retains an overdraft facility.

In 2018, the company became a trading entity of the Cogital Group, and has an active and robust corporate governance programme that is designed to manage strategic and tactical risks which could impact the business.

The Company monitors all aspects of risk including economic risk, competition and changes in market conditions, financial risk and customer dependencies. The company has a large number of clients that reduces the risk that it is overly dependent on a single customer.

The company does not expected to be significantly impacted by the potential economic issues associated with the UK exit of the European Union, given all its operations are in the UK.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. Credit risk is managed by close attention to credit control procedures

Liquidity risk

The company faces to the market price pressure from competitors. The company actively manages its working capital requirements to ensure it has sufficient funds for its operations. The company is funded by the larger group if necessary.

Employee consultation and communications

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the Company as a whole. Communication with all employees continues through regular briefing of employees at all levels, publication of in-house information bulletins, holding of site-based communication meetings and formal arrangements with recognised professional bodies.

Disabled persons

The Company has a policy of giving every consideration to applications for employment from disabled persons where the requirements of the job may be adequately covered by those persons. With regard to existing employees who are or have become disabled, the Company has continued to examine ways and means of providing continuing employment under normal terms and conditions and to provide training and career development wherever possible

BALDWINS HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

Other information and explanations

The Company or its subsidiaries have acquired the following businesses in the year up to 30 June 2018, details are set out in the notes to the financial statements:

Rice & Co
Pullan Barnes Limited
Campbell Dallas
Springfords
Davies Mayers, Barnett
Barnett DM Limited
Potter Baker
Sinclair Scott
Gittins

The company has directly acquired the trade and certain assets of the following entities such that these companies now trade as Baldwins Holdings Limited:

Cassons Business Advisors LLP
Smith Hodge & Baxter
Rawlinsons Limited and its subsidiaries, Resolve Cambridge Limited and Resolve London Limited
DHJH LLP

All acquisitions are businesses who provide accountancy and taxation services in the United Kingdom.

The Baldwins group of companies continue to acquire businesses that contribute to the Cogital group's strategic goal to become a leading international financial services group. Subsequent acquisitions are set out in the directors report.

As part of a wider restructuring which took place on 1 July 2019 the majority of the trading activity within the Baldwins' group of companies resulted in the transfer of the trade and net assets of the company's subsidiaries to the company. The company's future principal activity will be that of a trading entity.

On behalf of the board

Mr S Knight

Director

5 November 2019

BALDWINS HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2018

The directors present their annual report and financial statements for the year ended 30 June 2018.

Principal activities

The principal activities of the company continued to be that of a holding company for the Baldwins group of companies who provide accountancy and taxation services and additionally from 1 July 2018 the direct provision of accountancy and taxation services in the United Kingdom.

Review of the business

During the year, the company acquired the minority shareholdings of a number of Baldwins subsidiaries for total consideration of £254,847. The consideration was satisfied by the transfer of 4,014 A Ordinary shares and 250,833 preference shares in the ultimate parent company, Cogital TopCo Limited.

On 15 December 2017, the company acquired the trade, ongoing client engagements and certain assets of Cassons Business Advisors LLP and Cassons Associates ("Cassons") for consideration of £4,822,625 including direct attributable costs, of which £1,560,000 gross consideration has been deferred and recorded at its present value of £1,500,000 in line with applicable standards.

On 4 February 2018, the company acquired the trade, ongoing client engagements and certain assets of Smith, Hodge & Baxter Chartered Accountants, Tax and Business Advisors ("SHB") for consideration of £2,274,112 including direct attributable costs, of which £703,000 gross consideration has been deferred and recorded at its present value of £676,000 in line with applicable standards.

On 7 February 2018, the company acquired the trade, ongoing client engagements and certain assets of Rawlinsons Limited and its subsidiaries ("Rawlinsons") for consideration of £4,770,742 including direct attributable costs of £87,107. £421,500 gross consideration has been deferred and recorded at its present value of £405,000 in line with applicable standards. The company also acquired the share capital of certain Rawlinson subsidiaries and at the point of acquisition transferred the trade of these subsidiaries to the company. Consequently the amounts paid have been included within goodwill.

