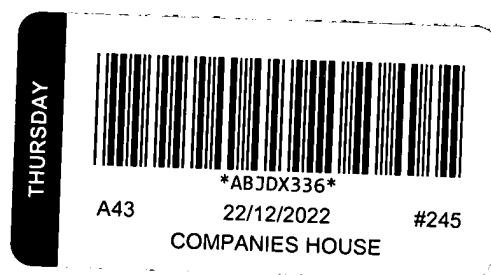


COMPANY REGISTRATION NUMBER: 11711583

**Markerstudy Limited**  
**Financial Statements**  
**31 December 2021**



# **Markerstudy Limited**

## **Financial Statements**

**Year ended 31 December 2021**

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# **Markerstudy Limited**

## **Officers and Professional Advisers**

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<b>The board of directors</b>	G Humphreys K J Barber K R Spencer M R Brittain
<b>Company secretary</b>	C Payne
<b>Registered office</b>	45 Westerham Road Bessels Green Sevenoaks Kent TN13 2QB
<b>Auditor</b>	RSM UK Audit LLP Chartered accountants Davidson House Forbury Square Reading RG1 3EU
<b>Bankers</b>	National Westminster Bank Plc 27 South Street Worthing West Sussex BN11 3AR

# Markerstudy Limited

## Directors' Report

### Year ended 31 December 2021

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

#### Principal activities

The principal activity of the company during the year was the provision of financing to related parties.

#### Directors

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

G Humphreys  
K J Barber  
K R Spencer  
M R Brittain

#### Events after the end of the reporting period

*Acquisition of BISL Limited and its subsidiaries BFSL Limited, ACM URL Limited and BGL Direct Life Limited (BGL Insurance)*

On 29 April 2022 the Markerstudy Group completed on the purchase of the Budget Insurance underwriting business, whereby it acquired BISL Limited, BFSL Limited, ACM URL Limited and BGL Direct Life Limited (BGL Insurance). BGL Insurance (BGLi) is a leading distributor in the insurance market and the group had a strong relationship with BGLi prior to the acquisitions, acting as an outsource partner to a number of Markerstudy brands, such as Co-op Eco, Zenith and Geoffrey. In addition to this BGLi places all glass replacement and repair through Auto Windscreens.

#### *Clegg Gifford*

On the 24th December 2021 the Markerstudy Group announced it had completed on the deal to acquire Lloyd's broker Clegg Gifford subject to regulatory approval. Formed in 1968 as a general insurance broker, Clegg Gifford later evolved into a Lloyd's broker and specialist in the UK motor trade market segment. Tradex Insurance Services is also being acquired as part of this same transaction. The Group have received FCA approval for Clegg Gifford and are awaiting PRA approval for Tradex Insurance Services. The two transactions will need to complete at the same time, and are expected to complete by end of October 2022.

#### *CVC debt facility*

During 2020 and 2021 the Group sourced a debt raise to enable the purchase of Clegg Gifford and Budget Group. On 29 April 2022 the Group agreed to a £460m debt facility with CVC Credit Partners, of which £385m is a unitranche debt facility and £75m is a RCF debt facility. As of 31 August 2022, the Group has drawn down c£297.6m of the facility, of which £267.6m relates to the unitranche facility and £30m relates to the RCF facility. The remaining balance of the unitranche facility is ring-fenced for the pending acquisition of Clegg Gifford, while the remaining balance of the RCF facility is available for working capital and cash flows.

# **Markerstudy Limited**

## **Directors' Report**

**Year ended 31 December 2021**

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### **Auditor**

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be reappointed as auditors in the absence of an Annual General Meeting.

### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 12 October 2022 and signed on behalf of the board by:



M R Brittain  
Director

Registered office:  
45 Westerham Road  
Bessels Green  
Sevenoaks  
Kent  
TN13 2QB

# **Markerstudy Limited**

## **Directors' Responsibilities Statement**

**Year ended 31 December 2021**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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;
- 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARKERSTUDY LIMITED**

### **Opinion**

We have audited the financial statements of Markerstudy Limited (the 'company') for the year ended 31 December 2021 which comprises the statement of comprehensive income, the statement of financial position and notes to the financial statements, including 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 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

### **Emphasis of matter – recovery of amount due from related party**

We draw attention to note 7 of the financial statements concerning the recoverability of the related party balance of £120,979,022 (2020: £nil) included in long term debtors. As set out in note 7, the company expects to recover intercompany balances through a sequence of property and other transactions, the majority of which includes an exit by the current investors. Given that the timing of the transactions and an exit occurring is not certain, or well progressed, there is a material uncertainty as to when the related party balance of £120,979,022 will be recovered. The ultimate outcome of the timing, cannot presently be determined and the directors have made no adjustments to the financial statements. Our opinion is not modified in respect of this matter.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARKERSTUDY LIMITED**

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

We have nothing to report in this regard.

