

COMPANY REGISTRATION NUMBER: 12316135

Markerstudy (Investments) Limited
Financial Statements
31 December 2021

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Markerstudy (Investments) Limited

Financial Statements

Period from 1 December 2020 to 31 December 2021

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Markerstudy (Investments) Limited

Officers and Professional Advisers

The board of directors

G Humphreys
K Spencer
K J Barber

Company secretary

C J Payne

Registered office

45 Westerham Road
Bessels Green
Sevenoaks
Kent
United Kingdom
TN13 2QB

Auditor

RSM UK Audit LLP
Chartered accountants
Davidson House
Forbury Square
Reading
RG1 3EU

Bankers

National Westminster Bank Plc
27 South Street
Worthing
West Sussex
BN11 3AR

Markerstudy (Investments) Limited

Directors' Report

Period from 1 December 2020 to 31 December 2021

The directors present their report and the financial statements of the company for the 13 month period ended 31 December 2021.

The accounting period was extended from 30 November 2021 to 31 December 2021, resulting in a 13 month reporting period. This was to amend the year-end date to 31 December to be consistent with the rest of the Markerstudy Group. As a result, the prior period amounts are not entirely comparable.

Principal activities

The principal activity of the company during the period was that of an investment holding company.

Directors

The directors who served the company during the period were as follows:

G Humphreys
K Spencer
K J Barber

Events after the end of the reporting period

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

On 29 April 2022 the Group completed the purchase of BISL Limited and its subsidiaries BFSL Limited, ACM ULR Limited and BGL Direct Life Limited ("BGLi") for a consideration of £419.3 million.

BGLi is a leading distributor in the insurance market and already had a strong relationship with the Group, acting as an outsource partner to a number of Markerstudy brands, such as Co-op Eco, Zenith and Geoffrey. In addition, BGLi places all glass replacement and repair work through Auto Windscreens.

Acquisition of Clegg Gifford

On 24 December 2021 the Group announced an agreement to purchase Lloyd's of London broker Clegg Gifford via the acquisition of Clegg Gifford Holdings Limited and its subsidiary Clegg Gifford & Co Limited ("Clegg Gifford"). Formed in 1968 as a general insurance broker, Clegg Gifford later evolved into a Lloyd's broker and a specialist in the UK motor trade market segment.

As part of this same transaction the Group will acquire a non-controlling stake in Tradex Insurance Holdings Limited and its subsidiary Tradex Insurance Company Limited ("Tradex").

FCA approval for Clegg Gifford has been received but PRA approval for the transfer of ownership of Tradex is still outstanding. The two transactions will need to complete at the same time and are expected to complete in early 2023.

Debt facility and convertible loan notes

On 29 April 2022 the Group agreed an additional £460 million debt facility, of which £385m is a unitranche debt facility and £75m revolving credit facility ("RCF"). The Group has drawn down £267.6m of the unitranche facility and £30m of the RCF. The remaining balance of the unitranche facility is ring-fenced for the pending acquisition of Clegg Gifford, while the remaining balance of the RCF is available for working capital and cash flows.

In addition, the Group issued £113.6 million of convertible loan notes to support the BGLi acquisition.

Markerstudy (Investments) Limited

Directors' Report *(continued)*

Period from 1 December 2020 to 31 December 2021

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.

This report was approved by the board of directors on 6 March 2023 and signed on behalf of the board by:



K J Barber
Director

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

Markerstudy (Investments) Limited

Directors' Responsibilities Statement

Period from 1 December 2020 to 31 December 2021

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 period. 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 (INVESTMENTS) LIMITED

Opinion

We have audited the financial statements of Markerstudy (Investments) Limited (the 'company') for the period ended 31 December 2021 which comprises the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Changes in Equity 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 loss for the period 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.

Other matters

The company was not required to have a statutory audit for the period ended 30 November 2020 as it was entitled to exemption from the provision of the Companies Act 2006 relating to the audit of the financial statements for the period by virtue of Section 477 and no member or members requested an audit pursuant to Section 476 of the Act. Accordingly the corresponding figures for the period ended 30 November 2020 are unaudited.

Emphasis of matter – non-going concern basis of accounting

We draw attention to the disclosure made in the accounting policies on pages 12 and 13 within the notes to the financial statements, concerning the company's use of a basis of accounting other than going concern. As described on pages 12 and 13, the company has ceased trade. Therefore, in accordance with FRS 102, the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting.

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 (INVESTMENTS) 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 period 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARKERSTUDY (INVESTMENTS) LIMITED

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.

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 and the Companies Act 2006 and tax compliance. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the areas 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, 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 (INVESTMENTS) 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 (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 06/03/23

Markerstudy (Investments) Limited

Statement of Comprehensive Income

Period from 1 December 2020 to 31 December 2021

	Period from 1 Dec 20 to 31 Dec 21 £	Period from 15 Nov 19 to 30 Nov 20 (unaudited) £
	Note	
Administrative expenses	(13,000)	(176,750)
Operating loss	(13,000)	(176,750)
Interest payable and similar expenses	5 (1,014,323)	(151,675)
Loss before taxation	(1,027,323)	(328,425)
Tax on loss	6 —	—
Loss for the financial period and total comprehensive income	(1,027,323)	(328,425)

The notes on pages 12 to 18 form part of these financial statements.