On 1 June 2018, the company acquired the trade, ongoing client engagements and certain assets of DHJH Accountants ("DHJH") for total consideration of £904,488 including direct attributable costs of £16,134. £251,548 gross consideration has been deferred and recorded at its present value of £244,198 in line with applicable standards.

The company also acquired the share capital of Barnett DM Limited on 27 October 2017 and incorporated two further subsidiaries during the year.

Directors

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

Mr J Baldwin
Mr D Baldwin
Mr S N Southall
Mr S Knight
Mr W Payne

(Appointed 28 September 2018)

Results and dividends

The results for the year are set out on page 10.

BALDWINS HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

Dividends were paid in respect of the ordinary shares of £NIL (2017: £735,072).

Dividends were paid in respect of the A ordinary shares amounting to £NIL (2017: £58,311).

Dividends were paid in respect of the B ordinary shares amounting to £NIL (2017: £58,328).

Dividends were paid in respect of the C ordinary shares amounting to £NIL (2017: £148,306).

There were no dividends paid or proposed in respect of the year ended 30 June 2018.

The directors do not recommend payment of a final dividend.

Future developments

The company expects to continue to act as a holding company of the Baldwin's group of companies and to act as a trading company for the provision of accountancy and taxation services in the United Kingdom.

Auditor

In accordance with the company's articles, a resolution proposing that Ernst & Young LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have obtained a letter of support from the company's ultimate parent, thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

BALDWINS HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

Subsequent events

On 13 July 2018 the company acquired the trade and ongoing client engagements of The Fish Partnership Accountants.

On 3 August 2018 the company acquired the trade and ongoing client engagements of Dental Business Solutions.

On 31 August 2018 the company acquired the trade and ongoing client engagements of Wilkins Kennedy LLP and its businesses, WK Corporate Finance LLP, Wilkins Kennedy FKC Limited, WK Business Solutions Limited, Wilkins Kennedy Accountancy Limited and WK Finance LLP.

On 31 January 2019 the company acquired the trade and ongoing client engagements of Booth Ainsworth LLP.

On 8 March 2019 the company acquired the trade and assets and the whole of the share capital of The Capital Allowances Partnership Limited.

On 15 April 2018 the company acquired the trade and ongoing client engagements of B&A Associates and the whole of the share capital of Broomfield & Alexander Limited.

On 3 May 2019 the company acquired the trade and ongoing client engagements of Scott Moncrieff.

On 7 May 2019 the company acquired the trade and ongoing client engagements of Montpelier Professional (Lancs) Limited.

On 5 July 2019 the company acquired the trade and ongoing client engagements of Kelsall Steele Limited.

On 5 July 2019 the company acquired the shares, trade and ongoing client engagements of Perrins Limited.

On 26 July 2019 the company acquired the trade and ongoing client engagements of Treasury Accounting.

On 26 July 2019 the company acquired the trade and ongoing client engagements of Rothmans (East2 LLP and East1 Audit LLP).

On 2 August 2019 the company acquired the trade and ongoing client engagements of the firm of Williamson & Dunn Chartered Accountants.

On 19 August 2019 the company acquired the trade and ongoing client engagements of MCA Business Limited and MCA Business Services Limited.

On 11 September 2019 the company acquired the shares, trade and ongoing client engagements of Gardners Accountants Limited.

On 30 September 2019 the company acquired the trade and ongoing client engagements of Michael Gale & Co Limited.

As noted in the Strategic Report, on 1 July 2019 the trade and net assets of certain of the company's subsidiaries were transferred to the company.

On behalf of the board

Mr S Knight
Director

5 November 2019

BALDWINS HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accountancy 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 and then apply them consistently;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgments 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 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.

BALDWINS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BALDWINS HOLDINGS LIMITED

Opinion

We have audited the financial statements of Baldwins Holdings Limited (the 'company') for the year ended 30 June 2018 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of comprehensive income, the Statement of changes in equity and the related notes 1 to 26, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

BALDWINS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BALDWINS HOLDINGS LIMITED

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 and the Directors' Report.