### **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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARKERSTUDY LIMITED

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

There are no significant laws and regulations that have an indirect impact on the financial statements.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARKERSTUDY LIMITED

### 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.

*Caroline Watson*

Caroline Watson ACA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Davidson House  
Forbury Square  
Reading  
Berkshire

RG1 3EU

Date 13 October 2022

# Markerstudy Limited

## Statement of Comprehensive Income

Year ended 31 December 2021

	Note	2021 £	2020 £
Administrative expenses		(12,150)	(13,500)
<b>Operating loss</b>		(12,150)	(13,500)
Other interest receivable and similar income	5	1,405,479	—
<b>Profit/(loss) before taxation</b>		1,393,329	(13,500)
Tax on profit/(loss)	6	(342,953)	(28,633)
<b>Profit/(loss) for the financial year and total comprehensive income</b>		<u>1,050,376</u>	<u>(42,133)</u>

All the activities of the company are from continuing operations.

# Markerstudy Limited

## Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors: due within one year	7	15,337,430	68,769,444
Debtors: due after more than one year	7	115,753,596	–
Cash at bank and in hand		100	–
		<u>131,091,126</u>	<u>68,769,444</u>
<b>Creditors: amounts falling due within one year</b>	8	(76,392,302)	(68,811,576)
<b>Net current assets/(liabilities)</b>		<u>54,698,824</u>	<u>(42,132)</u>
<b>Total assets less current liabilities</b>		<u>54,698,824</u>	<u>(42,132)</u>
<b>Net assets/(liabilities)</b>		<u>54,698,824</u>	<u>(42,132)</u>
<b>Capital and reserves</b>			
Called up share capital	9	2	1
Profit and loss account	10	54,698,822	(42,133)
<b>Shareholders funds/(deficit)</b>		<u>54,698,824</u>	<u>(42,132)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 12 October 2022, and are signed on behalf of the board by:



M R Brittain  
Director

Company registration number: 11711583

# Markerstudy Limited

## Notes to the Financial Statements

Year ended 31 December 2021

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### 1. General information

The company is a private company limited by shares, incorporated and registered in England and Wales. The address of the registered office is 45 Westerham Road, Bessels Green, Sevenoaks, Kent, TN13 2QB.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' ("FRS 102"), and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis and are prepared in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £.

#### Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Markerstudy Group Holdings Limited, a company registered in the United Kingdom. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

#### Going concern

The group of companies headed by Venus Topco Limited as at 31 December 2021 (the 'Markerstudy Group') and Markerstudy Limited (the 'Company') are expected to generate positive cash flows for a period of at least 18 months from the date of approval of these financial statements.

On 27 January 2021 the directors of the Markerstudy Group agreed to a capital injection deal, in excess of £200m, led by Pollen Street Capital ("PSC") which completed on 14 July 2021. The capital injection was split as follows: £91.8m from PSC via a combination of senior preference shares and A ordinary shares; £29.0m from Qatar Insurance Company ("QIC") via a combination of mid preference shares and A ordinary shares and third party unitranche senior debt of £92.6m. The deal has enabled the Markerstudy Group to satisfy all its prior financial obligations to QIC.

As part of this transaction, the Markerstudy Group has been restructured. Following the restructure, the ultimate parent company in place at 1 January 2021, Markerstudy Holdings Limited ("MHL"), and one of its subsidiaries, Markerstudy International Limited, are expected to be liquidated in the near future. All of their assets and liabilities have already been transferred, and accepted, by other group companies at their carrying value without adjustment. The remaining subsidiary entities continue to operate under the new group structure, with Venus Topco Limited the new ultimate parent company.

# Markerstudy Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2021

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#### 3. Accounting policies *(continued)*

##### Going concern *(continued)*

Venus Topco Limited has provided a letter of support confirming that its commitment is to continue to provide financial support to the Company such that it will continue to be able to meet its obligations as they fall due for a period of at least 12 months from the date of approval of these financial statements. The Group is forecast to generate positive future cash flows, after servicing debt and capex, and Management are therefore confident that Venus Topco Limited will have sufficient positive cash flows to support the Company.