Markerstudy (Investments) Limited

Statement of Financial Position

Period from 1 December 2020 to 31 December 2021

	Note	31 Dec 21 £	30 Nov 20 (unaudited) £
Fixed assets			
Investments	7	–	35,000,000
Current assets			
Debtors	8	50,001,000	1,435,575
Cash at bank and in hand		2,135	–
		<u>50,003,135</u>	<u>1,435,575</u>
Creditors: amounts falling due within one year	9	<u>(42,877,883)</u>	<u>(36,763,000)</u>
Net current assets/(liabilities)		<u>7,125,252</u>	<u>(35,327,425)</u>
Total assets less current liabilities		<u>7,125,252</u>	<u>(327,425)</u>
Net assets/(liabilities)		<u>7,125,252</u>	<u>(327,425)</u>
Capital and reserves			
Called up share capital	10	8,001,000	1,000
Share premium account	11	480,000	–
Profit and loss account	11	<u>(1,355,748)</u>	<u>(328,425)</u>
Shareholders' funds/(deficit)		<u>7,125,252</u>	<u>(327,425)</u>

These financial statements were approved by the board of directors and authorised for issue on 6 March 2023, and are signed on behalf of the board by:



K J Barber
Director

Company registration number: 12316135

The notes on pages 12 to 18 form part of these financial statements.

Markerstudy (Investments) Limited

Statement of Changes in Equity

Period from 1 December 2020 to 31 December 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 15 November 2019	–	–	–	–
Loss for the period	–	–	(328,425)	(328,425)
Total comprehensive income for the period	–	–	(328,425)	(328,425)
Issue of shares	1,000	–	–	1,000
Total investments by and distributions to owners	1,000	–	–	1,000
At 30 November 2020	1,000	–	(328,425)	(327,425)
Loss for the period	–	–	(1,027,323)	(1,027,323)
Total comprehensive income for the period	–	–	(1,027,323)	(1,027,323)
Issue of shares	8,000,000	480,000	–	8,480,000
Total investments by and distributions to owners	8,000,000	480,000	–	8,480,000
At 31 December 2021	8,001,000	480,000	(1,355,748)	7,125,252

The notes on pages 12 to 18 form part of these financial statements.

Markerstudy (Investments) Limited

Notes to the Financial Statements

Period from 1 December 2020 to 31 December 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 45 Westerham Road, Bessels Green, Sevenoaks, Kent, TN13 2QB. The principal activity of the company during the period was that of an investment holding company.

2. Statement of compliance

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 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 in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The group of companies headed by Venus Topco Limited as at 31 December 2021 (the 'Markerstudy Group') are expected to generate positive cash flows for a period of at least 12 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.

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. As at the 31 December 2021, Markerstudy (Investments) Limited's net assets are £7,125,252 (2020: £327,425 liability) and net current assets are £7,125,252 (2020: £35,327,425 liability).

Markerstudy (Investments) Limited

Notes to the Financial Statements *(continued)*

Period from 1 December 2020 to 31 December 2021

3. Accounting policies *(continued)*

Going concern *(continued)*

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 30 September 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-terms 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.

The Company's trade is currently in run-off and accordingly the financial statements have been prepared on a basis other than that of a going concern. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Markerstudy (Investments) Limited

Notes to the Financial Statements *(continued)*

Period from 1 December 2020 to 31 December 2021

3. Accounting policies *(continued)*

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 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors 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.

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

Equity instruments

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

Judgements and key sources of estimation uncertainty

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

Markerstudy (Investments) Limited

Notes to the Financial Statements *(continued)*

Period from 1 December 2020 to 31 December 2021

4. Auditor's remuneration

	Period from 1 Dec 20 to 31 Dec 21 £	Period from 15 Nov 19 to 30 Nov 20 (unaudited) £
Fees payable for the audit of the financial statements	12,250	–
Fees payable to the company's auditor and its associates for other services: Taxation advisory services	750	–

5. Interest payable and similar expenses

	Period from 1 Dec 20 to 31 Dec 21 £	Period from 15 Nov 19 to 30 Nov 20 (unaudited) £
Other interest payable and similar charges	1,014,323	151,675

6. Tax on loss

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%).