We have nothing to report in respect of the following matters where 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, 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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Merrick (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP

7 November 2019

Statutory Auditor

One Colmore Square
Birmingham
B4 6HQ

BALDWINS HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
Turnover	3	4,139,468	-
Administrative expenses		(5,961,915)	(835,746)
Other operating income		1,467	-
Operating loss	4	(1,820,980)	(835,746)
Income from shares in group undertakings	7	-	3,500,000
Interest receivable and similar income	7	-	70,907
Interest payable and similar expenses	8	(1,928,114)	(439,548)
Amounts written off investments	9	(791,317)	-
(Loss)/profit before taxation		(4,540,411)	2,295,613
Tax on (loss)/profit	10	-	-
(Loss)/profit for the financial year		(4,540,411)	2,295,613

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

BALDWINS HOLDINGS LIMITED**STATEMENT OF COMPREHENSIVE INCOME*****FOR THE YEAR ENDED 30 JUNE 2018***

	2018	2017
	£	£
(Loss)/profit for the year	(4,540,411)	2,295,613
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(4,540,411)</u>	<u>2,295,613</u>

BALDWINS HOLDINGS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Goodwill	12	10,573,985		-	
Tangible assets	13	331,644		-	
Investments	14	16,324,433		16,428,949	
		27,230,062		16,428,949	
Current assets					
Debtors	17	79,788,946	52,987,225		
Cash at bank and in hand		2,914,288	250		
		82,703,234	52,987,475		
Creditors: amounts falling due within one year	18	(61,536,244)	(16,881,466)		
Net current assets		21,166,990		36,106,009	
Total assets less current liabilities		48,397,052		52,534,958	
Creditors: amounts falling due after more than one year	19	(3,835,621)		(3,433,116)	
Net assets		44,561,431		49,101,842	
Capital and reserves					
Called up share capital	22	993,828		993,828	
Share premium account		45,323,341		45,323,341	
Profit and loss reserves		(1,755,738)		2,784,673	
Total equity		44,561,431		49,101,842	

The financial statements were approved by the board of directors and authorised for issue on 5 November 2019 and are signed on its behalf by:

Mr S Knight
Director

Company Registration No. 06365189

BALDWINS HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 July 2016		993,825	-	1,489,077	2,482,902
Year ended 30 June 2017:					
Profit and total comprehensive income for the year		-	-	2,295,613	2,295,613
Issue of share capital	22	3	45,323,341	-	45,323,344
Dividends	11	-	-	(1,000,017)	(1,000,017)
Balance at 30 June 2017		993,828	45,323,341	2,784,673	49,101,842
Year ended 30 June 2018:					
Loss and total comprehensive income for the year		-	-	(4,540,411)	(4,540,411)
Balance at 30 June 2018		993,828	45,323,341	(1,755,738)	44,561,431

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Company information

Baldwins Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Churchill House, 59 Lichfield Street, Walsall, West Midlands, WS4 2BX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention in Great British Pounds which is the functional currency, and rounded to the nearest £. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Baldwins Holdings Limited is a wholly owned subsidiary of Baldwins Bidco Limited and the results of Baldwins Holdings Limited are included in the consolidated financial statements of Cogital Topco Limited which are available from 2 Babmaes Street, (1st Floor), St James, London, SW1Y 6HD.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have obtained a letter of support from the company's ultimate parent, thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts and settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Where revenue recognised exceeds the amount billed, this amount is included within debtors.

Contingent fee's are only recognised when the contingent event has been completed.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to hourly staff rates, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Intangible fixed assets - goodwill

Intangible assets acquired separately are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately if the fair value can be measured reliably at initial recognition. Subsequently, intangible assets are stated at cost less accumulated amortisation and impairment. Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a straight line basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the term of the lease
Plant and machinery	20% straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

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

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

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

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the unbilled revenue or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are recognised in profit or loss as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit & loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Judgements and key sources of estimation uncertainty

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

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

The key judgment applied is in relation to revenue recognition.

In the process of applying the 'Revenue recognition' policy described in note 1, management, in determining revenue on client assignments, have made certain estimates as to the stage of completion of those assignments. Management estimates the remaining time and external costs to be incurred in completing the assignments and the client's willingness and ability to pay for the services provided. A different assessment of the outturn on an assignment may result in a different value being determined for revenue and a different carrying value being determined for unbilled revenue for client work.