Due to the completion of the capital injection deal led by PSC in 2021 and the strengthening results of the Group since the easing of lockdown restrictions in 2022, and the support from Venus Topco Limited, the Directors are confident that the Company will have adequate resources to continue in operational existence for the foreseeable future. Subsequent to the year end, Management have also sourced a debt facility through CVC Credit Partners, which is detailed in note 14, and is comprised of a £385m unitranche debt facility and £75m RCF debt facility. As at August 2022, the Group had drawn down c£267.6m of the unitranche debt facility, with the remaining balance ring-fenced for the pending acquisition of Clegg Gifford, also detailed in note 14. The Group has drawn down £30m of the RCF facility; the remaining balance is available for working capital and cash flows. The acquisitions after the year end, as detailed in note 14, have also contributed to the growth and recovery of the Group. For these reasons, management continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Management are monitoring inflation alongside the current cost of living and energy crises. The longevity and impact of these issues on the Markerstudy Group are difficult to predict and will be largely dependent on the UK government's response. Some increases to overheads, such as property and fuel costs, will be unavoidable. Management will continue to review the Group's cost base and identify any areas where cost savings can be made to mitigate these including looking at new energy providers and leveraging on the Group's size and strength to lower or cap costs. In addition, management will look at hedging interest rates to help with the potential increases in rates to reduce the Group's exposure.

The directors continue to monitor the effect of the ongoing worldwide pandemic of Covid-19, which has had an impact on the short term performance of the Company. Despite the continued widespread roll out of a Covid-19 vaccine, there is still some uncertainty due to several variants that have become prevalent globally. The UK Government are reluctant to reintroduce a full national lockdown, but it cannot be ruled out. There is medium to long term uncertainty and risk as a result of this, however greater understanding of these risks will be known when the longer-term effect of the pandemic is clearer and to what extent it changes demand and working practices.

Markerstudy Group Management took several steps throughout the Covid-19 pandemic to mitigate the impacts caused by it. The Markerstudy Group is now seeing revenue and volumes recovering to pre-pandemic levels. Despite the ongoing uncertainty as to the longevity of the Covid-19 crisis and its continued impact, the directors now feel that they are in a better position to be able to predict and where possible react should any further impact from the pandemic arise.

##### Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

# Markerstudy Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

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### 3. Accounting policies *(continued)*

#### Taxation *(continued)*

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

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### 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, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Financial assets

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

#### Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments 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.

# Markerstudy Limited

## Notes to the Financial Statements (continued)

Year ended 31 December 2021

### 3. Accounting policies (continued)

#### Financial instruments (continued)

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

#### Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, 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. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### Judgements and key sources of estimation uncertainty

In preparing these financial statements, the directors did not have to make any significant judgements or estimates.

### 4. Auditor's remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	11,250	12,000
Fees payable to the company's auditor and its associates for other services: Taxation advisory services	750	1,500

### 5. Other interest receivable and similar income

	2021 £	2020 £
Interest on loans and receivables	1,405,479	—

### 6. Tax on profit/(loss)

#### Major components of tax expense

	2021 £	2020 £
<b>Current tax:</b>		
UK current tax expense	342,953	28,633
<b>Tax on profit/(loss)</b>	<b>342,953</b>	<b>28,633</b>

# Markerstudy Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

### 6. Tax on profit/(loss) *(continued)*

#### Reconciliation of tax expense

The tax assessed on the loss on ordinary activities for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Profit/(loss) on ordinary activities before taxation	1,393,329	(13,500)
Profit/(loss) on ordinary activities by rate of tax	264,733	(2,565)
Expenses not deductible for tax purposes	29	–
Transfer pricing adjustments	78,191	31,198
Tax on profit/(loss)	342,953	28,633

### 7. Debtors

Debtors falling due within one year are as follows:

	2021 £	2020 £
Amounts owed by group undertakings	10,112,004	3,013,792
Other debtors	5,225,426	65,755,652
	15,337,430	68,769,444

Debtors falling due after one year are as follows:

	2021 £	2020 £
Other debtors	115,753,596	–

On 13 July 2021 amounts totalling £119,573,542 were formalised into an interest-bearing loan. From this date an interest rate of 6% per annum is applied to Tranche A totalling £50m. Tranche B, totalling £69,573,542, is non-interest bearing. The loan is repayable in instalments and matures on 13 July 2027. Included in other debtors due within one year is £1,405,479 (2020: £Nil) of interest receivable on this loan and £3,819,946 (2020: £Nil) which has been repaid on 19 May 2022. As at 31 December 2020 amounts included in other debtors were non-interest bearing and repayable on demand. Management have identified the steps required to meet the repayment instalments, however, some of these are contingent on other events. Any of the steps not occurring as anticipated could result in repayments not being made on time unless alternative funds are identified.

### 8. Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	75,997,616	68,769,443
Accruals and deferred income	23,100	13,500
Corporation tax	371,586	28,633
	76,392,302	68,811,576

Amounts owed to group undertakings are non-interest bearing and repayable on demand.