	Period from 1 Dec 20 to 31 Dec 21 £	Period from 15 Nov 19 to 30 Nov 20 (unaudited) £
Loss on ordinary activities before taxation	(1,027,323)	(328,425)
Loss on ordinary activities by rate of tax	(195,191)	(62,401)
Transfer pricing adjustments	5,123	53,886
Group relief surrendered/(claimed)	1,140	–
Movement in deferred tax not recognised	188,928	8,515
Tax on loss	–	–

7. Investments

	Investments £
Cost	
At 1 December 2020	35,000,000
Disposals	(35,000,000)
At 31 December 2021	–
Carrying amount	
At 31 December 2021	–
At 30 November 2020	35,000,000

Markerstudy (Investments) Limited

Notes to the Financial Statements *(continued)*

Period from 1 December 2020 to 31 December 2021

8. Debtors

	31 Dec 21	30 Nov 20 (unaudited)
	£	£
Amounts owed by group undertakings	50,000,000	–
Other debtors	1,000	1,435,575
	<u>50,001,000</u>	<u>1,435,575</u>

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

9. Creditors: amounts falling due within one year

	31 Dec 21	30 Nov 20 (unaudited)
	£	£
Amounts owed to group undertakings	42,651,883	–
Accruals and deferred income	26,000	13,000
Other creditors	200,000	36,750,000
	<u>42,877,883</u>	<u>36,763,000</u>

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

Included within other creditors are formalised loans of £Nil (2020: £3,500,000), £Nil (2020: £10,250,000) and £Nil (2020: £8,000,000). Interest rates of 6%, 5% and 0% per annum, respectively, is being charged on these loans. During the period these amounts were repaid in full.

10. Called up share capital

Issued, called up and fully paid

	31 Dec 21		30 Nov 20	
	No.	£	No.	£
Ordinary shares of £1 each	<u>8,001,000</u>	<u>8,001,000</u>	<u>1,000</u>	<u>1,000</u>

On 14 July 2021 8,000,000 ordinary shares of nominal value £1 were issued. Amounts paid for this issue of shares totalled £8,480,000. The share premium account at the year end was £480,000 (2020: £Nil). 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.

11. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

Markerstudy (Investments) Limited

Notes to the Financial Statements *(continued)*

Period from 1 December 2020 to 31 December 2021

12. Related party transactions

Included in other debtors is £Nil (2020: £1,434,575) due from Markerstudy Holdings Limited, an entity of which K Spencer is also a director. The loan is non-interest bearing and repayable on demand.

Included in other creditors is £200,000 (2020: £Nil) due to SQIB Limited, an entity of which K Spencer is also a director. The loan is non-interest bearing and repayable on demand.

Included in other creditors is £Nil (2020: £5,000,000) due to Markerstudy International Limited, £Nil (2020: £3,000,000) due to Markerstudy Direct Limited, and £Nil (2020: £7,000,000) due to Markerstudy Limited. The three entities are related as K Spencer is also a director. The loans are non-interest bearing and repayable on demand.

The company has not disclosed transactions with wholly owned subsidiaries of Markerstudy Holdings Limited, as per section 33.1 of FRS 102.

13. Controlling party

The immediate parent undertaking is Markerstudy Group Limited, a company registered in the United Kingdom. The ultimate holding company is Venus Topco Limited, a company registered in Guernsey. 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 ULR Limited and BGL Direct Life Limited (BGL Insurance)

On 29 April 2022 the Group completed the purchase of BISL Limited and its subsidiaries BFSL Limited, ACM ULR Limited and BGL Direct Life Limited ("BGLi") for a consideration of £419.3 million.

BGLi is a leading distributor in the insurance market and already had a strong relationship with the Group, acting as an outsource partner to a number of Markerstudy brands, such as Co-op Eco, Zenith and Geoffrey. In addition, BGLi places all glass replacement and repair work through Auto Windscreens.

Acquisition of Clegg Gifford

On 24 December 2021 the Group announced an agreement to purchase Lloyd's of London broker Clegg Gifford via the acquisition of Clegg Gifford Holdings Limited and its subsidiary Clegg Gifford & Co Limited ("Clegg Gifford"). Formed in 1968 as a general insurance broker, Clegg Gifford later evolved into a Lloyd's broker and a specialist in the UK motor trade market segment.

Markerstudy (Investments) Limited

Notes to the Financial Statements *(continued)*

Period from 1 December 2020 to 31 December 2021

14. Events after the end of the reporting period *(continued)*

As part of this same transaction the Group will acquire a non-controlling stake in Tradex Insurance Holdings Limited and its subsidiary Tradex Insurance Company Limited ("Tradex").

FCA approval for Clegg Gifford has been received but PRA approval for the transfer of ownership of Tradex is still outstanding. The two transactions will need to complete at the same time and are expected to complete in early 2023.

Debt facility and convertible loan notes

On 29 April 2022 the Group agreed an additional £460 million debt facility, of which £385m is a unitranche debt facility and £75m revolving credit facility ("RCF"). The Group has drawn down £267.6m of the unitranche facility and £30m of the RCF. The remaining balance of the unitranche facility is ring-fenced for the pending acquisition of Clegg Gifford, while the remaining balance of the RCF is available for working capital and cash flows.

In addition, the Group issued £113.6 million of convertible loan notes to support the BGLi acquisition.