3 Turnover and other revenue

Other significant revenue

Interest income		436
Dividends received	-	3,500,000

4 Operating loss

	2018	2017
	£	£
Operating loss for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	250,000	91,750
Depreciation of owned tangible fixed assets	31,223	-
Amortisation of intangible assets	478,298	-
Operating lease charges	135,006	-

Fees payable to the company's auditor is for the audit of the company and the company's subsidiaries.

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

5 Employees

With effect from 6th April 2018 the employment of all individuals within the Baldwins Holdings Limited group were transferred to Baldwins Holdings Limited. From that date, the company recharged its subsidiaries the equivalent to the staff cost had the individuals been employed by the entity to whom their services were principally provided.

The total number of employees of the Baldwins group of companies at the year end was 1,810.

The note below relates solely to the employees who worked directly for the company during the year.

	2018 Number	2017 Number
	156	4

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	3,518,224	608,956
Social security costs	324,233	78,897
Pension costs	104,249	-
	3,946,706	687,853

6 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	700,000	653,416

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2018 £	2017 £
	201,665	173,646

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

7 Interest receivable and similar income

	2018	2017
	£	£
Interest income		
Interest on bank deposits	-	436
Other income from investments		
Other investment income	-	70,471
Total income excluding fixed asset investments	-	70,907
Income from fixed asset investments		
Income from shares in group undertakings	-	3,500,000
Total income	-	3,570,907

8 Interest payable and similar expenses

	2018	2017
	£	£
Interest paid on other loans	-	155,748
Interest on finance leases and hire purchase contracts	739	-
Interest payable to group undertakings	1,811,570	83,382
Other interest on financial liabilities	-	181,257
Unwinding of discount on deferred consideration	115,805	-
Other interest	-	19,161
	1,928,114	439,548

9 Amounts written off investments fixed asset investments

	2018	2017
	£	£
Impairment of investment	(791,317)	-

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

10 Taxation

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
(Loss)/profit before taxation	(4,540,411)	2,295,613
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.00%)	(862,678)	436,166
Tax effect of expenses that are not deductible in determining taxable profit	-	2,064
Group relief	862,678	244,270
Dividend income	-	(682,500)
Taxation charge for the year	-	-

The changes to the main rate of corporation tax for UK companies announced in the Summer Finance Bill 2016 were substantively enacted for financial reporting purposes on 6 September 2016. The main changes in corporation tax rates, that will have accounting implications for deferred tax, are as follows:

- The main rate of corporation tax reduced from 20% to 19% from 1 April 2017.
- The main rate of corporation tax will further reduce to 17% from 1 April 2020.

11 Dividends

	2018 £	2017 £
Interim paid	-	1,000,017

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

12 Intangible fixed assets

	Goodwill £
Cost	
At 1 July 2017	-
Additions - separately acquired	11,052,283
	<hr/>
At 30 June 2018	11,052,283
	<hr/>
Amortisation and impairment	
At 1 July 2017	-
Amortisation charged for the year	478,298
	<hr/>
At 30 June 2018	478,298
	<hr/>
Carrying amount	
At 30 June 2018	10,573,985
	<hr/> <hr/>
At 30 June 2017	-
	<hr/> <hr/>

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

12 Intangible fixed assets

(Continued)

On 15 December 2017, the company acquired the trade, ongoing client engagements and certain assets of Cassons Business Advisors LLP and Cassons Associates ("Cassons") for total consideration of £4,822,625 including directly capitalised costs of £22,625. £1,560,000 of the gross consideration has been deferred and recorded at its present value of £1,500,000 in line with applicable standards.

On 4 February 2018, the company acquired the trade, ongoing client engagements and certain assets of Smith, Hodge & Baxter Chartered Accountants, Tax and Business Advisors ("SHB") for total consideration of £2,274,112 including directly capitalised costs of £105,627. £805,000 of the gross consideration has been deferred and recorded at its present value of £777,000 in line with applicable standards.

On 7 February 2018, the company acquired the trade, ongoing client engagements and certain assets of Rawlinsons Limited and its subsidiaries ("Rawlinsons") for total consideration of £4,770,742 including directly capitalised costs of £87,107. £893,000 of the gross consideration has been deferred and recorded at its present value of £877,000 in line with applicable standards. The company also acquired the share capital of certain Rawlinson subsidiaries and at the point of acquisition transferred the trade of these subsidiaries to the company. Consequently the amounts paid have been included within goodwill.