# Markerstudy Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

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### 9. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>

On 9 June 2021 1 ordinary share of nominal value £1 was issued. Amounts paid for this issue of shares totalled £53,690,580. The £53,690,579 share premium account was cancelled on the same date and credited to distributable reserves. The company's ordinary shares, which do not carry the right to fixed income, each carry the right to one vote at general meetings of the company.

### 10. Reserves

Profit and loss account - cumulative profit and loss net of distributions to owners.

### 11. Other financial commitments

On 13 September 2021 the Company entered into a Unlimited Multilateral Guarantee in respect of borrowings of Venus Bidco Limited and its associated undertakings; Markerstudy Insurance Services Limited, Markerstudy Direct Limited Vision Vehicle Solutions Limited, Insurance Factory Limited, Brightside Group Limited, Brightside Insurance Services Limited and Auto Windscreens Services Limited.

On 23 December 2021 the above guarantee was amended and restated in respect of additional borrowings to facilitate acquisitions within the Markerstudy Group. The amount of borrowings outstanding subject to this guarantee at 31 December 2021 was £267.6m.

The security on this guarantee is a fixed and floating charge over the assets of the above companies.

### 12. Related party transactions

The following amounts were outstanding at the reporting end date:

Amounts owed from related parties

	2021	2020
	£	£
Other related parties	120,979,022	63,155,651

During the year £1,405,479 (2020: £nil) of interest was received from other related parties.

Other related parties comprise companies in the group headed by Armature Limited and are related by virtue of common control. K R Spencer is a director and shareholder of Armature Limited.

# Markerstudy Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

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### 13. Controlling party

At the start of the year the immediate and ultimate parent company was Markerstudy Holding Limited, a company registered in Gibraltar.

On 15 July 2021 the Markerstudy Group was restructured. The new immediate parent undertaking is Markerstudy Group Limited, a company registered in the United Kingdom. The new ultimate holding company is Venus Topco Limited, a company registered in Jersey. The smallest and largest groups consolidating the results of the company are Markerstudy Group Holdings Limited and Venus Topco Limited respectively. The Markerstudy Group Holdings Limited accounts can be obtained from the registered office of the company at Markerstudy House, 45 Westerham Road, Bessels Green, Sevenoaks, Kent, United Kingdom, TN13 2QB. The consolidated financial statements of Venus Topco Limited can be obtained from PO Box 656, East Wing Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3PP.

The new ultimate parent undertaking is PSC Nominee 4 Limited, as nominee for PSC IV LP, PSC IV B LP and PSC IV (C) SCSp. The Company's ultimate controlling party are PSC IV LP, PSC IV B LP and PSC IV (C) SCSp, funds managed by Pollen Street Capital Limited (a subsidiary of Pollen Street Capital Holdings Limited).

### 14 Events after the end of the reporting period

*Acquisition of BISL Limited and its subsidiaries BFSL Limited, ACM URL Limited and BGL Direct Life Limited (BGL Insurance)*

On 29 April 2022 the Markerstudy Group completed on the purchase of the Budget Insurance underwriting business, whereby it acquired BISL Limited, BFSL Limited, ACM URL Limited and BGL Direct Life Limited (BGL Insurance). BGL Insurance (BGLi) is a leading distributor in the insurance market and the group had a strong relationship with BGLi prior to the acquisitions, acting as an outsource partner to a number of Markerstudy brands, such as Co-op Eco, Zenith and Geoffrey. In addition to this BGLi places all glass replacement and repair through Auto Windscreens.

*Clegg Gifford*

On the 24th December 2021 the Markerstudy Group announced it had completed on the deal to acquire Lloyd's broker Clegg Gifford subject to regulatory approval. Formed in 1968 as a general insurance broker, Clegg Gifford later evolved into a Lloyd's broker and specialist in the UK motor trade market segment. Tradex Insurance Services is also being acquired as part of this same transaction. The Group have received FCA approval for Clegg Gifford and are awaiting PRA approval for Tradex Insurance Services. The two transactions will need to complete at the same time, and are expected to complete by end of October 2022.

*CVC debt facility*

During 2020 and 2021 the Group sourced a debt raise to enable the purchase of Clegg Gifford and Budget Group. On 29 April 2022 the Group agreed to a £460m debt facility with CVC Credit Partners, of which £385m is a unitranche debt facility and £75m is a RCF debt facility. As of 31 August 2022, the Group has drawn down c£297.6m of the facility, of which £267.6m relates to the unitranche facility and £30m relates to the RCF facility. The remaining balance of the unitranche facility is ring-fenced for the pending acquisition of Clegg Gifford, while the remaining balance of the RCF facility is available for working capital and cash flows.