On 1 June 2018, the company acquired the trade, ongoing client engagements and certain assets of DHJH Accountants ("DHJH") for total consideration of £904,488 including directly capitalised costs of £16,134. £251,548 of the gross consideration has been deferred and recorded at its present value of £244,198 in line with applicable standards.

	Cassons	SHB	Rawlinsons	DHJH	Total
Fixed assets	-	20,000	25,000	1	45,001
Other debtors	960,499	268,986	700,082	49,861	1,979,428
Office reinstatement provision	(192,000)	(64,000)	(128,000)	(32,000)	(416,000)
	<u>768,499</u>	<u>224,986</u>	<u>597,082</u>	<u>17,862</u>	<u>1,608,429</u>
Consideration	<u>4,762,244</u>	<u>2,246,902</u>	<u>4,754,428</u>	<u>897,138</u>	<u>12,660,712</u>
Goodwill	<u>3,993,745</u>	<u>2,021,916</u>	<u>4,157,346</u>	<u>879,276</u>	<u>11,052,283</u>

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

13 Tangible fixed assets

	Leasehold improvements	Plant and fixtures, machinery & equipment	fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 July 2017	-	-	-	-	-
Additions	25,000	60,313	56,397	221,157	362,867
At 30 June 2018	25,000	60,313	56,397	221,157	362,867
Depreciation and impairment					
At 1 July 2017	-	-	-	-	-
Depreciation charged in the year	-	8,152	7,462	15,609	31,223
At 30 June 2018	-	8,152	7,462	15,609	31,223
Carrying amount					
At 30 June 2018	25,000	52,161	48,935	205,548	331,644
At 30 June 2017	-	-	-	-	-

£45,001 of the additions relate to acquisitions.

14 Fixed asset investments

	Notes	2018 £	2017 £
Investments in subsidiaries	15	16,324,354	16,428,870
Investments in associates	16	79	79
Total costs and net book value		16,324,433	16,428,949

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

14 Fixed asset investments

(Continued)

During the year, the company acquired the minority shareholdings of a number of Baldwins subsidiaries for total consideration of £254,847. The consideration was satisfied by the transfer of 4,014 A Ordinary shares and 250,833 preference shares in the ultimate parent company, Cogital TopCo Limited. The company has recorded the acquisition of the minority shareholdings as an increase in the cost of investment.

On 12 July 2017, the company incorporated Baldwins (Hetton-Le-Hole) Limited and subscribed to a share capital of 1 Ordinary share for consideration of £1.

On 25 July 2017, the company incorporated Baldwins (Acquisition1) Limited (initially renamed as Davies Mayers Barnett Limited and then as Baldwins (Cheltenham) Limited) and subscribed to a share capital of 1 Ordinary share for consideration of £1 for the purpose of acquiring the trade and assets of Davies Mayers Barnett LLP on 27 October 2017.

On 27 October 2017, the company acquired the whole of Barnett DM Limited share capital of 7 Ordinary shares for consideration of £394,261. An impairment provision for £394,261 has been made during the year.

The company has recorded a total impairment of £789,291 which has been established following a review of the fair value of each subsidiary entity prepared in anticipation of the post year end transfer of trade and net assets of the majority of the company's subsidiaries into the company.

Movements in fixed asset investments

	Shares in group undertakings and participating interests
	£
Cost	
At 1 July 2017	16,428,949
Additions	684,775
	<hr/>
At 30 June 2018	17,113,724
	<hr/>
Impairment	
At 1 July 2017	-
Impairment losses	789,291
	<hr/>
At 30 June 2018	789,291
	<hr/>
Carrying amount	
At 30 June 2018	16,324,433
	<hr/> <hr/>
At 30 June 2017	16,428,949
	<hr/> <hr/>

15 Subsidiaries

Details of the company's subsidiaries and undertakings at 30 June 2018 are as follows:

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

15 Subsidiaries

(Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Baldwins (Wolverhampton) Limited	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwin Turner Peachy Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Ashby) Ltd	England	Accountancy and Taxation services	Ordinary	90.00	
Baldwins (Bridgnorth) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Coventry) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Crook) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Derby) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Dursley) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Evesham) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Gloucester) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Guisborough) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Hexham) Limited *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Jesmond) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Leamington) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (North East) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Nottingham) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Nuneaton) Ltd	England	Non-trading	Ordinary	100.00	
Baldwins (Oswestry) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Seaton Burn) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Portobello) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Shrewsbury) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Stourbridge) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Tamworth) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Telford) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
Baldwins (Walsall) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

15	Subsidiaries					(Continued)
	Baldwins (Welshpool) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
	Baldwins (Worcester) Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
	Baldwins (Wynyard) Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
	Baldwins Corporate Finance Ltd	England	Corporate finance services	Ordinary	100.00	
	Baldwins Corporate Services Ltd	England	Accountancy and Taxation services	Ordinary	100.00	
	Baldwins McCranor Ltd	England	Non-trading	Ordinary	100.00	
	Baldwins Restructuring & Insolvency Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
	Baldwins Technology Solutions Limited	England	IT Support	Ordinary	100.00	
	Baldwins (Bicester) Limited	England	Accountancy and Taxation services	Ordinary	100.00	
	Clark Howes Auditing Solutions Limited	England	Accountancy and Taxation services	Ordinary	100.00	
	Clark Howes Business Services Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
	Clark Howes Group Limited	England	Accountancy and Taxation services	Ordinary	100.00	
	Clark Howes Ltd *	England	Accountancy and Taxation services	Ordinary	100.00	
	Baldwins (North West) Limited	England	Accountancy and Taxation services	Ordinary	100.00	
	CLB Coopers Services Ltd *	England	Non-trading	Ordinary	100.00	
	Cotswold Accountancy Ltd *	England	Non-trading	Ordinary	95.00	
	Cox Jerome Group Ltd *	England	Non-trading	Ordinary	100.00	
	Cox Jerome Taxation & Accountancy Ltd *	England	Non-trading	Ordinary	100.00	
	Baldwins (West Country) Limited	England	Non-trading	Ordinary	100.00	
	Fox Evans Ltd *	England	Non-trading	Ordinary	100.00	
	Baldwins (Cardiff) Limited	England	Accountancy and Taxation services	Ordinary	100.00	
	Minshalls Ltd *	England	Non-trading	Ordinary	100.00	
	Baldwins (Witney) Limited	England	Accountancy and Taxation services	Ordinary	100.00	
	Baldwins Payestaff Limited *	England	Accountancy and Taxation services	Ordinary	100.00	
	Taylor Rowlands Ltd *	England	Non-trading	Ordinary	100.00	
	Baldwins (Alnwick) Limited*	England	Accountancy and Taxation services	Ordinary	100.00	
	Baldwins (Advantage) Limited	England	Accountancy and Taxation services	Ordinary	100.00	
	Baldwins (Yarm) Limited*	England	Non-trading	Ordinary	100.00	
	Baldwins (Kettering) Limited	England	Accountancy and Taxation services	Ordinary	100.00	
	Baldwins (Cannock) Limited	England	Accountancy and Taxation services	Ordinary	100.00	

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

15 Subsidiaries				(Continued)
Campbell Dallas (Debt Solutions) Ltd*	Scotland	Provision of Debt Arrangement Scheme in Scotland	Ordinary	100.00
Campbell Dallas Limited	England	Accountancy and Taxation services	Ordinary	100.00
Baldwins (Hetton-Le-Hole) Limited*	England	Accountancy and Taxation services	Ordinary	100.00
Baldwins (Cheltenham) Limited	England	Accountancy and Taxation services	Ordinary	100.00
Barnett DM Limited*	England	Accountancy and Taxation services	Ordinary	100.00
Rawlinsons Limited	England	Accountancy and Taxation services	Ordinary	100.00
Rawlinsons Payroll and HR Limited*	England	Non-trading	Ordinary	100.00
Resolve Cambridge Limited*	England	Non-trading	Ordinary	100.00
Resolve London Limited*	England	Non-trading	Ordinary	100.00
Gittins Limited*	England	Non-trading	Ordinary	100.00
Campbell Dallas (South West) Limited*	Scotland	Accountancy and Taxation services	Ordinary	100.00
Baldwins (Stevenage) Limited	England	Accountancy and Taxation services	Ordinary	100.00
Group Property Holdings Limited	England	Non-trading	Ordinary	100.00
Baldwins (Acquisition 2) Limited	England	Accountancy and Taxation services	Ordinary	100.00
Baldwins (Acquisition 3) Limited	England	Accountancy and Taxation services	Ordinary	100.00

* represents investments that are held indirectly.

The registered office of all subsidiaries with the exception of the companies incorporated in Scotland is Churchill House, 59 Lichfield Street, Walsall, WS4 2BX. The registered office of the companies incorporated in Scotland is Titanium 1 Kings Inch Place, Renfrew, PA4 8WF.

16 Associates

Details of the company's associates at 30 June 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Group Audit Services Limited	England	Accountancy and Taxation services	Ordinary	49.00	0
Group Wills and Probate Services Limited	England	Probate services	Ordinary	5.00	0

The registered office of all associates is Churchill House, 59 Lichfield Street, Walsall, WS4 2BX.

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

17 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	1,516,468	-
Gross amounts due from contract customers	2,444,967	-
Corporation tax recoverable	369,419	369,419
Amounts due from group undertakings	74,774,983	49,074,892
Other debtors	305,263	3,535,914
Prepayments and accrued income	377,846	7,000
	<u>79,788,946</u>	<u>52,987,225</u>

18 Creditors: amounts falling due within one year

	Notes	2018	2017
		£	£
Bank loans and overdrafts	20	-	1,822,047
Other borrowings	20	52,112,436	11,418,882
Trade creditors		588,069	-
Amounts due to group undertakings		2,059,330	1,161,937
Amounts due to associated undertakings		-	30
Other taxation and social security		1,716,581	169,581
Other creditors		4,040,307	2,058,434
Accruals and deferred income		1,019,521	250,555
		<u>61,536,244</u>	<u>16,881,466</u>

19 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Deferred consideration	3,835,621	3,433,116
	<u>3,835,621</u>	<u>3,433,116</u>

20 Loans and overdrafts

	2018	2017
	£	£
Bank overdrafts	-	1,822,047
Other loans	52,112,436	11,418,882
	<u>52,112,436</u>	<u>13,240,929</u>
Payable within one year	52,112,436	13,240,929
	<u>52,112,436</u>	<u>13,240,929</u>

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

20 Loans and overdrafts (Continued)

Other loans represents amount due to Cogital Group companies. The balance is repayable on demand and incurs interest at 4.75%.

21 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	104,249	-

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

22 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
592,803 Ordinary of £1 each	592,803	592,803
825 Ordinary 'A' non-voting of £1 each	825	825
385,000 Ordinary 'B' non-voting of £1 each	385,000	385,000
15,200 Ordinary 'C' of £1 each	15,200	15,200
	<u>993,828</u>	<u>993,828</u>

23 Financial commitments, guarantees and contingent liabilities

In 2016 the company gave security to the bankers of the Baldwins Holdings Limited group of companies by way of a group cross guarantee supported by a debenture over the whole of the company's assets.

24 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases relating to property, which fall due as follows:

	2018 £	2017 £
Within one year	249,040	-
Between two and five years	865,717	-
In over five years	477,600	-
	<u>1,592,357</u>	<u>-</u>

25 Related party transactions

BALDWINS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

25 Related party transactions

(Continued)

In the normal course of business the company has a number of transactions with companies that are part of the Baldwins group of companies and are exempt from disclosing balances with wholly owned group companies. This includes intercompany recharges, management recharges and sales and purchases between these related parties made at market prices. Outstanding balances are unsecured, interest free and cash settlement is expected in line with normal trading terms.

The company has the following debtor/(creditor) balances with companies that are not wholly owned by the group:

Baldwins (Ashby) Limited £177,312 (2017 - £791,552)

Baldwins Audit Services Limited £934,726 (2017 - £39,093)

26 Ultimate controlling party

The immediate parent company is Baldwins Bidco Limited, a company registered in Jersey.

The smallest and largest group in which the company is consolidated, is Cogital Topco Limited. Copies of the group financial statements can be obtained at 2 Babmaes Street, (1st Floor), St James, London, SW1Y 6HD. The ultimate controlling company is Hg Capital 7 Nominees Limited, a company registered in England and Wales.

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.